

Utilities Regulatory Authority

Utilities Regulatory Authority
Annual Report 2025

Utilities Regulatory Authority

Annual Report 2025

Disclaimer

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, photocopying, recording or otherwise, for commercial purposes without prior permission of the Utilities Regulatory Authority of Vanuatu (URA). Otherwise, material in this publication may be used, shared, copied, reproduced, printed and/or stored, provided that appropriate acknowledgement is given to the URA. In all cases the material may not be altered or otherwise modified without the express permission of URA.

Design and Layout by Daryl Abel.

All images are credited to URA.

Contents

About this Report vii
Message from the Chairperson viii
Message from the Chief Executive Officer ix

About the Authority 10
Vision 10
Values 10
Organizational Structure and Chart 11
Profile of URA Commissioners 12

Human Resource Management 14
Overview 14
Staffing Update and Key Changes 14

Corporate and Financial Summary 16
Corporate Social Responsibility 17
Strategic and Action Plan 2022 - 2026 18

Deliverables in 2025 19
Corporate and Human Resource 19
Electricity Sector 20
Water Sector 23

Safety Orders in 2025 26
Network Inspections and Reliability 27
Highlights and Overall Performance in 2025 28
Ongoing Task Undertaken by the Authority 32
Other Activities 36
Legal 37
Institutional & Capacity Building 38
Challenges in 2025 39
2025 Financial Statement 41



About this Report

This Annual Report of the Utilities Regulatory Authority (URA) is published to inform the Government of Vanuatu, regulated utilities, and stakeholders about the Authority's regulatory functions, operational performance, and key achievements for the year ended 31 December 2025.

The Utilities Regulatory Authority was established in February 2008 pursuant to the Utilities Regulatory Authority No. 11 of 2007 (the URA Act). In accordance with the provisions of the Act, the Authority is mandated to regulate the provision of the utility services in Vanuatu, particularly **electricity** and **water**.

Message from the Chairperson

It is my honor to present the Annual Report of the Utilities Regulatory Authority (the Authority) for the year ended 31 December 2025 and the 2025 Audited Financial Statements.

The year 2025 has been both challenging and significant for the Authority. Operating within a demanding environment, the Authority continued to demonstrate resilience and commitment in carrying out its mandate to regulate the electricity and water sectors in Vanuatu.

Despite various constraints, the Authority has made progress in strengthening regulatory oversight and delivering outcomes that support the long-term interests of stakeholders.

The Commission remains committed to ensuring that decisions are aligned with fair and true regulatory principles as well as regulatory functions of affordability, accessibility, reliability, and safety, supporting Government priorities.

I wish to acknowledge the leadership of the Chief Executive Officer (CEO), whose dedication and professionalism have been instrumental in guiding the Authority through a challenging year. Likewise, I commend the Authority staff for their unwavering commitment to delivering the Authority's mandate.

On behalf of the Commission, I extend our appreciation to the Government, regulated utilities, development partners, consumers, and other stakeholders for their ongoing cooperation and engagement.

The Commission remains committed to strengthening the Authority's governance and enhancing regulatory effectiveness and efficiency.

In closing, the Commission commits to upholding the principles of good governance, accountability, and transparency in its decisions.

Jerryson Lapi
CHAIRPERSON



Message from the Chief Executive Officer

It is my privilege to present the Authority's Annual Report for the year ended 31 December 2025. Among the key achievements of 2025 was the continued strengthening of our regulatory framework to ensure that electricity and water services remain affordable, reliable, sustainable, and accessible to all consumers.

In the electricity sector, the Authority progressed major tariff reviews, including those for Port Vila and outer island concessions, and implemented important regulatory mechanisms such as the Electricity Reliability Penalty Framework to enhance service reliability.

Notably, tariff adjustments in several concession areas resulted in reduced electricity costs for consumers, reflecting our ongoing commitment to affordability.

In advancing electricity access, the Authority used the National Electricity Access Fund (NEAF) to support Vanuatu Utilities and Infrastructure (VUI) Ltd's network extensions in Hog Harbour, Santo. Additionally, the Authority approved an increase in discounts to new customer connections for VUI customers.

In the water sector, the Authority completed several tariff determinations across both private and small water utilities, balancing cost recovery and affordability. It also developed the Water Regulatory Reporting Requirements (WRRR) to enhance data quality and transparency and made progress on its Water Safety Standard, expected to be finalized in 2026.

The Authority continues to provide advisories to the Government on key infrastructure and energy initiatives, including renewable energy projects, power purchase agreements, and major utility investments.

The Authority also strengthened its institutional capacity and policies, including the completion of a mid-term review of the Strategic and Action Plan 2022–2026. In addition, it adopted several internal policies, including the establishment of a Corporate Social Responsibility (CSR) Policy.

These achievements would not have been possible without the commitment of the Authority staff. I also express my sincere appreciation to the Chairperson for his guidance, leadership, and continued support throughout the year

Furthermore, I extend my acknowledgment to the Government, regulated utilities, consumers, and all other stakeholders for their continued cooperation, engagement, and support.

The Authority will continue to build on its progress, addressing new challenges while strengthening regulation to ensure safe, reliable, and affordable regulated services in Vanuatu.



Jesse Benjamin
CHIEF EXECUTIVE OFFICER

About the Authority

Vision

To improve access to energy and water services and to protect the long-term interests of consumers with regards to price, access, affordability, sustainability, safety, quality and reliability of energy and water services, throughout Vanuatu.

Access
Ensuring energy and water services are available to all consumers.

Fair price
Promoting equitable, transparent and cost-reflective pricing value for consumers.

Affordability (Price)
Maintaining fair, reasonable, and cost-effective pricing for consumers.

Consumer Protection
Safeguarding the long-term interests, rights and well-being of all users.

Safety and Quality
Ensuring the services meet high standards of safety, performance and is reliable.

Reliability
Providing consistent, dependable and uninterrupted services.

Values

These are the core values that guide the operations and day-to-day activities of the Authority.

Professionalism and Accountability
We strive for high levels of professionalism in delivering our regulatory duties and are accountable for all our decisions.

Team Work and Cooperation
We value team spirit and cooperation as essential for our success.

Integrity
We value a working environment that promotes sound relationships, honesty, and strong moral principles.

Effectiveness & Efficiency
We strive to be efficient and effective in executing our regulatory functions and when communicating with stakeholders.

