



VANUATU FINANCIAL
= SERVICES COMMISSION =

AML/CFT Processing Guideline for Foundation

(February 2026)

REGISTRATION DEPARTMENT

Aligned with FATF Recommendations and Vanuatu National Risk Assessment 2024

1. Purpose

This guideline establishes a risk-based approach for processing applications and monitoring Foundations under the Foundations Act No. 38 of 2009 in alignment with FATF Recommendations 8, 10, 12 and 24.

2. Application Processing Procedure

Step 1: Completeness Check

- Must confirm name
- Must verify registered physical address in Vanuatu
- Must verify registered Office address in Vanuatu
- Must confirm Founder, Guardians, Councilors and Secretary details (name, nationality, address, occupation)
- Must provide Certified Charter attached
- Must provide Assets & liabilities statement
- Must provide details of initial assets
- Must provide Proof of Source of Funds

Step 2: Mandatory Compliance Screening

- Sanctions screening (Dow Jones / World Check)
- Passport verification (foreign nationals)
- PEP screening
- Adverse media screening

3. Red Flag Triggers & Required Action

- High Risk (Immediate Escalation)
 - Foreigners are from the FATF and EU Sanctions Country list → Reject and escalate to Commissioner
- Medium Risk (Enhanced Due Diligence)
 - PEP involvement
 - Foreign-dominated committee
 - High-risk objects (political, cross-border transfers, conflict zones)
 - Large unexplained assets or foreign funding
- Low Risk

- Domestic activities, transparent funding, no red flags → Approve

4. Annual Return Monitoring (Section 8A of the Act)

- Must review income vs previous year
- Must review Audited Accounts
- Must identify foreign donations or transfers
- Must confirm recipient identification
- Must re-screen new committee members (Founder, Guardian, Councilors and Secretary)

5. Risk Classification Framework

- Low Risk: Approve Application for Registration
- Medium Risk: Contact additional Enhanced Due Diligence
- High Risk: Reject Application

6. Process Flow Procedure

Application Received → Completeness Check → Sanctions/PEP Screening → Risk Trigger Assessment → Risk Classification → Approve / EDD / Reject

Please contact the following person should you have any questions:

Mr. Webster Alilee
Manager, Registration Department
Email: walilee@vfsc.vu
Phone: (678) 22247

Dated this 17th day of February 2026



Branan Karae
Commissioner

