



**Republic of Vanuatu
State Law Office**

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PRESS STATEMENT

VFIU ISSUES ADMINISTRATIVE PENALTY

The Vanuatu Financial Intelligence Unit (VFIU) has exercised its new powers under section 50A of the Anti-Money Laundering & Counter Terrorism Financing Act No. 13 of 2014 (as amended) by issuing a penalty notice to a local Money Exchange Business.

The Director of the VFIU, Mr. Floyd Mera said that with the recent amendment to the AML&CTF Act which was published in the official Gazette in October 2015, VFIU has significantly increased its administrative sanctioning powers.

The penalty notice was issued to the local Money Exchange Business for failure to complete and resubmit an AML&CTF Compliance Report. This Compliance Report was issued under section 31 of the AML&CTF Act. A warning letter was then issued to the Business to allow the Business an extended opportunity to promptly comply but the Business failed to respond.

On receiving the penalty notice, the Money exchange Business faithfully paid the VT1 million penalty fine directly to the Vanuatu Government on Tuesday 10 May 2016.

Mr. Mera acknowledged that the VFIU is better able to enforce its AML&CTF supervisory program and will exercise the administrative penalty powers on Businesses and Professions that failed without reasonable excuse to comply with the necessary provisions of the AML&CTF Act.

In line with the approved 2014 Vanuatu National Risk Assessment Report, VFIU has revisited all AML&CTF Registration Forms (market entry) submitted by Businesses and Professions and have written back to these Businesses and Professions for additional information.

Mr. Mera encourages Businesses and Professions in the Gaming sector (Casino, Gaming and Interactive Gaming); Banking Sector (Domestic and Offshore Banks); Money Exchange and Remittance Sector; Company and Trust Service Providers Sector, Real Estate Sector, High Value Asset Sector (vehicle, Machinery, Yacht etc.... over VT1 million) and Lawyers/Accountants (managing properties on behalf of their clients) to verify their AML&CTF Registration Form with the VFIU or if are not registered with the VFIU, must contact the VFIU via the above contact detail.

Further, all Businesses and Professions are encouraged to continuously maintain satisfactorily compliance with the AML&CTF Act.

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