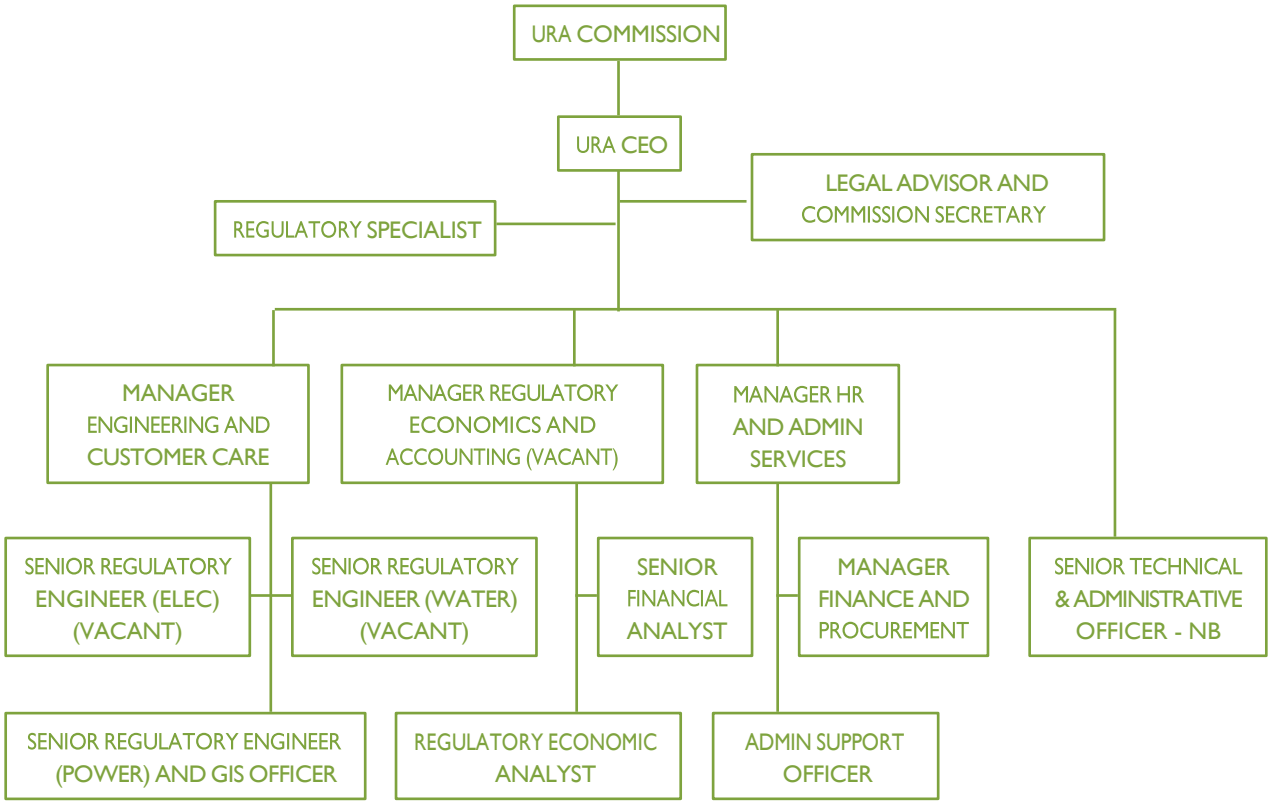
Transparency
We are open and transparent in our decisions.

Functions

The functions of the Authority as set out under the Act are:

- to exercise the functions and powers conferred by this Act or by any other Act in furtherance of the purpose of this Act
- to provide advice, reports and recommendations to the Government relating to utilities
- to inform the public of matters relating to utilities
- to assist consumers to resolve grievances
- investigate and act upon offences under this Act
- to monitor, review and determine price for regulated services
- to conduct research, trials and pilot programs to identify strategies to make regulated services more affordable, increase access to regulated services and increase competition
- to represent the interests of consumers and utilities in relation to overcharging or undercharging, non-compliance with regulated prices and other disputes between utilities and consumers, including where appropriate seeking compensation on behalf of consumers
- to oversee the administration of concession contracts and deeds entered between the Government and a utility in respect of a regulated service to carry out regulatory audit on utilities
- to exercise the functions of an arbitrator or mediator in any disputes relating to regulated services such other functions as are conferred on by this Act or any other Act

Organizational Structure and Chart



The Authority's Commission provides overall governance and oversight of the Authority. The executive management led by the CEO is responsible for the overall management and leadership of the Authority. Supporting the CEO is the Regulatory Specialist and the Legal Advisor, providing expert guidance on regulatory and legal matters. The Authority's operational functions are organized into three main divisions, each headed by a Divisional Manager and supported by specialized teams responsible for technical and economic regulation, tariff analysis and financial assessments, consumer protection, and finance & administrative support roles.

Profile of URA Commissioners

The Authority's Commission comprises a Chairperson, a Non-Executive Commissioner and an Executive Commissioner who is the CEO.

The Commissioners are appointed by the Minister responsible for Finance and Economic Management, based on the recommendation of the Evaluation Committee and through an open and competitive selection process in accordance with the URA Act.

The Non-Executive Commissioner position became vacant in November 2025, and the recruitment is underway.



Mr. Jerryson Lapi
Chairman

Mr. Jerryson Lapi was appointed to the role of Chairperson and Commissioner on 03 November 2025.

Mr. Lapi has 15 years of high-level experience in public and private sector leadership, strategic planning, financial management and development coordination. He has a proven track record in advising Government, leading policy reform initiatives, and managing donor relationships.

Mr Lapi brings valuable experience including 5 years in the Energy sector in Vanuatu. He has previously occupied high Government positions, including Director of Department of Strategic Policy, Planning & Aid Coordination (DSPPAC) within Prime Minister's Office.

Mr. Lapi contributes private sector expertise as Principal Consultant with KCC Grouping. He holds qualifications in Economics, Banking, and Financial Management.



Jesse Benjamin
Chief Executive Officer

Mr. Jesse Benjamin was appointed as the Chief Executive Officer of the Authority on 08 August 2024.

Mr. Benjamin has over 18 years of working experience in energy, environment, climate change, inclusive green growth and sustainable development sectors nationally, regionally and internationally. He has previously occupied high government positions as the Director of the Energy Department and Director General of the Ministry of Climate Change.

Mr. Benjamin brings a wealth of market experience and technical skills in engineering, project management and corporate administration.

CEO Benjamin is a Master's Degree holder, specialising in the field of Engineering majoring in Energy Policy and Planning from the University of Technology, Sydney (UTS) and is also a Bachelor's Degree holder in Electrical Engineering from the University of the South Pacific.

Human Resources Management

Overview

The Authority recognizes that effective and credible regulatory oversight depends on a skilled workforce. In 2025, it focused on strengthening its institutional capacity, restoring operations following the December 2024 earthquake, and aligning staff performance with the Authority's Strategic and Action Plan (SAP) 2022-2026.

The Authority operates through three major divisions:

1. **Regulatory Economics and Accounting Division (READ).** The READ leads the Authority's economic and financial analysis, tariff setting, and regulatory oversight to ensure fair and true outcomes for utilities and customers.
2. **Engineering and Consumer Care Division (ECCD).** The ECCD oversees utilities technical and operational performance, ensuring compliance, safety, reliability, service quality, and infrastructure development. The Division also handles customer complaints, particularly where they have not been adequately addressed by utility providers.
3. **Corporate and Legal Division (CLD).** CLD manages administrative, financial, Human Resources, legal, and stakeholder engagements and relations. The Division also supports the Chief Executive Officer, Commission, and the overall team in the organization's operational matters and staff development and welfare.

