



NATIONAL INTEGRITY SYSTEM STUDY

CIVIL SOCIETY ORGANISATIONS

DISCUSSION PAPER 7
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About the Transparency Vanuatu National Integrity System Study Discussion Papers Series

The National Integrity System (NIS) study follows a methodology developed by the Transparency International Secretariat in Berlin. This methodology provides the structure of the report and identifies the questions to be addressed. The Vanuatu NIS study examines 13 key institutions, or “pillars”: legislature, executive, judiciary, ombudsman, auditor general, public service, law enforcement, media, private business, customary authorities, electoral commission, political parties and civil society. The research aims to develop consensus of the key recommendations for change. Each pillar discussion paper is based upon review of laws, documents and interviews. Discussion papers are released to the advisory group, external reviewer and the public. The discussion paper is a work-in-progress. All comments, corrections or additions are welcome. Comments are requested by the end of March 2014. Comments can be returned to Transparency Vanuatu in writing or in person (contact details above). If you would like to be added to the email list to be notified when further discussion papers are released or when public meetings on the report are held please contact Transparency Vanuatu.

SUMMARY

There are few civil society organisations (CSOs) in Vanuatu that have a specific anti-corruption mandate, although many of them do address issues of governance more generally. CSOs face challenges due to the general issue of limited human resource capacity within Vanuatu. The geographical nature of Vanuatu also makes it difficult for NGOs to effectively and sustainably engage with communities throughout the country or to mobilise the public to demand that government is held accountable for its actions. Another issue which makes it difficult for CSOs to effectively fulfil their role within the national integrity system is that there is no forum within which CSOs and government can engage. Internal governance mechanisms are variable, and very much depend upon the individual CSO. This is another area which needs strengthening across the entire CSO sector.

RECOMMENDATIONS

- 1) There are currently a number of weaknesses in respect of the governance of CSOs. In an effort to begin addressing those weaknesses VANGO currently is developing a 5 year strategic plan which includes developing a manual for board governance.¹ It is recommended that:
 - a) VANGO be provided with donor support to become an effective and functioning body.
 - b) VANGO assumes responsibility for developing a CSO code of conduct which covers, amongst other things, issues of transparency to the public and accountability to members and monitoring and assessing adherence to it.

¹ Glenda Shing, Vanuatu Daily Post Online 10 December 2013 <http://www.dailypost.vu/content/weak-governance-within-vango-board>

- c) VANGO creates a mechanism for providing support to smaller local organisations to assist them in meeting the CSO code of conduct in order to help facilitate integrity building as opposed to merely imposing regulations.
- 2) Addressing common issues collaboratively utilises scarce resources efficiently and can help to develop more sustainable and widespread activities. It is recommended that:
- a) Aid donors seek ways to increase collaboration between CSOs when projects are being funded.
 - b) Transparency Vanuatu uses the current work of Oxfam Vanuatu on mapping CSO activities in the area of governance to build and maintain a network of “anti-corruption NGOs” and that this network be used to identify common interests and develop joint projects.
- 3) Currently there is no clear forum for government/CSO dialogue on anti-corruption initiatives. It is recommended that the Vanuatu government establish an anti-corruption or national integrity committee made up of both government and non government representatives and that this committee develops an anti-corruption/national integrity strategy, using the outcomes of the 2014 national integrity systems report as a starting point for this strategy.

