



PRESS RELEASE

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Vanuatu Prepares for Global Assessment of its Anti-Money Laundering Measures in 2026

The Right Honourable Prime Minister, Charlot Salwai Tabimasmās SARIBO (MP), announced that Vanuatu has prioritised its efforts to comply with the international anti-money laundering and combating the financing of terrorism (AML/CFT) requirements. PM Salwai reiterated that Vanuatu will remain a strong and committed partner in the global fight against illicit financial flows and related financial crimes.

Assessment of Vanuatu's AML/CFT Framework

As a founding member of Asia/Pacific Group on Money Laundering (APG), Vanuatu's AML/CFT framework was assessed by the APG in 2006 and 2015 under the Financial Action Task Force (FATF) assessment methodologies.

"I am pleased to announce that Vanuatu has volunteered to expedite its next evaluation by the APG, which will commence in March 2026," the Prime Minister said.

The National AML/CFT Coordinating Committee (NCC), in consultation with the APG and our development partners, has been tasked to develop and implement comprehensive preparatory measures that will address residual gaps and weaknesses in our AML/CFT system and will demonstrate to the APG that Vanuatu has complied with the global standards and that our AML/CFT regime is increasingly effective.

In 2018, Vanuatu was successfully removed from the FATF "grey list" because of the significant progress made in improving the AML/CFT regime, particularly on legal, regulatory and related technical compliance through the collective effort from all stakeholders.

"While Vanuatu is currently complying with 39 out of the 40 FATF Recommendations, our preparatory efforts will focus on improving the effectiveness of our AML/CFT framework against 11 key outcomes," the Prime Minister said.

Emphasis on Risk and Context

The FATF assessment methodology will require the APG assessment team to pay careful attention to Vanuatu's risk, context and materiality factors, particularly, the low level of risk Vanuatu poses to the international financial system, low risk for organised financial crimes, absence of large-scale money laundering, low level of domestic terrorism and proliferation financing risk, and Vanuatu's almost negligible contribution to global illicit financial flows. This approach is also intended to mitigate any unintended adverse consequences of the global AML/CFT standards, such as, financial exclusion, de-risking and closure of bank accounts of certain type of customers, closure of correspondent banking relationships, and undue targeting of non-profit and charity organisations. Gaps that will be identified during the mutual evaluation are generally expected to carry lessor weight when determining compliance ratings and level of effectiveness in view of Vanuatu's risk, context, and materiality factors.

National Risk Assessment

The NCC is working with our development partners to finalise Vanuatu's third national risk assessment by the end of 2024. In the global context, Vanuatu poses low level of risk to the international financial system and is expected to remain low risk for money laundering, terrorism financing and proliferation financing.

Private Sector

Vanuatu's preparatory efforts also include the private sector financial institutions and designated non-financial businesses and professions, such as, Vanuatu's small casino and gaming sector. The NCC will work with these institutions to ensure that weaknesses in applying risk-based preventive measures identified and addressed.

AML/CFT Measures for High-Focus Sectors

"Vanuatu has made a strong commitment to address any further gaps that may be identified in the upcoming mutual evaluation process. In fact, the NCC has already begun preparatory work, including assessing gaps in Vanuatu's high-risk and high-focus areas, such as, the online gaming, virtual assets, and citizenship program," the Prime Minister said.

Acknowledgements

Prime Minister Salwai said that Vanuatu is one of the first small island country that will undergo mutual assessment in 2026 and is among over 200 countries around the world that will be assessed under the same criteria and methodology in the new round of mutual evaluations.

I would like to thank the APG team for their high-level visit to Port Vila in August 2024 and I wish to reaffirm my government's commitment to implement the FATF AML/CFT standards, commensurate with our risk, context and materiality factors.

I would like to also thank our key development partners, namely, the APG, Australia, New Zealand, United Kingdom, USA, the Asian Development Bank, the World Bank Group, and the United Nations and other international and regional organisations and state governments, for their ongoing support and assistance to further improve Vanuatu's compliance with

international standards and best practices, including the anti-money laundering and combating the financing of terrorism requirements.

“Vanuatu’s fight against global financial crime and maintaining the safety and integrity of Vanuatu’s financial system requires a collective effort of the Government of Vanuatu, the NCC, the private sector, Vanuatu’s development partners and other internal and external stakeholders,” said the Prime Minister.

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