Staffing Update and Key Changes

This section provides an overview of staffing changes at the Authority during 2025, including new recruitments, promotions, internal transfers and resignations, reflecting the Authority's ongoing efforts to strengthen its workforce and organizational capacity.

OUR COMMISSION



John Roy Chaniel
Concluded his term as the Chairperson of the Commission in August



Jerryson Lapi
Appointed as the Non-Executive Commissioner in May and Chairperson in November



Jesse Benjamin
Chief Executive Officer & Commissioner

REGULATORY ECONOMICS & ACCOUNTING DIVISION



Maureen Malas
Concluded her tenure with the Authority in July as the Manager of READ



Edmond Tambisari
Promoted in January to the role of Regulatory Specialist



James Temakon
Transferred to the Regulatory Economic Analyst position in July



Alison Baniuri
Promoted to Manager of Finance and Procurement (CD) in July, and was transferred to READ as the Senior Regulatory Finance Analyst in September

ENGINEERING & CONSUMER CARE DIVISION



Junior Natu
Appointed in January as the Manager of ECCD



Joseph Wassap
Transferred to the Senior Regulatory Engineer and GIS officer in July



Andrea Loli
Joined in February as the Technical and Administrative Officer (Northern Branch)



Allan Niko
Joined the Authority in August as an Intern Water Engineer

CORPORATE & LEGAL DIVISION



Louis Vakaran
Concluded his tenure in July as the Legal Advisor & Commission Secretary



Linnes Moli Tarianga
Joined the Authority in July as Legal Advisor & Commission Secretary



Belinda R. Miller
Promoted to HR & Admin Manager in July



Noma Iauvanga
Joined the Authority in January as the Administrative Assistant



Shirley Bule
Joined the Authority in November as Finance & Procurement Manager

Corporate and Financial Summary

The Authority's total approved budget for 2025 stands at VUV 137,998,308. The composition of the income and expenditure components are outlined as follows:

Income

The main revenue sources for the Authority's 2025 budget are;

i. grant from the government (VUV 67,226,100); and
ii. 1.5% assessment fees on utility gross revenue for the year 2024 was estimated to be VUV 70,772,208, however, the actual received from Utilities was VUV 90,750,004 (excess of VUV 19,977,796).

Expenditure

The Authority's operating expenditure for the year includes salaries & wages, office rental and utility bills, depreciation, severance provision, consultancy, and travel.



Corporate Social Responsibility

The URA continued to demonstrate its ongoing commitment to community through its contribution to economic development, public awareness initiatives, and participation in national events. In 2025 the URA contributed a total of VT 788,100 towards its social responsibility initiatives.

Community Electrification Support

The Authority has proudly supported the communities and institutions through the provision of solar streetlights. Solar streetlights were donated to the following beneficiaries:

1. No. 2 Lagoon community
2. Anamburu Ward
3. Freshwater Community
4. Vila Central Hospital (VCH) -in support of the Golden Jubilee.

Public Awareness and Consumer Engagement

The URA has been actively involved in organizing and sponsoring the World Consumer Rights Day and the ICT Day events.

Observed annually on 15 March, World Consumer Rights Day is a global event dedicated to promoting awareness and the protection of consumer rights.

ICT Day is also commemorated to promote and support Vanuatu's digital transformation initiatives.

URA's participation in these activities help promote consumer rights and a better understanding of the regulatory framework governing utility services.

National and Community events Support

The authority also supported national and cultural events that promote unity and community engagement, including VBTC Christmas in the Park.



Strategic and Action Plan 2022 - 2026

URA Priority Objectives

This section outlines the seven (7) priority objectives approved by the Commission in 2022. These objectives define the Authority's strategic direction and set out how the Authority will deliver on its regulatory mandate, including the key outcomes to be achieved over the five-year period.



STRATEGIC OBJECTIVE 01

Improve Effectiveness and Efficiency of URA's Regulatory Functions.



STRATEGIC OBJECTIVE 02

Strengthen and Monitor Price and Safe Provision of Regulated Services.



STRATEGIC OBJECTIVE 03

Promote Reliability and Enhance Quality of Regulated Services.



STRATEGIC OBJECTIVE 04

Identify Means to Enable Regulated Services to Become More Affordable.



STRATEGIC OBJECTIVE 05

Maximize Access to Regulated Services.



STRATEGIC OBJECTIVE 06

Promote Utility Service Resilience and Environment Conservation Objectives Through Regulation.



STRATEGIC OBJECTIVE 07

Petroleum Products Regulation

Annual Divisional business plans are developed within allocated budget resources, translating these broad objectives into practical yearly work plans.

A copy of the document is available on URA's website.

Deliverables in 2025

01

Corporate & Human Resource

In 2025, the Authority continued to strengthen its corporate and human resource functions to support the effective delivery of its regulatory mandate. Key efforts focused on maintaining operational efficiency, supporting staff development, and ensuring continuity of core functions despite staffing and resource constraints.

Strategic Objective 4: Improve effectiveness and efficiency of URA's regulatory functions

Amendment of URA Policies

- Staff code of conduct for 2023
- Disciplinary Procedures Rule of 2024
- Staff New Salary Structure
- Severance Policy of 2021
- Medical Policy of 2024
- Occupational Health, Safety and Welfare Policy 2024
- Travel and Imprest Policy of 2023

Mid-Term Review of the Strategic and Action Plan 2022 – 2026

The Authority engaged a consultant, Mr. Anthony Polack, to undertake a mid-term review of the Authority's SAP 2022–2026. Stakeholder consultations and inception workshops were conducted as part of this process, including updates to the results monitoring framework.

2026 Business Plan

The Authority endorsed its 2026 Business Plan which includes budget and workplan aligned with the SAP.

Corporate Social Responsibility (CSR) Policy

In 2025, the Commission approved the CSR Policy and budget to support its implementation. The CSR Policy ensures that the Authority operates ethically when meeting its social obligations.



02

Electricity Sector

This section outlines the Authority's achievements and key activities undertaken in the electricity sector in line with the divisional workplan and regulatory mandate.

UNELCO – Port Vila Electricity Tariff Review

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority conducted the Port Vila electricity tariff review at the request of the Minister responsible for energy.

The tariff review commenced in September 2025 after a period of 5 years.

The review remains ongoing as per the schedule agreed to by UNELCO and the Government. The preliminary position submission due date was extended to February 2026 to allow for consultations with stakeholders.

As part of the review, the URA team conducted a site inspection of the UNELCO grid in December 2025, focusing on investments undertaken over the 2020–2025 period.

Vanuatu National Power Authority and Water Authority (VANPAWA) – Electricity Tariff Review for Malekula and Tanna Concession Area

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority allowed VANPAWA to charge its customers a uniform base tariff of 64.29 Vatu per kilo watt hour (Vatu/kWh) in August 2025, applicable for a



one-year period. The tariff review process commenced in June 2025 and ended in August 2025. The tariff determined was a 0.94% decrease from the current uniform tariff of 64.89 Vatu/kWh.