STRUCTURE AND ORGANISATION

Faasau-Pasikala classified CSOs that can be found within Vanuatu as follows:

1. Community-based organisations (CBOs)
2. Charitable associations
3. Companies established for charitable or other useful purposes
4. Other organisations governed by specific laws (including religious associations)
5. International organisations working within Vanuatu (such as Oxfam or Save the Children)²

CBOs are usually formed by groups of men, women and youth from the villages. For instance, many villages will have women’s groups, youth groups, and other community governance groups such as a water supply committee. These represent CSOs that are created by written or oral agreement between its members, but are not registered or incorporated under any statute. They are particularly important for community governance. Religious associations are also very important at the community governance level. Christianity is now intertwined with tradition and in relation to customary social systems ‘[r]eligious affiliation is second in importance only to kinship and neighbourhood ties’.³ As a result religious leaders often play a traditional leadership role. Further, community-based organisations based on religious affiliation are common. Whilst formally registered non governmental organisations (NGOs) will frequently interact with CBOs and religious associations when carrying out “grass-roots level” activities both usually operate outside of the more formalised CSO sector so are not discussed specifically in the analysis of CSO capacity or governance in this report.

Instead, this report focuses on the formalised NGO sector, which is primarily comprised of associations registered under the Charitable Associations Act and includes international NGOs operating within Vanuatu. This formalised sector is primarily Port Vila based. It can be divided into two layers: international NGOs with a local Vanuatu office and endemic NGOs.

² Amelia Fasi Pasikala Faasau, Report on Laws Affecting Civil Society in Vanuatu (2004) 4-5.

³ Lamont Lindstrom, ‘Vanuatu’ in Ember and Ember (eds) *Countries and their Cultures* (2001) 2391, 2394.

The umbrella body for NGOs and CBOs in Vanuatu is VANGO. It was formed in 1991 and had 123 registered members in August 2012. Its primary role is to help 'NGOs and CBOs to initiate action, give voice to their concerns and work collaboratively with other development actors for just and sustainable human development.'⁴ VANGO has, however, suffered from issues of weak governance so has not been active in fulfilling this role in some time. An extraordinary general meeting of VANGO was held in December 2013 as a 'step forward in the progress of the rehabilitation of VANGO'.⁵

RESOURCES (LAW)

To what extent does the legal framework provide an environment conducive to civil society?

The various laws concerning the establishment and operation of CSOs are simple and easy to follow. They also leave significant room for the various organisations to make their own rules and regulate their internal procedures as set out in the constitution or memorandum of association.

The Constitution of Vanuatu recognises that all persons are entitled to the freedom of assembly and association, 'subject to respect for the rights and freedoms of others and to the legitimate public interest in defence, safety, public order, welfare and health.'⁶

The most common type of CSO in Vanuatu is the charitable association, incorporated as a legal entity pursuant to the Charitable Associations (Incorporation) Act [Cap 140]. This procedure is simply, quick and inexpensive. A committee of a charitable association, provided there are not less than six members, can apply to the Registrar (Vanuatu Financial Services Commission (VFSC)) for a certificate of incorporation as a corporate body.⁷ This application must contain an application form that is signed by not less than half the members of the Committee and states the name of the committee, a registered office, and the names, addresses and occupations of the members.⁸ It must also be accompanied by a signed statement of assets and liabilities and a certified copy of the articles of association.⁹ The Charitable Associations (Incorporation) (Fees) Regulation 1982 prescribes the fees payable as VT5,000 for an application for incorporation and VT5,000 for a certificate of incorporation.¹⁰

If refusing to grant incorporation, the Registrar must give reasons¹¹ and the committee has the right to appeal to the Minister of Finance and Economic Management within 14 days.¹² The Minister may

⁴ 'VANGO Announces New Board and Directors' Vanuatu Daily Post Online 24 August 2012

<http://www.dailypost.vu/content/vango-announces-new-board-directors>

⁵ Glenda Shing, 'Weak Governance within VANGO Board' Vanuatu Daily Post Online 10 December 2013

<http://www.dailypost.vu/content/weak-governance-within-vango-board>

⁶ Section 5(1)(h) Constitution of Vanuatu.

⁷ Section 2(1) Charitable Associations (Incorporation) Act [Cap 140].

⁸ Schedule 1, Section 4(1) Charitable Associations (Incorporation) Act [Cap 140].

