

# REPUBLIC OF VANUATU

## BILL FOR THE FINANCIAL DEALERS LICENSING (AMENDMENT) ACT NO. OF 2023

### Explanatory Note

This Bill amends the Financial Dealers Licensing Act [CAP 70] (“the Act”).

The Vanuatu Financial Services Commission is the Licensing Authority of financial dealers and the regulator with the authority to supervise licensed financial dealers to ensure that they comply with the requirements of the Act and the international standards of the Financial Action Task Force (“the FATF”) and the European Union.

The Government considered that this Bill is necessary given the fact that the business of financial dealers is crucial with regards to the Government’s revenue as the result of the vast growth of virtual businesses.

This Bill will provide for the following:

- a Class D Principal’s Licence may only be issued to the licence holders of Class A, B and C Principal’s Licences; and
- a Class B principal licence may only be issued to the licence holder of a Class A principal’s licence; and
- a Class C principal’s licence may only be issued to the licence holders of Class A and B principal’s licences; and
- to increase the licensing fees; and
- to pay an annual renewal fee and failure to pay such a fee, a penalty fee will be imposed.

**Minister of Finance and Economic Management**



**REPUBLIC OF VANUATU**

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FINANCIAL DEALERS LICENSING (AMENDMENT)  
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**Arrangement of Sections**

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## **BILL FOR THE FINANCIAL DEALERS LICENSING (AMENDMENT) ACT NO. OF 2023**

An Act to amend the Financial Dealers Licensing Act [CAP 70].

Be it enacted by the President and Parliament as follows-

### **1 Amendment**

The Financial Dealers Licensing Act [CAP 70] 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 FINANCIAL DEALERS LICENSING ACT [CAP 70]

**1 After subsection 4(3)**

Insert

“(3A) The Commission may:

- (a) subject to subsection (4), grant a licence with or without conditions; or
- (b) refuse to grant a licence.”

**2 Subsection 4(5)**

Repeal the subsection, substitute

- “(5) A Class D Principal’s Licence may only be issued to the licence holders of Class A, B and C Principal’s Licences.
- (6) A Class B Principal’s Licence may only be issued to the licence holders of Class A Principal’s Licence.
- (7) A Class C Principal’s Licence may only be issued to the licence holders of Class A and B Principal’s Licences.
- (8) A licensee must pay an annual licence fee of VT 100,000 on or before the anniversary date of its incorporation.”

**3 After subsection 4A(3)**

Insert

“(3A) The Commission may:

- (a) subject to subsection (4), grant a licence with or without conditions; or
- (b) refuse to grant a licence.”

**4 At the end of section 4A**

Add

“(5) A licensee must pay an annual licence fee of VT 100,000 on or before the anniversary date of its incorporation.”

**5 After section 4AD**

Insert

**“4AE Annual fee for a licenced manager**

A licenced manager must pay an annual licence fee of VT 100,000 on or before the date specified in the licence.”

**6 After section 4BA**

Insert

**“4BB Annual fee**

A person who fails to pay an annual licence fee under this Act is liable to a penalty of 10% of the licence fee for each month during which the failure continues, up to a maximum of 50% of the licence fee.”