As part of the determination, the following were also implemented:

- A revision of the tariff structure
- Establishment of a Force Majeure Fund at a rate of 1.32 Vatu/kWh.
- Inspection of VANPAWA investments for the period 2023 – 2024.

National Electricity Access Fund (NEAF)

Strategic Objective 5: Maximize Access to Regulated Service.

The NEAF is aimed towards maximising electricity access in on-grid areas. The Fund is designed to subsidise the cost of connecting low-income customers by supporting low-voltage extensions.

Funding is sourced from URA's operational budget and is allocated to electricity operators on a rotational basis.

In March 2025 the Authority approved a revised concept of the NEAF from the September 2023 version, specifically on the financial management of the NEAF and its technical implementation to be undertaken by the Authority. A funding limit of VUV 10 million was allocated to support VUI's low-voltage extensions in the Hog Harbour community in Santo.

Hog Habour Network Extension

Strategic Objective 5: Maximize Access to Regulated Service.

The VUI was selected as the recipient of the NEAF – 2025. The selection of VUI was merited based on positive and effective response to the Authority's preliminary initiation concept including timely data and information submission to the Authority as



requested. The Vatu 10 million Funding was directly used to implement the Hog Habour Low Voltage network extension thus improving electricity access for the Hog Harbor community.

Electricity Reliability Penalty Mechanism (ERPM) Implementation

Strategic Objective 3: Promote reliability and Enhance Quality of Regulated Services.

The Authority in its August 2025 Commission Order, approved the implementation of the ERPM to be applied to electricity Concessionaires enforcing compliance with the Authority's Electricity Reliability Standards. This ensures the following:

1. Minimizing unjustified electricity outages.
2. Promote the availability and quality of electricity supply to customers.
3. Apply measurable rules to ensure fairness and consistency when addressing complaints.

This penalty mechanism will only apply to VUI and VANPAWA and any new electricity concessionaires or concession contract, since only UNELCO under its electricity concession agreement is liable for a penalty due to reliability issues.

VUI Increase of New Customer Access Discount

Strategic Objective 5: Maximize Access to Regulated Service.

In August 2025, the Authority approved VUI's revised new customer connection discount from 50% to 80% of the total connection cost. This applies to the 5 to 10 amps range. This discount will remain in effect until changed by the Authority. In 2025 a total of 203 customers were connected by VUI.

VUI Annual Tariff Adjustment

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority completed the VUI Annual Tariff Adjustment resulting in a 10% reduction in electricity tariffs across all VUI concession areas.

This reduction results in approximately 20% decrease in Business customers' monthly electricity bills.

As part of the Annual Tariff Adjustment, Authority conducted site visits across VUI concession areas of Luganville (Santo), Sola, and Mosina, to verify reported investments and new assets installed in 2024.

The Authority also met with the VUI General Manager to discuss the adjustment process, confirm investment details through source documents, and clarify regulatory expectations.

Wintua and Lorlow Mini Grid – Determination of Maximum Price of Electricity

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority approved a maximum electricity tariff of 67.00 Vatu per kWh for the Wintua and Lorlow Electricity Cooperative Society Limited for the period August 2025 to August 2026. This represents a 31% increase from the previous tariff of 51.00 Vatu per kWh.

In April 2025, the Authority conducted a site visit to the mini-grid to assess key issues and engaged with the Wintua and Lorlow Electricity Cooperative Society Limited to provide support and recommendations.

A key concern is limited management capacity, particularly in overseeing financial and technical operations. The Authority has recommended that the operator ensure all relevant financial and technical data are properly recorded and submitted to the Authority in a timely manner during the tariff period.

03 Water Sector

This section outlines the Authority's achievements and key activities undertaken in the water sector in line with the divisional workplan and regulatory mandate.

Teouma Water Supply Limited (TWSL) Tariff Determination

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority approved in November 2025 a base tariff of 181.54 Vt/m3 to be applied for TWSL customers over a 12-month period. The revised base tariff is a 2% reduction from the previous base tariff.

The Authority has also determined that TWSL continues to apply its monthly charge of Vt 1,500 to its customers effective only for this tariff period.

Customer billing is structured across three consumption tranches under the new tariff arrangement, as follows:

T	R	NP	C
1	0–35 m³	171 VT/m³	+7% (from 160 VT/m³)
2	26–70 m³	190 VT/m³	+4% (from 182.40 VT/m³)
3	71+ m³	197 VT/m³	-5% (from 208 VT/m³)

Key:
T = Tranche
R = Range of Consumption (m³)
NP = New Price (VT/m³)
C = Change from Current Tariff

Green Lake Water Supply (GLWS) Tariff Determination

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

GLWS is a privately owned small-scale water utility that provides water services to the Green Lake Estates subdivision, located in the Teouma area of Efate.

The Authority in November 2025 has authorized a base tariff of 164 Vt/m³ for Green Lake Water Supply. This represents a 2.2% increase from the previous tariff of 160.00 Vt/m³ and is effective for the period December 2025 to December 2026, ensuring continued affordability and sustainability of the service for customers.

The tariff review, originally scheduled for early 2025, was postponed to October 2025 due to the small customer base and operational disruptions caused by the December 2024 earthquake.

A site inspection was conducted in November 2025 to assess the condition of the water supply network and verify operational improvements. The findings from the site visit, together with data provided by Green Lake Water Supply, supported the Authority in reaching its tariff determination.

Bukura Water Supply (BWS) Tariff Determination

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority has authorized Bukura Water Supply (BWS), a small private water utility serving 53 customers in the Bukura subdivision on Efate, outside UNELCO's concession area, to apply a base tariff of 123 Vt/m³ to its customers.

This represents a 2% increase from the previous tariff of 121 Vt/m³.

Billing is structured across two consumption tranches under the new tariff arrangement, as follows:

T	R	NP	C
1	0–200 m³	120 VT/m³	No change (previously 120 VT/m³)
2	200+ m³	132 VT/m³	+2% (from 130 VT/m³)

Key:
T = Tranche
R = Range of Consumption (m³)
NP = New Price (VT/m³)
C = Change from Current Tariff

An additional charge of 2 Vt/m³ will be applied as a force majeure fund contribution

EMTEM Lagoon Water Supply Tariff Determination

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

The Authority has determined a flat base tariff of 197 Vt/m³ for EMTEM Lagoon Water Supply, to be applied to customers during the tariff period from August 2025 to August 2026. The tariff of 197 Vt/m³ is subject to the following conditions:

- Proper establishment of management systems; and
- Operation of the water network utilising solar energy for water pumps.

Operational and performance data collected during this period will inform a tariff review and reset scheduled for August 2026.

Bellevue & Beverley Hills Water Supply (BBHWS) Tariff Review

Strategic Objective 4: Identify means to enable regulated services to become more affordable.