⁹ Section 4(2) Charitable Associations (Incorporation) Act [Cap 140].

¹⁰ Section 1 Charitable Associations (Incorporation) (Fees) Regulation 1982.

¹¹ Section 3(1) Charitable Associations (Incorporation) Act [Cap 140].

¹² Section 3(3) Charitable Associations (Incorporation) Act [Cap 140].

either refuse the appeal, or order the Registrar to grant incorporation.¹³ This decision cannot be questioned in Court except on a point of law.¹⁴

Alternatively, a CSO can be registered as a company pursuant to the Companies Act [Cap 191]. This procedure, being significantly more complex and expensive, is much less common. This procedure is discussed further in the private business section of this report. Under section 29, an association formed for the promotion of charity or other useful object to be registered as a company with limited liability without the word “limited” to its name.¹⁵

There are also other types of associations which are governed by specific laws such as the Vanuatu Red Cross Society Act [Cap 23], the Trade Unions Act [Cap 161], and membership organisations which are established through legislation such as the Legal Practitioner’s Act [Cap 119] and the Health Practitioner’s Act [Cap 164]. Furthermore, although there are many international CSOs that operate within Vanuatu, they are not required to register pursuant to any legislation and are established under a Memorandum of Understanding (MOU) with the Government of Vanuatu, or through a bilateral or multilateral agreement which exists between the Government of Vanuatu and the organisation’s home government or head organisation.¹⁶

Vanuatu has no income tax, capital gains tax, or other forms of direct taxation. There is only indirect taxation through the form of Value Added Tax (VAT) and import and custom duties. The Import Duties (Consolidation) Act [Cap 91] as amended by the Import Duties (Consolidation) (Amendment) Act no 42 of 2009 makes an exemption for any goods imported by or donated to the Vanuatu Red Cross Society (VRCS) for their use or for free distribution in emergencies; certain trophies, sports equipment, uniform, medals and decorations; and specified church and school supplies.¹⁷ Being the only forms of government taxation, VAT and duties are relatively high and thus if granted, the exemptions are of significant benefit to CSOs. The authority to determine exemptions rests with the Director of Customs. VAT is also exempted, where an organisation is eligible for import tax exemptions,¹⁸ and to the supply of goods or services that are gifted to a non-profit body and are intended for use in carrying out the non-profit body’s objectives.¹⁹ International CSOs are exempted from VAT and import duties if this is provided for in the MOU signed between the Government and that particular organisation.²⁰

RESOURCES (PRACTICE)

To what extent do CSOs have adequate financial and human resources to function and operate effectively?

¹³ Section 3(4) Charitable Associations (Incorporation) Act [Cap 140].

¹⁴ Section 3(5) Charitable Associations (Incorporation) Act [Cap 140].

¹⁵ Section 29(1) Companies Act [Cap 191].

¹⁶ Amelia Fasi Pasikala Faasau, Report on Laws Affecting Civil Society in Vanuatu (2004), 13.

¹⁷ X 30-35 Section 3, Schedule 3, The Import Duties (Consolidation) Act [Cap 91] as amended by the Import Duties (Consolidation) (Amendment) Act no 42 of 2009.

¹⁸ Schedule 2, Section 10(3)(b), Value Added Tax Act [Cap 247].

¹⁹ Section 10(3)(a), No.2 and 10, Schedule 1, Value Added Tax Act [Cap 247].

²⁰ International Center for Not-for-Profit Law, ‘Civil society, community organizations and the law in Vanuatu’.

There are diverse funding sources available to CSOs, however these are often uncoordinated and short-term in nature. Furthermore, the capacity of local CSOs to make efficient and effective use of these financial resources is very limited due to the lack of skilled and experienced staff.

