VANUATU FINANCIAL
SERVICES COMMISSION

Procedure for exchange of information between foreign/domestic regulators and the Vanuatu Financial Services Commission

(May 2026)

SUPERVISION DEPARTMENT

1. Purpose

This procedure sets out the process by which the VFSC may request, receive, verify, protect, and disclose information to domestic and foreign regulators for supervisory, regulatory, enforcement, AML/CTF, and related statutory purposes. The procedure is intended to support VFSC's role in regulation and supervision of the non-deposit-taking financial services industry and its stated commitment to strengthen information-sharing mechanisms with domestic and international stakeholders.

2. Scope

This procedure applies to information exchanges involving:

- Foreign financial regulators, supervisors, law enforcement bodies, and competent authorities.
- Domestic regulators and public authorities in Vanuatu.
- VFSC-regulated entities, including companies, trust and company service providers, financial dealers, and other sectors governed by VFSC-administered legislation and regulations listed on the VFSC regulations page.

3. Legal and policy basis

VFSC may act only where disclosure or receipt of information is consistent with its governing legislation, the applicable regulations administered by VFSC, any Memorandum of Understanding or cooperation arrangement, confidentiality obligations, and any other applicable law.

4. Types of requests

Requests may include:

- Fit and proper information.
- Ownership, control, and beneficial ownership information.
- Licensing and registration status.
- Supervisory findings, inspection results, and compliance history.
- AML/CTF-related information.
- Enforcement and sanction history.
- Any other information relevant to a regulator's lawful supervisory or enforcement function. VFSC's published compliance statement also emphasizes beneficial ownership transparency, information-sharing mechanisms, and alignment with international standards.

5. Receiving requests

Requests should be submitted through an official channel, such as designated regulator-to-regulator contact points, secure email, formal correspondence, or an established cooperation platform. Upon receipt, the designated officer must promptly log the request and assign a reference number for tracking purposes. Each request should clearly identify the requesting authority, specify the legal basis, outline the purpose and subject matter, and indicate the level of urgency. Requests that are incomplete, unclear, or fall outside the mandate of the VFSC should be returned for clarification or formally declined, with the reasons for such action properly recorded.

6. Assessment of request

VFSC should first determine whether the request falls within its statutory or supervisory remit and, if so, confirm that the request is proportionate, specific, and directly relevant to the identified issue. It must also consider any confidentiality, privacy, or legal constraints that could restrict disclosure, and verify whether a reciprocal arrangement, memorandum of understanding, or other formal cooperation mechanism is in place when required. Priority should be given to requests involving urgent prudential concerns, AML/CTF matters, fraud, insolvency, or significant public interest issues, and if the request pertains to a sector regulated by VFSC, the matter should be referred promptly to the appropriate supervisory team.

7. Internal review and approval

The supervising officer needs to prepare a memorandum and recommended response then the request is reviewed by the relevant department head or authorized senior officer. Accordingly, the legal review should be obtained where the request raises confidentiality, cross-border disclosure, enforcement, or public-interest issues and the final approval for disclosure should be given by the Commissioner.

8. Information gathering

The VFSC should collect only information that is relevant and necessary to the request. The authorized officer should verify the identity of the regulated entity and related persons and confirm the accuracy of records against the registry or supervisory file, including taking note of any caveats, missing data, or outdated records and he must preserve an audit trail of all documents relied upon.

9. Disclosure standards

Before releasing information, VFSC should ensure that the disclosure is authorized by law or cooperation arrangement which includes that the information is limited to the stated purpose. Additionally, any confidential material must be marked and transmitted securely, and any use of limitation, onward-disclosure restriction, or retention requirement must be clearly stated. Furthermore, any sensitive personal or business information must be handled in accordance with applicable privacy and confidentiality obligations.

10. Response timeline

VFSC should aim to respond as soon as practicable for routine requests within a short internal target for urgent supervisory or enforcement matters and faster where the request concerns imminent risk, criminal activity, or systemic regulatory concern. Where immediate full disclosure is not possible, VFSC should provide an acknowledgment, outline next steps, and indicate any missing information needed to complete the request.

11. Outgoing requests

Where VFSC needs information from a foreign regulator or another domestic authority, the requesting officer should:

1. State the purpose and legal basis.
2. Describe the regulated entity or person.
3. Specify the exact information required.
4. Explain urgency and deadlines.
5. Confirm confidentiality and use restrictions.
6. Send the request through the approved channel and record it in the VFSC log.

12. Recordkeeping

VFSC should maintain a secure exchange-of-information register containing:

- Date of request and response.
- Requesting/responding authority.
- Subject matter.

- Legal basis.
- Approvals obtained.
- Documents shared.
- Confidentiality restrictions.
- Follow-up actions.

Good recordkeeping supports accountability, supervisory continuity, and later audit or enforcement use.

13. Refusal or deferral

VFSC may refuse, partially disclose, or defer a request where the request is outside VFSC's mandate or the information is legally protected, and no disclosure basis exists. The request is too broad or insufficiently specific. Similarly, the VFSC should not disclose information to the requesting authority if the information would prejudice an ongoing investigation or proceeding and if the requesting authority cannot provide adequate assurances on confidentiality or use limitations.

14. Escalation

The matter should be escalated to senior management and VFSC legal team where:

- The request involves high-profile entities or public interest concerns.
- There is a conflict between confidentiality obligations and supervisory necessity.
- The request may lead to enforcement action or cross-border regulatory coordination.
- The request raises reputational, diplomatic, or systemic risk.

Please contact the following person should you have any questions:

Mr. Joshua Tari
Manager, Supervision Department
Email: tjoshua@vfsc.vu
Phone: (678)22247

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COMMISSION DES AFFAIRES FINANCIERES
VANUATU
FINANCIAL SERVICES COMMISSION

Branan Karae
Commissioner