BBHWS is a privately operated water utility serving customers in the Bellevue and Beverley Hills subdivisions on Efate.



The Authority has authorized Bellevue & Beverley Hills Water Supply (BBHWS) to apply a uniform tariff of 121.73 Vt/m³ for water consumption for the period 2025–2028. This represents a 5% decrease from the previous uniform tariff of 127.87 Vt/m³.

In addition, the Authority has approved the continuation of a fixed monthly charge of Vt 1,210.

As part of the tariff review, the Authority conducted a site visit on 16 May 2025 following the completion of technical improvements undertaken after the December 2024 earthquake.

Water Regulatory Reporting Requirements (WRRR)

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

The Authority achieved a significant milestone with the approval of the WRRR, addressing the current absence of comprehensive regulatory reporting obligations for water concessionaires beyond the statutory annual reports. The introduction of the WRRR fills this gap by establishing a structured framework for the submission of financial and technical data for regulatory purposes.

Previously, the Authority relied on annual reports and ad hoc quarterly data submissions from utilities, which posed challenges in ensuring consistency and reliability during the analysis of financial and technical information. With the implementation of the WRRR, utilities will now submit data in a consistent and standardized format, enabling efficient and robust regulatory assessments by the Authority.



Safety Orders in 2025

As part of its mandate to ensure provision of safe regulated services, the Authority issued Safety orders to the Department of Water Resources (DoWR) pursuant to section 15 of the URA Act, instructing DoWR to address the unsecured water reservoirs of and other safety issues identified during inspections of the Luganville water system.

Safety Order No. 2 of 2025 (10 June 2025):

Required DoWR to secure the reservoirs at Sarakata and Chapuis and maintain the surrounding areas.

DoWR responded that the land on which the reservoirs are located is under land acquisition, and therefore no works or development can be undertaken at this stage.

Safety Order No. 3 of 2025 (29 July 2025):

Required the Department of Water Resources to address seven unresolved water safety hazards issues. DoWR responded by undertaking actions to address these identified issues.





Network Inspections and Reliability

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

Under the Utilities Regulatory Authority Act (URA Act), the Authority is mandated to ensure the provision of safe, reliable, and affordable regulated services, while promoting access and protecting the long-term interests of consumers.

To support this mandate, the Authority conducts annual network inspections to identify safety risks and notifies utilities to address these issues. This helps ensure the safe and reliable provision of regulated services to customers. Provide are the electricity and water networks that the Authority had inspected in 2025.

Highlights and Overall Performance in 2025

URA Office Relocation

Strategic Objective 1: Improve effectiveness and efficiency of URA's regulatory functions

Following the December 2024 earthquake, the Authority relocated to a new office at No. 2 Area in early 2025 due to significant damages to its previous premises at the VNPF compound. An assessment of office assets was undertaken, with damaged items disposed of and others sold.

To support operations in the new office, the Authority procured new workstations, office equipment, and a vehicle to assist with administrative matters and field activities.

Port Vila Water Tariff Review

Strategic Objective 4: Identify means to enable regulated services to become more affordable

The review of the Port Vila Water Tariff has taken longer than initially anticipated. Between 2023 to 2025, the Authority has actively engaged with the Government Taskforce and key stakeholders, conducting a series of meetings to present updated tariff positions and address areas of divergence with UNELCO.

The URA has proposed a tariff of 83.7 VT/m³. Ongoing discussions continue to focus on key parameters, including forecast demand, provisions, capital costs, and the rate of return. In the absence of an agreed position, arbitration under the Port Vila Water Concession Agreement may be pursued.

The Authority continues to facilitate constructive dialogue and remains committed to achieving a fair and sustainable tariff outcome.

Advice on Solar Power Purchase Agreement for Tanna Concession

Strategic Objective 2: Strengthen, Monitor Prices & Ensure Safe Provision of Regulated Services

A key activity included advising VANPAWA on a proposed Power Purchase Agreement (PPA) with Mana Pacific for a solar energy project in Tanna.

The Authority undertook a detailed review of the PPA, with particular emphasis on the proposed tariff to ensure it did not exceed VANPAWA's avoided fuel costs. Following its assessment, the Authority provided recommendations to VANPAWA, supporting the progression of the solar project while safeguarding affordability for customers.

Advice to DoE on Utility Extension from Paradise Cove to Dream Cove

Strategic Objective 2: Strengthen, Monitor Prices & Ensure Safe Provision of Regulated Services

Following the 17 December 2024 earthquake, electricity and water services to parts of Ifira were disrupted. In response, the Department of Energy (DoE) requested advice from the Authority on potential funding options to support the extension of utility infrastructure from Paradise Cove (Pango) to Dream Cove (Ifira), with an estimated investment cost of VT 13.2 million.

The Authority assessed the request and identified available funding provisions within the existing electricity and water tariff frameworks to support the proposed extension. To enable timely restoration of services, the Authority recommended that the Government approve the investment as part of UNELCO's investment plan.

The Authority further advised that, should implementation challenges such as land disputes arise, UNELCO be permitted to recover its investment costs in accordance with the regulatory framework.

Advice to DoE on Proposed Takara Geothermal Project

Strategic Objective 2: Strengthen, Monitor Prices & Ensure Safe Provision of Regulated Services

The Director of DoE requested the Authority to review the feasibility study for the Takara Geothermal Power Plant, undertaken by Shanghai Generalfushi Refrigeration Equipment Co. Ltd. Following a careful assessment, the Authority noted that while further analysis is required to fully confirm the project's viability, the proposed geothermal project appears feasible.

Additionally, the authority emphasized that the amended Electricity Supply Act (ESA) will be critical in supporting PPAs, providing a secure framework for private sector investment in renewable energy projects.

Advisory Support on Lalinda Mini-Grid, West Ambrym

Strategic Objective 2: Strengthen, Monitor Prices & Ensure Safe Provision of Regulated Services

The Authority provided advisory support on indicative tariff determination and pricing options for the newly completed renewable energy mini grid in Lalinda village, Ambrym Island.

The Lalinda mini grid is funded by the United Nations Development Programme (UNDP) and supported under the Nationally Appropriate Mitigation Action (NAMA) initiatives in Vanuatu.

As part of its assessment, the Authority reviewed operational and technical data submitted by the DoE.

Monitoring Renewable Energy Initiatives

Strategic Objective 6: Promote Utility Resilience and Environmental Conservation objectives through Regulation

The Authority continued its oversight of initiatives promoting renewable energy, including the Renewable Energy Solar and Storage on Efate and Tanna (RESSET) project. This project supports the integration of grid-tied solar systems with battery storage for the Port Vila and Tanna electricity networks.

In addition, tariff adjustment mechanisms for VANPAWA and VUI have been updated to incorporate renewable energy generation, ensuring that both utilities and customers benefit from more sustainable energy sources.