In general, CSOs in Vanuatu are almost exclusively reliant on external funding sources;²¹ the primary donors being foreign governments and multilateral agencies such as AusAID, NZAid, the European Union (EU), and various UN agencies. Although there are a relatively large number of donors, it is not uncommon for an organisation to become highly dependent on one source, so that for example if AusAID suddenly decided to cut all funding, many of the CSOs would face serious concerns.²²

The extent to which CSOs can rely on local sources is extremely limited and does not amount to any significant proportion of total funding. Whilst some organisations may occasionally receive a small grant of funds from the government, or support through the provision of supplies, there is no formal method of applying for funds nor is there a specific budget allocation for CSOs. As such, this process is governed by informal rules and is generally up to the discretion of the relevant authority.²³ There are also some private philanthropic donors comprised of groups of business people or certain local companies which provide some direct funding or assistance through fundraising activities. However, this is usually motivated by private interests and is thus focused narrowly on marketable causes such as education or health, and involves only small scale funding or scholarship programs.²⁴

Some organisations do generate revenue from services, products, or rent from assets. For example, one of the largest and most reputable local CSOs, WanSmolBag, sells CDs, DVDs, scripts and books containing their work and also provide theatre services.²⁵ The Vanuatu Red Cross Society (VRCS) have sold donated goods (such as clothing) or held events such as Gala nights for fundraising purposes.²⁶ Some organisations such as the Vanuatu National Council of Women (VNCW) also obtain regular income from renting out land or parts of buildings that they own.²⁷

Overall, the availability and diversity of funding varies significantly for the different types of organisations. For example WanSmolBag, has AusAID and NZaid as their core funders, as well as Oxfam International as a significant partner and 20 other organisations as donors for various projects past and present.²⁸ In contrast, it would be common for smaller community-based organisations to struggle with funding or be solely reliant on funding channelled through churches or other organisations. Although donors don't necessarily "pick favourites", certain donors and CSOs tend to form strong partner relationships and thus it is common for one organisation to benefit from the continuous support of one or more specific donors whilst others struggle to gain funds.²⁹ This is generally based on merit, as understandably, donors prefer organisations that have a track-record of

²¹ Wesley Morgan, Governance, Leadership and Accountability in Vanuatu 2013, 38.

²² Interview of Alex Matteson (Country Director for Oxfam Vanuatu) with author, Port Vila, 21 January 2014.

²³ Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

²⁴ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

²⁵ <http://www.wansmolbag.org/DynamicPages.asp?cid=4&navID=4>

²⁶ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

²⁷ Interview of Blandine Boulekone (President at the Vanuatu National Council of Women) with author, Port Vila, 21 January 2014.

²⁸ <http://www.wansmolbag.org/DynamicPages.asp?cid=4&navID=4>

²⁹ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

successful projects, good accounting procedures and are reputable within the community.³⁰ However, some donors, in particular the EU, place extremely onerous requirements which involve a lot of documentation and technical language which most organisations struggle to comply with as they require the same level of reporting from an international organisation as well as a local community one.³¹

The community may benefit as a whole if donors were more willing to take risks and provide funding to smaller local organisations or fund projects which target different needs and areas. This exposes an important issue with the current system of funding in that it is a top-down process, as opposed to bottom-up.³² The focus has often been on the availability of funding, with organisations competing to make their projects more suitable to what the donors want as opposed to what the people need. Contributed to by a lack of co-ordination amongst CSOs and between donors, this has caused duplication, where multiple donors are funding CSOs to engage in similar projects concerning the “fashionable topic” of the time, and CSOs are getting involved in causes that are outside their constitutional mandate in order to gain funding.³³ It has also been common for the majority of projects to be focused around the urban centres where the impact of the work can be readily justified to donors compared with the rural, inaccessible areas which may well be in need of greater help.³⁴ This issue can be addressed through greater co-operation amongst donors and CSOs to ensure that each organisation is maintaining their individual focus, and that similar causes are promoted collaboratively and consequently more effectively.

