

**GOVERNMENT OF THE
REPUBLIC OF VANUATU**
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**GOUVERNEMENT DE LA
REPUBLIQUE DU VANUATU**
BUREAU DU DIRECTEUR GENERAL DU
PREMIER MINISTRE
SPP 9053 Port Vila,
Vanuatu Tel: (678) 22413

16 December 2020

Mr John Berrigan Director General
Financial Stability, Financial Services and Capital Markets Union
European Commission

Dear Mr Berrigan

**VANUATU'S RESPONSE TO EUROPEAN COMMISSION'S DECISION TO MAINTAIN
VANUATU ON ITS LIST OF HIGH-RISK THIRD COUNTRIES WITH REGARD TO ANTI-
MONEY LAUNDERING AND COUNTERING FINANCING OF TERRORISM.**

Please find attached our official, detailed response to your letters dated 29 October 2020 and 14 August 2020 on the above subject.

We believe our response clearly sets out our position on why Vanuatu should be removed from the EC list, on the basis that the rationale behind keeping Vanuatu on this list is based on outdated and flawed data, and that Vanuatu was not provided sufficient opportunity to engage in the assessment process.

Specifically, we draw your attention to the following points which are explained in more detail in the attached response:

1. The EC assessment appears to have been carried out based on indirect third-party sources and their interpretations/assessments which do not reflect the current factual situation with respect to existing legislation, regulation and statistics;
2. The third party assessment on which the EC assessment appears to have been based (the Global Forum Report) was aimed at assessing a specific topic, which was not AML/CTF;
3. The EC's actions in, among other things, failing to provide an adequate period of consultation contradicts its own methodology; and
4. The immaterial nature of the remaining issues identified by the EC assessment are not substantial or strategic enough to warrant Vanuatu's continuing presence on the blacklist.

Our response also outlines the steps Vanuatu has taken (and continues to undertake) to address the deficiencies identified in 2016, and restates our willingness to continue cooperating with EC in the field of AML and CTF.

Yours sincerely

A handwritten signature in black ink, consisting of a large, stylized 'G' followed by a series of loops and a long horizontal stroke extending to the right.

Dr Gregoire Nimbtik
Director General & Chairman of the AML&CTF National Committee
Ministry of Prime Minister