The Authority also monitored the Government's procurement of two biofuel generators intended for coconut fuel integration into power generation. Throughout the process, the Authority ensured alignment with regulatory standards and provided guidance where necessary.

Electricity Supply Act amendment (Support for IPPs & RE integration)

During the year, a key milestone for the energy sector was the amendment of the Electricity Supply Act No. 6 of 2024. While the amendment was sponsored by the DoE, the Authority supported its progression as part of its strategic objective to facilitate the regulation of renewable energy grid integration.

The amendment creates a clear legal pathway for IPPs to participate in Vanuatu's electricity market, enabling greater integration of renewable energy technologies. This reform strengthens investment certainty, supports competition, and enhances energy security while maintaining essential safeguards to ensure grid stability and protect consumers.

Despite amendments to the ESA, gaps remain in the licensing framework, particularly around transparency and balance in the regulation of IPPs, which continue to face disadvantages stemming from legacy arrangements and the market dominance of existing concessionaires. These shortcomings affect the negotiation of PPAs, creating an uneven playing field that can deter investment, limit competition, and slow the integration of renewable energy—making further reform essential to support fair and commercially viable IPP participation in Vanuatu's energy transition.

Solar PV Grid Connection Charges – Luganville

Strategic Objective 2: Strengthen, Monitor Prices & Ensure Safe Provision of Regulated Services

The Authority engaged with owners of grid-tied solar PV systems in Luganville to consult on the application of solar grid connection charges. During these consultations, some customers raised concerns regarding the tariff, including the cost of using the grid as a backup to their solar systems, with a few indicating the possibility of disconnecting from the grid.

Following these discussions, the Authority maintained its position to retain the solar grid connection charge, noting that it ensures fairness for both customers and the utility by reflecting the cost of maintaining grid access. The Authority will continue to monitor customer responses and any potential impact on grid participation.

Customer Surveys for UNELCO & VUI Customers

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

The Authority conducted customer surveys to better understand consumer experiences with electricity and water services. The surveys were designed to assess customer perspectives on affordability, reliability, safety, and overall service quality.

The UNELCO Customer Survey was conducted from March to April 2025, targeting electricity and water customers in Port Vila.

Following this, the VUI Customer Survey was conducted from 9 to 30 June 2025, targeting electricity customers in Luganville.

The survey was widely promoted through digital channels, including the URA website, Facebook page, Vodafone and Digicel messaging services, and the Government email network.

The results of these surveys will inform the Authority's regulatory decisions and ongoing efforts to improve service delivery and customer outcomes.



Development of Water Safety Standard

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

In 2025, the Authority made significant progress in developing a Water Safety Standard, a key regulatory instrument aimed at strengthening the safety of water services across Vanuatu.

The Authority engaged BildBeta Consultancy to lead the development of the standard, with work commencing in September 2025 over a three-month period. Throughout the process, the Authority and the consultants worked closely with water utilities, facilitating consultations, network inspections and reviewing draft versions of the standard prior to finalisation.

This collaborative approach ensured that the standard reflects practical operational requirements while enhancing water safety practices. The standard has been developed and is expected to be formally finalised in early 2026.

Marae Community Water Project Emae Island

Strategic Objective 5: Maximize Access to Regulated Services

The Marae water supply project, initiated in 2024, represents a significant achievement by the Authority in supporting improved water access for the community of Marae on Emae Island.

The project was successfully completed in early 2025 and includes a solar-water pump, three storage tanks, a distribution network, and metered tap stands. It was officially handed over on the 4th of March 2025 by the Authority's CEO and Elder Rose of the LDS Church – donor partner.

The local water committee has confirmed that the system is operating smoothly, with a fixed monthly fee of VT 300 applied across 24 households.

To date, the committee has reported total revenue collection exceeding VT 100,000, demonstrating early financial sustainability of the system.



Ongoing Tasks Undertaken by the Authority

Other ongoing and operational tasks (including their frequency) include the following:

UNELCO Electricity Tariff Adjustment Verification • Monthly

Pursuant to the Authority by subsection 13(1) and section 18 of the Utilities Regulatory Authority Act No. 11 of 2007 (as amended),) and in accordance with the Arbitration Panel Award dated June 2021, in the matter of the 2020 Arbitration between Union Electrique du Vanuatu Ltd and the Government of the Republic of Vanuatu (Represented by the Utilities Regulatory Authority), the Authority hereby approves the monthly adjusted electricity price for the Port Vila concession.

UNELCO Water Tariff Adjustment Monitoring • Quarterly

UNELCO's billing frequency is quarterly and the water tariff that the operator applies is determined in accordance with the Contract for the Management and Operation of the Water Supply Service in Port Vila. Due to legislative restrictions in place, the Authority currently neither reviews nor approves UNELCO's quarterly adjusted water tariffs. However, UNELCO does inform the Authority of its adjusted water tariff each quarter.

VUI Electricity Tariff Adjustment Verification • Monthly/Annually

In exercise of the powers conferred upon the Authority by subsection 13(1) and section 18 of the Utilities Regulatory Authority Act No. 11 of 2007 (as amended), the Authority hereby approves VUI Ltd's monthly and annually adjusted electricity price for the concessions of Santo, Ambae, Maewo, and Vanua Lava.

Energy Snapshot Reports • Monthly

Strategic Objective 2: Strengthen Monitor Prices & Ensure Safe Provision of Regulated Services

This report provides an update of the electricity market in Vanuatu for electricity utilities that are regulated by the Authority. It also shows the trend of renewable energy contribution from solar energy and hydro production, total power sold and production. These reports are available on the Authority's website.

Regulatory Auditing of Funds under Water Concession Contract: Article 8 (Water Development Fund) • Annually

The Authority is mandated to publish annual reports on the use of any fund defined in a contract between the Vanuatu Government and utility company providing water or electricity services. This mandate is pursuant to section 34 (3) of the Utilities Regulatory Authority's Act (the 'Act') No. 11 of 2007 (as amended).

Regulatory Auditing Report on Funds under Electricity Concession: Article 6 (Investment Fund) • Annually

This report is prepared to provide details on the annual collection, management, and use of the Investment Support Fund established under Article 6 of the Convention relating to the concession for the generation and public supply of electric power in Port Vila between UNELCO and the Government of Vanuatu.

Customer Complaint • Ongoing

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

The Authority plays an important role in assisting customers to resolve grievances with their electricity and water service providers. Section 19(1), (2), and (3) of the URA Act provides that the Authority may, upon request from a consumer or a utility, act as a mediator to resolve disputes between the parties.

The Consumer Complaints and Dispute Resolution Rules and Procedures (CCDR) establish a transparent framework outlining the rights and responsibilities of consumers and utilities, as well as the powers and obligations of the Authority in handling complaints.

Throughout 2025, the Authority received and addressed 31 customer complaints relating to electricity and water services across the concession areas of Port Vila, Luganville, Malekula, and Tanna. The complaints primarily concerned billing disputes, high electricity and water bills, incorrect customer category rates, service disruptions, water availability, and safety concerns.