The volunteer and membership base of CSOs in general is very strong and comprise a valuable resource to each organisation. Many large scale projects are made possible through the hundreds of volunteers around the country, and the day-to-day work of community based organisations, particularly churches, have the full support of the people.³⁵ This environment is fostered by Vanuatu’s culture being focused on a strong sense of community and social obligation to others, as well as the very strong commitment that many people place with religious and faith-based organisations.

Despite this, CSOs are significantly restricted in capacity due to a lack of skilled and experienced staff. This stems from a county wide problem where few people who enter the workforce have completed tertiary, or even secondary education. Furthermore, CSOs struggle to attract and retain skilled staff in the absence of core funding. Firstly, because most donor funds are allocated to the project and not necessarily to staffing, the pay is often relatively low. Secondly, there is a lack of job security as once a project is completed, there is no guarantee that a newly funded project will take off in its place.³⁶ For these reasons it is difficult to attract staff to CSO roles and even more so, it is difficult to retain them as they often decide to move to a better paying agency (typically

³⁰ Interview of Wesley Morgan (Post-Graduate Researcher for Oxfam International) with author, Port Vila, 17 January 2014.

³¹ Interview of Alex Mattheson (Country Director for Oxfam Vanuatu) with author, Port Vila, 21 January 2014.

³² Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

³³ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

³⁴ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

³⁵ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014; and Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

³⁶ Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

international organisations but also the public or private sector) once the opportunity arises.³⁷ This issue is a necessary consideration for donors when considering the implementation of projects. It is recommended that donors need to provide core funding in order to ensure that organisations can sustain their advocacy and campaign work to promote long-term impacts. In the absence of this, civil society workers should be compensated for this lack of security with higher pay or further supportive and incentive measures.³⁸

INDEPENDENCE (LAW)

To what extent are there legal safeguards to prevent unwarranted external interference in the activities of CSOs?

Vanuatu's constitution provides the ultimate safeguard against unwarranted external interference and there are currently no other laws or regulations to restrict this freedom.

Article 5(1)(h) of the Constitution protects the right to freedom of assembly and association. This right is only 'subject to respect for the rights and freedoms of others and to the legitimate public interest in defence, safety, public order, welfare and health.'³⁹

There are also no regulations governing CSOs including any that stipulate state membership on CSO boards or any that require mandatory state attendance at CSO meetings. As discussed above registration is a straightforward process and there are clear appeals processes if applications are denied. Vanuatu does not have a Privacy Act and there is no law that discriminates against CSOs in respect of privacy. Under the Charitable Associations (Incorporation) Act, the register of incorporated associations and any documents filed therein are available for inspection upon payment of a VT500 fee.⁴⁰ This is similar to provisions under the Companies Act which permit any person to inspect the registrar and any inspect or require a copy of any documents kept by the registrar of companies on payment of a fee of VT3,500.⁴¹

INDEPENDENCE (PRACTICE)

To what extent can civil society exist and function without undue external interference?

CSOs in Vanuatu are relatively free to operate without undue government interference. However there are many invisible or subtle pressures placed on the people which hinder their ability to speak out against the government.

CSOs face little direct government interference. In the past 5 years there have been no reported cases of CSO's being denied registration as charitable association, although as discussed in the section on political parties one political party was not permitted to register a particular name. There

³⁷ Wesley Morgan, Governance, Leadership and Accountability in Vanuatu 2013, 38.

³⁸ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

³⁹ Article 5(1) Constitution of the Republic of Vanuatu.

⁴⁰ Section 15 Charitable Associations (Incorporation) Act [Cap 140], Section 1 Charitable Associations (Incorporation)(Fees) Regulations 1983.

⁴¹ Section 393 Companies Act [Cap 191], Schedule 7 of the Companies Act [Cap 191].

have been instances of verbal threats being made in response to making public comments or publications expressing criticisms against the government.⁴² These incidents are generally not formally reported as it is unlikely that any proper and impartial investigation will take place. However, it is more often that the government uses subtle methods of interference such as exclusion from the political processes or more generally through ignoring requests and refusing to co-operate.⁴³ Any further level of action is extremely rare and in the past 5 years, there have been no reported cases of detention, arrest, imprisonment, deportation or physical harm by the national government of a civil society actor because of their work.

