

**Speech by Mr. August LETLET**  
**GOVERNOR,**  
**The Reserve Bank of Vanuatu**  
**On the Occasion of the Signing of the long-term Supply Agreement**  
**with Note Printing Australia (NPA): Melbourne, Australia**  
**9 September 2025**

Mr. Malcolm McDowell, Chief Executive Officer, Note Printing Australia

Mr. Nuwan Kalpage, Head of Export Customers, Note Printing Australia

Representatives of the Reserve Bank of Vanuatu

Distinguished Guests

Ladies & Gentlemen

It is with great pleasure that I address you today on the occasion of the Reserve Bank of Vanuatu's signing of the *Long-term Agreement* with Note Printing Australia in NPA in this beautiful city of Melbourne. It is an important decision for the Reserve Bank of Vanuatu because I am convinced the value proposition that NPA will deliver to the Bank will strongly contribute to our efforts in the promotion of cash handling practices in the retail and public sectors and our own cash management practices.

This agreement is the culmination of our partnership with NPA to one that is more enduring for both our institutions. As you heard from Mr Nuwan, polymer has played an important role in serving our community. Durable hard-wearing notes are important to maintain public confidence and to sustain economic activity, and this agreement will help us optimize the performance of our banknotes in circulation.

Vanuatu has had a long and varied history of money, and, indeed the history of the Vanuatu itself would not be complete without the history of its money.

Pig's tusk, shell money and mats were used as currency for thousands of years, alongside traditional barter systems. During the colonial period of the British and French administration, starting from 1906, the Condominium of the New Hebrides, as it was known then, had multiple currencies, at times co-circulating with each other. These currencies included the British Pound/Sterling, French Franc, the Pacific Francs, the New Hebrides Franc, and the Australian dollar.

Vanuatu first introduced its own currency in March 1982, following independence in July 1980. This development marked an important chapter in Vanuatu, having its own monetary regime and a central bank with the sole authority to issue legal tender and undertake monetary and financial sector stability policies. The Reserve Bank of Vanuatu also has the responsibility of regulating the issue, supply, availability and international exchange of money, and in meeting the currency needs of the public.

The shift to adopt the polymer banknotes by the Reserve Bank of Vanuatu represented a major reform in the history of Vanuatu's currency since paper currency was first introduced. The NPA assisted the RBV in the design and introduction of the new series of polymer banknotes. The shift was taken in light of Polymer's proven record in durability and security, features that are important in our harsh and tropical wet climate, as well added tactile features that accommodate inclusivity in the use of currency notes. It contributes to making Vatu a safe currency from counterfeiting, which ultimately contribute to confidence, further facilitate trade and therefore broader economic development.

To now make this commitment to NPA means that our cash management system will be even more functional. From establishing a bank note quality improvement program to developing a system for the 100 percent recycling of used notes, I am excited by what the future holds in the collaboration we are signing up to today.

I note that one of the services we now have access to is to hold contingency stock at NPA for disaster recovery. Vanuatu is at the coal face of climate change, and we

must have plans in place to make our economy as resilient as possible in dealing with this ongoing threat. Our agreement also enables RBV to have confidence in NPA as our dedicated partner in banknote supply, guaranteeing capacity in your production schedule - this certainty greatly assists our inventory planning and forecasting which again helps RBV get on the front foot in managing our money supply.

By collaborating with NPA, I am also excited by the prospect of developing some innovative ways in which the RBV can address the endemic issues in cash management that Central Banks throughout the Pacific region must address such as cash pooling in remote communities. NPA has direct experience in other markets and having their perspective as we address the challenges in our own cash cycle is a welcome addition to our efforts.

I would like to close by thanking NPA for all the efforts in delivering what I regard as some of the highest quality banknotes in the world. The Vanuatu bank note family may not be loaded with sophisticated security features, but the notes are absolutely fit for purpose and truly reflective of our rich culture. When the time comes, I certainly look forward to working with the NPA design team to reimagine how a new banknote series in the future will reflect the aspirations of the people and role that Vanuatu plays in the Pacific region and the wider world.

Thank you