



VANUATU FINANCIAL
= SERVICES COMMISSION =

GUIDELINES ON SUSPENSION, VARIATION AND REVOCATION OF A VASP LICENCE

(January 2026)

SUPERVISION DEPARTMENT

1. Application of Guidelines

Applies to all licensees under the Act. This Guidance Note should be read with the Act provisions on suspension and revocation (including section 18 where applicable).

2. Purpose

To explain VFSC's approach to supervisory actions affecting a licence, including emergency suspension, conditions, remediation, and customer protection measures.

3. Legal Basis

These Guidelines are issued under section 59 of the Virtual Asset Service Providers Act No. 3 of 2025 (the Act), and support VFSC's licensing, supervision and enforcement functions.

4. Core Regulatory Expectations

- Must maintain an up-to-date wind-down plan, including how customer assets and data will be protected during suspension or revocation.
- Must cooperate with VFSC directions during supervisory action, including customer communications and restrictions on new business.
- Must ensure client asset safeguarding and fair treatment of clients during any restriction period.
- Must implement remediation plans within timelines and provide evidence of completion.

5. Reporting, Notifications and Records

- Must notify VFSC immediately of any event that may trigger supervisory action (e.g., insolvency, serious fraud, critical cyber incident, material AML breach).
- Must provide status reports as directed during remediation and restriction periods.

6. Supervisory Approach and Enforcement

- VFSC may suspend, vary conditions, or revoke licences where statutory triggers are met, including for consumer harm, instability, or serious compliance failures.
- VFSC may publish supervisory outcomes where necessary to protect the public, subject to legal constraints.

7. Benchmarking Consistency (non-exhaustive)

- BMA Bermuda: Digital Asset Business Operational Cyber Risk Management Code of Practice (cyber and operational resilience baseline).
- FSC Mauritius: AML/CFT Guidance Notes for VASPs and IITOs (risk-based AML/CFT and supervisory expectations under VAITOS).
- CIMA Cayman Islands: Rule and Statement of Guidance - Market Conduct for VASPs (conduct, custody, disclosures, incident reporting).
- FSRA Saint Lucia: Virtual Asset Business Regulations (licensing, operational capability, cyber and AML/CFT expectations).
- MFSA Malta: VFA Rulebook Chapters (governance, systems audits, custody/ITA certification, and conduct obligations).

Please contact the following person should you have any questions:

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Branan Karae
Commissioner