Despite this, there are many more underlying causes attributable to civil society actors being restricted from speaking and acting out. The most significant of these are cultural influences. CSO employees, members, and volunteers are generally made up of Vanuatu citizens whose role within the CSO does not separate them from external relationships and social obligations.⁴⁴ Being part of a very small and close-knit community, people often face invisible barriers to speaking out because of consequences that it may have on their personal and social environment. This is a big problem in Vanuatu, as the social obligation to protect your family and community comes before a moral obligation to speak out against wrongs.⁴⁵

Furthermore, the economic and financial situation also has a great impact on people's ability and willingness to speak out. In general, Vanuatu citizens are economically weak and thus their focus is on day-to-day living. They are not afforded the luxury of time and the resources to attend to broader societal issues, instead needing to focus on the need to provide food and shelter to their families.⁴⁶ Moreover, this creates an environment where people are more inclined not to oppose any person or organisation of power as this tends to cause 'things to not work out' for them through indirect pressure of not to be offered a job or not to be awarded other advantages.⁴⁷ A lack of education and awareness also severely hinders the ability of individuals to meaningfully engage with issues and express their opinions.

TRANSPARENCY (PRACTICE)

To what extent is there transparency in CSOs?

Organisations do not make strong efforts to make their information readily available, with constraints on resources and the geography of the country making this very difficult.

Overall, there is very little transparency of CSOs in Vanuatu. Laws do not require annual reports or financial statements to be produced by charitable associations.. Although large international

⁴² Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014; and interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

⁴³ Bob Makin, Global Integrity Scorecard: Vanuatu (2007)
<<http://report.globalintegrity.org/reportPDFS/2007/Vanuatu.pdf>>

⁴⁴ Wesley Morgan, Governance, Leadership and Accountability in Vanuatu 2013, 36.

⁴⁵ Interview of Blandine Boulekone (President at the Vanuatu National Council of Women) with author, Port Vila, 21 January 2014.

⁴⁶ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

⁴⁷ Interview of Alex Mattheson (Country Director at Oxfam Vanuatu) with author, Port Vila, 21 January 2014.

organisations such as the Red Cross, Oxfam, Save the Children, and Youth Challenge have well-developed websites which provide a comprehensive overview, the section of their site dedicated to Vanuatu specifically is usually very brief and provides only generalised information. Some larger local chapters or organisations such as Transparency Vanuatu or WanSmolBag do have websites which provide regular updates on news, projects and publications, however the majority of other organisations do not have a website at all. This can be attributed to the use and access of Internet not being widespread across the country and a lack of staff with the technical knowledge to set up and maintain such systems. Some organisations do provide regular updates on their activities to the public through other forums such holding workshops and events, publishing newsletters or a column in the newspaper, and via radio broadcasts. However, due to the geography of the region with majority of the population living in villages on the outer islands, it is very difficult and often not economically practicable to make information easily accessible to the general public.

Annual reports, financial statements, or the composition of boards are not information that is readily available to the public. Some organisations do create annual reports however they are generally only provided to members,⁴⁸ or are only available as hard copies in their office to be provided on request.⁴⁹ Moreover, financial statements or acquittals are created for the primary purpose of fulfilling an obligation to donors and as such are not seen as necessary to disclose to the public. A further barrier from a more transparent civil society is the competition amongst CSOs for donor funds. This creates an environment where CSOs are reluctant to divulge too much information on projects or funding and hinders effective collaboration.⁵⁰

ACCOUNTABILITY (PRACTICE)

To what extent are CSOs answerable to their constituencies?