UNELCO Penalty Outage Invoicing • Semesterly

Strategic Objective 3: Promote Reliability and Enhance Quality of Regulated Services

Section 20 of the Utilities Regulatory Authority (URA) Act assigns to the Authority the contractual rights exercisable by the Government of Vanuatu in relation to the electricity concession contract for Port Vila.

Sections 18 and 29 of the Port Vila electricity concession contract provides that, where electricity services are interrupted without justification, the Concessionaire shall be liable for the following penalties:

a. Unjustified interruptions:
    i. Throughout the network: a fine equal to 500 x P per hour of interruption.
    ii. At one transformer: a fine equal to 50 x P per transformer per hour of interruption

During the reporting period, penalties were issued to UNELCO for unjustified electricity interruptions in the Port Vila concession, totalling VT 882,022 for Semester 2, 2024, and VT 854,248 for Semester 1, 2024. UNELCO complied with the Authority's determinations and paid both amounts to the Government.

For Semester 1, 2025, no unplanned or unjustified outages were reported, and accordingly, no penalties were applied.

Preparation for Annual Budget • 1st Quarter

Strategic Objective 1: Improve effectiveness and efficiency of URA's regulatory functions.

For the ensuing year, and in line with its five-year Strategic Plan, the Authority's workplan requires that it seeks approval, in accordance with the Financial Management Act, for the Government of Vanuatu's commitment to its annual budget. The funding approved by the Government has enabled the Authority to strengthen staff capacity, meet ongoing operational expenses, including monthly utility costs—and undertake consumer advocacy activities.

The 2026 budget was successfully submitted to the Ministry of Finance, approved by the Ministerial Budget Committee, and subsequently submitted to Parliament for appropriation.

Year End Financial Audit • 1st Quarter

Strategic Objective 1: Improve effectiveness and efficiency of URA's regulatory functions.

The Authority is required to maintain full and proper books of accounts and to prepare and submit to the Minister responsible for Finance a financial report for each financial year. The report must be audited and certified by the Auditor General in accordance with the Expenditure Review and Audit Act (CAP 241).

Financial Statement • Quarterly

Strategic Objective 1: Improve effectiveness and efficiency of URA's regulatory functions.

The Authority is required to submit financial statements within three (3) months after the end of each reporting period. Financial statements for 2024 have been submitted to the Ministry of Finance and Economic Management (MFEM).

VAT Return Statement • Quarterly

The Authority prepares and submits Quarterly VAT returns in a timely manner.

Assessment Fee Invoicing • Quarterly

Strategic Objective 1: Improve effectiveness and efficiency of URA's regulatory functions.

Pursuant to Section 29(B) & (3) of the URA Act No 19 of 2016 (Amendment) and Rule 4(2) of the URA Assessment Fee Rules, the Authority requests utilities to provide previous year audited financial statements. The Authority utilizes this information to determine the annual regulatory Assessment fees to be applied to each regulated utility, and issues invoice to the Utility on a quarterly basis.

CEO's Reports • Bi-Monthly

In 2025, the CEO fulfilled the obligation of keeping the Honourable Minister of Finance and other relevant senior Government stakeholders informed of the Authority's activities. The bi-monthly activity reports present the deliverables achieved and activities undertaken by the Utilities Regulatory Authority (the Authority) over each respective two-month period.

2025 End of Year Planning Retreat • November 2025

On 27 and 28 November 2025, the Commission members and Authority staff convened for the Authority's annual retreat event. The purpose of the retreat was to identify successes, challenges, and key lessons to inform the development and implementation of the 2026 Work Plan/Business Plan. Each division presented its achievements, challenges, and lessons learned from implementing the 2025 workplan.

Stakeholder Relations • Ongoing

The Authority ensures regular and timely publication of information and data through its website and official Facebook page, improving accessibility for consumers and stakeholders. Media releases are also issued to inform the public of approved decisions and reports. Throughout the year, staff facilitated meetings and discussions through both virtual and in-person engagements and remained accessible to stakeholders via email.

Public Consultation • Ongoing

The Authority is committed to ensuring transparency, impartiality, and fairness in its decision-making processes through public consultation. Stakeholders and consumers are provided with adequate and equitable opportunities to contribute to these processes.

In 2025, the Authority conducted several consultations in relation to approved tariffs. The stakeholders and consumers have sufficient and fair opportunities to provide input on the decision-making processes.

Other Activities

The Authority had also carried out these activities to educate customers on regulated matters, as part of its mandate.

Educational Video

The Authority engaged Vanuatu Visual Video Creation to produce an educational video to help customers better understand their electricity invoices. The video script has been developed and reviewed by the Authority, and the video is currently in the production stage.

Production is ongoing and is expected to be completed in 2026.

Public Awareness and Consumer Engagement at Unity Park

In May 2025, the Authority participated in a joint-event celebrating E-Commerce, Consumer Rights Day, and ICT Days at the Unity Park in Santo. A booth was set up to raise awareness of the Authority's role in regulating electricity and water services, as well as to collect feedback from VUI customers.

The team engaged with over 100 visitors, addressing queries related to tariffs, service delivery, and consumer rights. Educational brochures and complaint forms were also distributed, contributing to customer awareness in regulated matters.

URA and VBTC Agreement - Radio Awareness on Roles and Responsibilities of the Authority

The Authority also appeared in Vanuatu Broadcasting and Television Corporation (VBTC) programmes, including radio segments and talkback shows, to continue educate consumers on electricity and water regulatory matters.

Radio Program:

- Electricity Safety Standards and Rules
- Understanding your Electricity Bills
- Energy Efficiency and Conservation
- Reducing your electricity bills
- Understanding your Water Bills Water conservation
- Reducing your water bills

Talkback show:

- Electricity safety standard and rules
- Tariff Determination Building Blocks

Legal

In 2025, the Authority strengthened its legal and compliance framework to ensure that all regulatory actions were consistent with the Utilities Regulatory Authority Act No. 11 of 2007 and related legislation.

The Legal Division provided advisory support to the Commission, oversaw enforcement actions, and contributed to key legislative reforms.

Utilities Regulatory (Amendment) Act No.49 of 2025

The amendment was enacted and gazetted on 16th December 2025, introducing significant reforms to the principal Act. The amendments are aimed at strengthening governance, enhancing regulatory effectiveness and clarifying institutional roles within the Authority.

Strengthening Governance Arrangements

A key amendment to section 6 provides the Minister with a greater discretion in appointing the Chairperson of the Commission amongst non- executive Commissioners, thereby increasing flexibility while maintaining the independence on non-executive oversight.

Clarification of Institutional Roles

Amendments to section 5 clearly distinguish between executive and non-executive functions within the Authority. Notably one Commissioner is formally designated as the Executive Commission who is the Chief Executive Officer (CEO) reinforcing accountability for daily management and administration while preserving governance oversight role of the Commission.

