

REPUBLIC OF VANUATU

BILL FOR THE CHARITABLE ASSOCIATIONS (INCORPORATION) (AMENDMENT) ACT NO. OF 2026

Explanatory Note

This Bill amends the Charitable Associations (Incorporation) Act [CAP 140] (the “Act”).

Vanuatu’s laws generally reflect FATF standards by criminalising money laundering and terrorist financing and providing for financial reporting, beneficial ownership, asset confiscation and international cooperation. However, gaps remain and full compliance has not yet been achieved. This Bill is required to address those gaps and ensure Vanuatu fully complies with the FATF standards.

The key features of this Bill include:

- (a) the narrowing of regulated Charitable Associations to a risk-targeted category aligned with the FATF definition, rather than covering all charitable associations; and
- (b) the introduction of a risk assessment framework requiring the Registrar to identify higher-risk charitable associations, notify them of their status, and place them under enhanced supervision and monitoring; and
- (c) the introduction of record-keeping requirements, requiring committees to retain specified records for a period of 6 years; and
- (d) the addition of conviction of an offence under the Anti-Money Laundering and Counter-Terrorism Financing Act No. 13 of 2014 as a ground for cancellation of a certificate of incorporation; and
- (e) the introduction of disclosure obligations for persons acting as nominees, requiring them to disclose their nominee status and the identity of the person on whose behalf they are acting, with penalties for non-compliance; and
- (f) the strengthening of penalties for non-compliance, with penalties of up to VT 25 million for individuals and VT 125 million for bodies corporate.

Minister of Finance and Economic Management



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BILL FOR THE CHARITABLE ASSOCIATIONS (INCORPORATION) (AMENDMENT) ACT NO. OF 2026

An Act to amend the Charitable Associations (Incorporation) Act [CAP 140].

Be it enacted by the President and Parliament as follows-

1 Amendment

The Charitable Associations (Incorporation) Act [CAP 140] is amended as set out in the Schedule.

2 Commencement

This Act commences on the day on which it is published in the Gazette.

SCHEDULE

AMENDMENTS OF CHARITABLE ASSOCIATIONS (INCORPORATION) ACT [CAP 140]

1 Section 1

Insert in its correct alphabetical position:

“higher-risk charitable association” means a charitable association that is identified as being at risk of exploitation for terrorist financing through a risk assessment conducted by the Registrar, having regard to:

- (a) the nature and scale of the association’s activities; and
- (b) the countries in which the association operates or from which it receives funding; and
- (c) the association’s sources of funding; and
- (d) the association’s beneficiaries or class of beneficiaries; and
- (e) whether the association has any links, direct or indirect, to any person or entity designated under the United Nations Financial Sanctions Act No. 6 of 2017; and
- (f) any other criteria prescribed by the Regulations.”

2 Section 1(Definition of “Registrar”)

Repeal the definition, substitute

““Registrar” means the Commissioner appointed under the Vanuatu Financial Services Commission Act [CAP 229];”

3 After section 1B

Insert

“1C Identification of higher-risk charitable associations

- (1) The Registrar must carry out a risk assessment of all charitable associations registered under this Act for the purpose of identifying higher-risk charitable associations.
- (2) The risk assessment must be carried out:
 - (a) on registration of a charitable association; and
 - (b) at least once every 12 months; and

- (c) at any other time when the Registrar considers it necessary.
- (3) If a charitable association is identified as a higher-risk charitable association, the Registrar must:
 - (a) notify the association in writing of its status as a higher-risk charitable association; and
 - (b) require the association to implement additional measures to mitigate the risks identified; and
 - (c) place the association under enhanced supervision and monitoring.
- (4) The Registrar may, by notice in writing, require a charitable association to provide such information or documents as the Registrar considers necessary for the purpose of conducting a risk assessment under this section.”

4 After paragraph 10(1)(f)

Insert

- “(fa) the committee or the association is convicted of an offence under the Anti-Money Laundering and Counter-Terrorism Financing Act No. 13 of 2014; or”

5 After section 10

Insert

“11 Record keeping requirements

- (1) A committee must keep the following records of the association for a period of 6 years after cancellation of its certificate of incorporation:
 - (a) the constitution or other documents setting up the association; and
 - (b) the register of members of the committee; and
 - (c) a register of beneficial owners and key persons of the association; and
 - (d) financial statements for each financial year, including statements of income and expenditure and statements of assets and liabilities; and
 - (e) minutes of all meetings of the committee; and
 - (f) all reports and documents filed with the Registrar; and

- (g) records of all transactions entered into by the association; and
 - (h) records of all transfers of assets to or from the association exceeding VT 1,000,000 or its equivalent in foreign currency.
- (2) The committee must:
 - (a) keep the records of the association at the registered office; and
 - (b) make the records available for inspection by the Registrar at the registered office if the Registrar requests.
- (3) A committee that fails to comply with this section commits an offence and is liable on conviction:
 - (a) in the case of an individual, to a fine not exceeding VT 25 million or imprisonment for a term not exceeding 5 years, or both; or
 - (b) in the case of a body corporate, to a fine not exceeding VT 125 million.”

6 After subsection 13(1)

Insert

- “(1A) If a committee member or any other person holds a position in a charitable association as a nominee, the committee must ensure that the following information is recorded:
- (a) that the person is a nominee; and
 - (b) the name, address, and identification details of the nominator; and
 - (c) the date on which the nominee arrangement commenced; and
 - (d) the nature and extent of the nominator's interest in the association.
- (1B) The person who holds a position as a nominee must disclose in writing to the committee:
- (a) that the person is a nominee; and
 - (b) the name, address, and identification details of the nominator.
- (1C) The committee must update the information recorded under subsection (1A) within 14 days of any change to that information.

SCHEDULE
AMENDMENTS OF CHARITABLE ASSOCIATIONS (INCORPORATION) ACT [CAP 140]

- (1D) A person who fails to comply with this section commits an offence and is liable on conviction:
- (a) in the case of an individual, to a fine not exceeding VT 25 million or imprisonment for a term not exceeding 5 years, or both; or
 - (b) in the case of a body corporate, to a fine not exceeding VT 125 million.”