The extent to which CSO boards provide effective oversight of organisational activities is varies significantly from one organisation to another. Significant problems arise due to a lack of human resources, inadequate training and ineffective internal procedures for ensuring accountability.

At present, CSOs are primarily accountable to their donors, as this is where they receive their funding. When funding is based upon specific projects donors are only able to scrutinise those projects and are not in a position to hold the functioning of the CSO as a whole to account.

The effectiveness of CSO boards in providing oversight of organisational activities varies greatly from one organisation to another and overall, can be described as being highly uneven. Some organisations have board members who are highly knowledgeable, skilled and experienced, and engage meaningfully in monitoring activities, whilst on the other hand, some are not even clear on what their role is as a board member.⁵¹ They are often not provided with sufficient knowledge about

⁴⁸ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

⁴⁹ Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

⁵⁰ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

⁵¹ Interview of Mikaela Nyman (Development Counsellor at the New Zealand High Commission) with author, Port Vila, 23 January 2014.

the organisation's activities,⁵² and the extent of their involvement is often not more than the one hour meeting they attend four times a year. This problem arises from a general lack of capable individuals to comprise all the boards of the numerous organisations, a lack of training and clear division of roles between management and the board, and often a lack of incentive for board members to be more active as they are normally taking on their role in a volunteer capacity on top of their normal job⁵³. Some boards do include members from outside the organisation and it is recommended that having a facility where organisations can draw on experienced external advisors when needed as well as obtain training for their board members and staff would be beneficial, particular to smaller local CSOs.⁵⁴

The relationship between boards and members also varies. There are no laws requiring, for example, annual general meetings to be held to elect boards of charitable associations.

INTEGRITY (PRACTICE)

To what extent is the integrity of CSOs ensured in practice?

There are no regulations that monitor and assess the integrity of civil society as a whole. Some organisations have established internal rules and procedures to self-regulate; however the existence and effectiveness of such procedures varies per organisation.

There is no sector wide code of conduct for CSOs in Vanuatu.

Most organisations do not have a formal process for self-regulation. However, larger CSOs do have some form of internal rules which govern the duties of staff and a procedure for investigating and sanctioning misbehaviour of staff on integrity issues⁵⁵ as well as a procedure for reviewing performance.⁵⁶ Furthermore, (in large part because it is usually a requirement in order to gain donor funding) most organisations have a chronology and/or strategic plan for each project and adherence to this is monitored as an ongoing process or through an interim and final review.⁵⁷ Some larger organisations do undertake formal reviews which assess the integrity of the whole organisation; however this can only be done every few years due to the high costs associated.⁵⁸

HOLD GOVERNMENT ACCOUNTABLE

To what extent is civil society active and successful in holding government accountable for its actions?

⁵² Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

⁵³ Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

⁵⁴ Interview of Mikaela Nyman (Development Counsellor at the New Zealand High Commission) with author, Port Vila, 23 January 2014.

⁵⁵ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

⁵⁶ Interview of Nelly Willie (Program Manager at Oxfam and Vanuatu Country Representative of the Pacific Leadership Program) with author, Port Vila, 21 January 2014.

⁵⁷ Interview of Dickinson Tevi (Program Support Co-ordinator at VRCS) with author, Port Vila, 20 January 2014.

⁵⁸ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

Civil society as a whole is not highly active in its efforts to hold the government accountable for its actions. There are some advocacy and public awareness campaigns however these efforts have seen relatively low success in compelling the government to take positive action.

Overall, the role of civil society in Vanuatu as a public watchdog is not very strongly developed. Although many CSOs may address governance issues as a by-product of their other activities, the main organisations with a focus on targeting issues of corruption are Transparency Vanuatu and Youth Against Corruption.

