

REPUBLIC OF VANUATU

BILL FOR THE UNIT TRUSTS (AMENDMENT) ACT NO. OF 2026

Explanatory Note

This Bill amends the Unit Trusts Act No. 36 of 2005 (the “Act”).

Vanuatu’s laws generally reflect the FATF standards criminalizing 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 are to:

- (a) expand the definition of “beneficial owner” to include the beneficiary of a unit trust; and
- (b) require the Registrar to adjust the frequency and intensity of supervision according to the fund’s risk profile; and
- (c) require unit trusts to identify and assess proliferation financing risks and implement appropriate risk-based internal controls.

These amendments are necessary to:

- (a) improve the identification of persons who ultimately benefit from unit trusts; and
- (b) strengthen risk-based supervision of unit trusts; and
- (c) improve safeguards against proliferation financing.

Minister of Finance and Economic Management



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An Act to amend the Unit Trusts Act No. 36 of 2005

Be it enacted by the President and Parliament as follows-

1 Amendment

The Unit Trusts Act No. 36 of 2005 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 UNIT TRUSTS ACT NO. 36 OF 2005

1 Subsection 1(1) (definition of “beneficial owner”)

After “unit trust” insert “, or the beneficiary of a unit trust”

2 At the end of section 9

Add

- “(4) The Registrar must adjust the frequency and intensity of supervision based on the fund’s risk profile.”

3 Paragraph 13(d)

Delete “.”, substitute “; and

- (e) identify and assess proliferation financing risks and implement risk-based internal controls to mitigate those risks.”