Reform of Appointment Terms

Section 9 has been revised to standardize the tenure of Commissioners to a fixed term of 5 years from 3 years. Commissioners are eligible for reappointment once only. Reference to full time and part time appointments have been removed simplifying the structure and enhancing consistency in governance arrangements.

Expanded Regulatory Powers: Electricity Supply Act (Amendment) Act No.6 of 2024

The amendment was enacted and gazetted on the 9th of June 2025. The amendment significantly broadens the Authority's scope by extending its pricing oversight functions beyond utilities to include IPPs or individual regulated services. Individual persons are also allowed to generate electricity for their own use within the concession area but limited to domestic usage only.

The amendment to the ESA marks a significant step in enhancing the Authority's governance framework and regulatory mandate.

Continuous Reforms

The Authority remains committed to continuous legislative and policy reforms aimed at strengthening its governance framework, enhancing the clarity of legislative provisions, and ensuring that its enabling laws effectively support the discharge of its regulatory functions.

During the reporting period, the Authority continued to collaborate closely with key stakeholders, including the DoE and other relevant agencies, to advance these reform initiatives. These efforts are directed toward improving regulatory effectiveness and ensuring that the legislative and institutional framework remains responsive to the evolving needs of the utilities sector.

The Authority is confident that these ongoing reforms will contribute positively to the development of Vanuatu's energy sector, supporting more efficient, transparent, and sustainable service delivery in the years ahead.

Institutional and Capacity Building

In 2025, the Authority prioritized strengthening the skills and knowledge of its staff through participation in regional and international training programs:

- The CEO, Mr. Jesse Benjamin, and Regulatory Specialist, Mr. Edmond Tambisari, attended the OPERA Training and the Asia Clean Energy Forum (ACEF) in Manila, Philippines. These programs enhanced the Authority's regulatory capacity and facilitated knowledge sharing with other Pacific energy regulators. Participation was fully funded by the Asian Development Bank (ADB).
- Mr. James Temakon (Regulatory Economist) and Ms. Alison Baniuri (Senior Regulatory Analyst) participated in a training organized by the International Business and Economic Forum in Fiji, further developing their technical and regulatory expertise.
- The CEO attended the Australian Consumer Competition Commission & AER Regulatory Conference in Brisbane, gaining insights into best practices in regulation, including the use of AI, interoperability, resilience planning, and promoting universal access to essential services.
- The CEO also represented the Authority at a Pacific Islands Telecommunications Association (PITA) training in Nadi, Fiji, enhancing knowledge and skills relevant to the Authority's regulatory mandate.



Challenges in 2025

The Authority made significant progress in implementing its 2025 Work Plan despite the challenges. Key challenges included:

Balancing Affordability and Cost Recovery

The Authority operates within a sensitive policy/ legal space where it must ensure tariffs remain affordable for consumers while ensuring sustainability of utilities. This balance is particularly challenging where fuel costs fluctuate due to external factors, Infrastructure investment needs are high, and household incomes are constrained.

Data Availability and Quality

Effective regulation depends heavily on reliable data. However, there are challenges in collection of data due to delays in data submission from certain utilities and incomplete information or no data at all. This has an impact on setting tariffs, tariff reviews or evidence-based decision making.

Strengthening Public Awareness and Consumer Understanding

The Authority continues to face challenges in effectively reaching and engaging consumers due to varying levels of understanding, geographic dispersion, and differences in literacy, but remains committed to improving accessible communication and outreach to enhance understanding and trust.

Managing Stakeholder Expectations

The Authority operates within a dynamic environment that involves balancing the interests and expectations of multiple stakeholders, including Government, regulated utilities, and consumers.

These stakeholders have differing, and at times competing, priorities. The Government focuses on achieving national policy objectives, utilities seek to maintain operational and financial sustainability, while consumers expect affordable tariffs alongside reliable and quality services.

To effectively navigate and manage these expectations requires thorough, careful and balanced approach, which is difficult at times. However, the Authority continues to balance the diverse and at times competing expectations of Government, utilities, and consumers through clear communication, transparent and evidence-based decision-making, and ongoing stakeholder engagement to achieve fair and sustainable sector outcomes.

Evolving Policy and Sector Reforms (Electricity)

As Government priorities evolve in the energy Sector, (e.g., renewable energy transition, rural electrification) the Authority must adapt its regulatory framework to cater for the changes, which may require new licensing approaches, updated tariff methodologies, new ways to regulate the changes/regulatory innovation.

This places ongoing demands on institutional flexibility and capacity.

Fragmented Legal Framework and Compliance Challenges in Water Services

Water regulation is impacted by a fragmented legal framework involving multiple authorities, and challenges arise in ensuring compliance among small water service providers who are not formally mandated under existing laws to deliver water services.

Rigid Legacy Concession Contracts

Concession contracts established prior to the URA Act lack consistency, particularly in tariff setting. In contrast, post-URA Act contracts allow tariff determinations under Section 18, enabling more flexible and efficient regulatory processes.

Legacy contracts, however, require determinations under Section 20 of the URA Act, involving both the Minister and relevant Government agencies. These arrangements result in rigid tariff review processes that can hinder the establishment of reasonable tariffs. Additionally, dispute resolution under such contracts is often lengthy and costly, potentially disadvantaging consumers or compelling the Government to accept unfavorable terms to avoid prolonged disputes.



2025 Financial Statements

Statement of Comprehensive Income

For the year ended 31 December 2025
Expressed in Vatu

Description	2025	2024
Revenue	159,105,786	160,966,351
Operating Expenses	(156,374,443)	(92,738,942)
Operating surplus	2,731,343	68,227,409
Adjustments Prior year	(366,162)	-
Net surplus	**2,365,181**	**68,227,409**

Statement of Financial Position

As at 31 December 2025
Expressed in Vatu

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	219,020,970	151,399,570
Receivables	24,114,323	38,587,673
Other assets	5,757,121	2,837,458
Total Current Assets	248,892,414	192,824,701
Non-current Assets		
Plant and equipment	10,792,772	10,904,366
Total Non-current Assets	10,792,772	10,904,366
TOTAL ASSETS	**259,685,186**	**203,729,067**

	2025	2024
TOTAL LIABILITIES & FUNDS		
Current Liabilities		
Trade payables	10,447,488	871,000
Other payables	1,462,545	933,500
Provisions - employee benefits	2,402,416	971,742
Total Current Liabilities	14,312,449	2,776,242
Non-current Liabilities		
Provision - employee benefits	26,010,246	5,955,515
Provision - Others	22,000,000	-
Total Non-current Liabilities	48,010,246	5,955,515
Total Liabilities	**62,322,695**	**8,731,757**
Funds		
Accumulated surplus	197,362,491	194,997,310
Total Funds	197,362,491	194,997,310
TOTAL LIABILITIES & FUNDS	**259,685,186**	**203,729,067**

Detailed 2025 Financial Audited report can be accessed from the URA website www.ura.gov.vu

Utilities
Regulatory
Authority
GPSMAP 65S