The government tends to ignore CSOs whenever they can and thus it has been difficult for CSO advocacy to translate into positive government action. This is attributable to the 'poor working relationship between civil society organisations and government'⁵⁹ which is due, in part, to funding being largely sourced from abroad, CSOs are seen as 'foreign interests' and view by the government with a general sense of 'distrust'.⁶⁰ The lack of an effective Ombudsman, as discussed elsewhere in this report, means that CSOs have little recourse if government agencies do not act. However, with enough persistence, concentrated efforts, and focused action, it is sometimes possible for CSOs to have an impact.⁶¹

A recent example of a high-profile and successful activity in this regard involves a legal action supported by Transparency Vanuatu which led to a court decision in late 2013 which stopped around 100 cases of 'green' public land being unlawfully leased out by the Minister of Lands to related individuals.

Civil society advocacy campaigns, public education and public engagements with regard to anti-corruption occur but, due in part to geographical issues, such activities are often not very widespread or sustained. Public education is often based around elections, with little ongoing civics education between elections. Whilst there have been successful partnerships between the Electoral Commission and NGOs such as WanSmolbag and Transparency Vanuatu which have led to widespread education their "events focus" makes it very difficult to create strong and sustained results. Some CSOs such as Youth Against Corruption and Transparency Vanuatu are beginning to use social media to increase public engagement however, as noted in the section on media in this report, public use of the internet is still very limited so social media strategies also have limited impact.

Another issue that limits the effectiveness of CSOs advocacy and education activities is that outside of people who are already engaged in the broader "donor community" the role of CSOs may not be well understood and CSOs may not be well recognised. A street survey conducted with 50 people in Port Vila in January 2014 by researchers as part of the national integrity systems study indicated that whilst 14% responded that they were members of NGOs, knew what NGOs do and had participated in NGO activities in the past year, there was considerably lower awareness amongst non-members of NGOs. Whilst only 14% of non-members had never heard of the term NGOs, only 7% knew what NGOs did, with 86% saying they did not know what the role of NGOs was, and a further 7% being

⁵⁹ Wesley Morgan, Governance, Leadership and Accountability in Vanuatu 2013, 36.

⁶⁰ Wesley Morgan, Governance, Leadership and Accountability in Vanuatu 2013, 36.

⁶¹ Interview of Marie-Noelle Ferrieux Patterson (Chairperson of Transparency Vanuatu) with author, Port Vila, 22 January 2014.

unsure of the role of NGOs. Less than 5% of non-members of NGOs had been involved in any NGO activity in the past year.

POLICY REFORM

To what extent is civil society actively engaged in policy reform initiatives on anti-corruption?

In general, CSOs have been unsuccessful in engaging with the government on anti-corruption policy reforms.

CSOs face many barriers to engaging in active anti-corruption reform discussions due to a lack of funding and resources, and more significantly due to not being considered by the government as a legitimate stakeholder in the policymaking process.⁶² Whilst “good governance” is an area that donors are willing to fund projects in, and products of projects may contain recommendations related to law reform these proposals often seem to be ignored. As discussed in the section on the legislature, the law-making process often does not allow for public engagement on any proposed law reforms which makes it difficult for civil society to engage in debate on government-led reform initiatives.

There is no national anti-corruption committee which allows civil society and government to collaborate in ongoing discussion of anti-corruption reform. In early 2013 it was announced in the media that ‘NGO’s and CBO’s comprising VANGO have united to form a Task Force [called the Vanuatu Corruption Commission] of committed organizations and individuals determined to eliminate political and public service corruption’.⁶³ It appears that this CSO taskforce is no longer functioning. A Law Commission has been established, and Transparency Vanuatu has submitted a number of proposals for reform to the Law Commission. This body is, however, new and has not yet commenced any specific anti-corruption law reform programme.

⁶² Wesley Morgan, *Governance, Leadership and Accountability in Vanuatu 2013*, 36.

⁶³ The Watcher, ‘The Newly Formed Vanuatu Corruption Commission’ 1 February 2013

<http://vanuatugoldwatcher.com/2013/02/01/the-newly-formed-vanuatu-corruption-commission/>.