Anti-money laundering and counter-terrorist financing measures

Union of the Comoros

2nd Enhanced Follow-up Report & Technical Compliance Re-Rating

The Inter-Governmental Action Group against Money Laundering (GIABA) is a specialized institution of ECOWAS and a FATF Style Regional Body that promotes policies to protect member State's financial systems against money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction. The FATF Recommendations are recognised as the global anti-money laundering (AML) and counter terrorist financing (CTF) standard.

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I INTRODUCTION

1. The GIABA Plenary adopted the Mutual Evaluation Report (MER) of the Union of the Comoros in June 2024 and its 1st FUR in May 2025 without a request for re-rating. This Follow-up Report (FUR) analyses the progress made by the Comoros to meet the Technical Compliance requirements of the Recommendations being re-rated. New Technical Compliance ratings are awarded when it is demonstrated that sufficient progress has been made.

2. Overall, countries are expected to have addressed most, if not all, of the technical compliance gaps by the end of the third year following the adoption of their MER. This report does not analyse Comoros' progress in improving its effectiveness.

3. The evaluation of the request for the Technical Compliance re-rating of The Comoros and the preparation of this report were carried out by the group of reviewers represented by *Mr Ibrahim BANIA Secretary General of CENTIF Niger*.

4. The experts were assisted by Mr Komi Dodji Dayo, Mr Karnon Lofigue, Ms. Katia Lopes, Mr Edward Cudjoe, Mr Meo Debbah BEYAN, Ms. Ilda Porcila da Cunha Gomes Sá and Mr Jean Abossuwè Anade of the GIABA Secretariat.

5. Section III of this report summarizes the progress made by Comoros to improve its Technical Compliance. Section IV contains the conclusion and a table illustrating the current Technical Compliance ratings of the Comoros.

II CONCLUSIONS OF THE MER

6. The table below summarizes the Technical Compliance ratings awarded to Comoros following the adoption of its MER.

Table 1: Comoros' TC rating upon the adoption of its MER (June 2024)

Recommendation	Rating
1.	PC (MER 2024)
2.	PC (MER 2024)
3.	C (MER 2024)
4.	LC (MER 2024)
5.	C (MER 2024)
6.	PC (MER 2024)
7.	PC (MER 2024)
8.	NC (MER 2024)
9.	C (MER 2024)
10.	PC (MER 2024)
11.	C (MER 2024)
12.	C (MER 2024)
13.	C (MER 2024)
14.	LC (MER 2024)
15.	NC (MER 2024)
16.	LC (MER 2024)

Recommendation	Rating
21	C (MER 2024)
22	PC (MER 2024)
23	LC (MER 2024)
24	PC (MER 2024)
25	LC (MER 2024)
26	PC (MER 2024)
27	LC (MER 2024)
28	NC (MER 2024)
29	PC (MER 2024)
30	C (MER 2024)
31	C (MER 2024)
32	LC (MER 2024)
33	LC (MER 2024)
34	PC (MER 2024)
35	PC (MER 2024)
36	LC (MER 2024)

17.	PC (MER 2024)	37	LC (MER 2024)
18.	LC (MER 2024)	38	PC (MER 2024)
19.	LC (MER 2024)	39	LC (MER 2024)
20.	C (MER 2024)	40	PC(MER 2024)

7. On the basis of the MER, Comoros was placed under Enhanced Follow-Up.

III OVERVIEW OF PROGRESS MADE TO IMPROVE TECHNICAL COMPLIANCE

8. In accordance with the GIABA Mutual Evaluation Processes and Procedures, this FUR takes into account the progress made by the Comoros until 29 October 2025. In accordance with the GIABA 2nd Round Mutual Evaluation Procedures and the FATF Methodology, the analysis undertaken by the review team took into account the progress made in addressing the gaps identified in the MER. The analysis includes the entirety (all criteria) of each Recommendation being re-rated. The analysis is less detailed when the legal, institutional or operational framework remains unchanged since the MER and there have been no changes to the FATF Standards or their interpretation.

9. This section summarizes the progress made by Comoros to improve its Technical Compliance by addressing the deficiencies found in this area in its MER.

3.1 Progress made in addressing the deficiencies identified in the MER under Technical Compliance

10. Since the adoption of its MER in June 2024, the Union of the Comoros has taken steps to improve its AML/CFT/CPF system. One of the major measures is the adoption of AML/CFT/CPF Law No.25-004/AU on 30 June 2025. This new law has helped to make vital corrections to the AML/CFT/CPF framework of the Comoros. Also, to strengthen its mission of supervising and monitoring AML/CFT obligations, a new statute for the Central Bank of the Comoros (BCC) was signed and ratified. Capacity building actions have been organized for the Criminal Investigation and Prosecution Authorities, among others. This new legal framework allows Comoros to make progress towards addressing the Technical Compliance gaps identified in the MER with respect to Recommendations 1 2, 6, 7, 10, 17, 22, 24, 26, 28, 29, 35 and 40. On the basis of this progress, the said Recommendations have been re-rated, as follows:

Recommendation 1[1] - (initially rated PC)

11. In the 2nd MER, Comoros was rated PC for Recommendation 1. The deficiencies identified concerned the following points: AML/CFT Law No. 12-008/AU does not contain provisions requiring the Union of the Comoros to identify and assess the ML/TF risks to which it is exposed and to keep them up to date. The Comorian legal and regulatory framework also does not provide for the application of the risk-based approach in the implementation of the ML/TF risk mitigation measures identified.

12. **Criterion 1.1 [Mostly Met**] The Union of the Comoros had carried out the identification and assessment of its risks through the National Risk Assessment (NRA) which was completed in 2023. The MER had noted the inclusive nature of this evaluation. However, the deficiency relating to the incomplete nature of the sectors that had been assessed, in particular the lack of assessment for certain categories, namely: legal entities, non-profit organisations, virtual asset service providers and virtual asset service providers, remains a reality.

13. **Criterion 1.2 [Met]** The NC-AML/CFT/PF is the designated authority responsible for coordinating risk assessment activities (Section 40 of Law No. 25-004/AU on AML/CFT/PF; Section 2 of Decree No. 26-026/PR).

[1] The 2013 methodology, as updated in June 2023, is the one used to analyse all the recommendations in this follow-up report. Comoros will be assessed in accordance with the revised standards during its next mutual evaluation exercise or in the context of a subsequent follow-up report

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14. **Criterion 1.3 [Met**] The authorities of the Union of the Comoros are required to update the results of the national risk assessment every 5 years or more frequently if circumstances warrant (Art 41 AML/CFT/PF Law No. 25-004/AU of 30 June 2025). The Union of the Comoros had completed its NRA in June 2023, the update should therefore be carried out on this basis in 2028.

15. **Criterion 1.4 [Met]** The mechanism for providing information on the results of risk assessments to all competent authorities and self-regulatory bodies, financial institutions and DNFBPs remains unchanged (see C1.4 MER 2024).

16. **Criterion 1.5[Met**] The Union of the Comoros has developed and implemented an action plan to address the risks identified in its NRA. The AML/CFT/CPF Law No. 25-004/AU provides for the allocation of human, technical and budgetary resources based on the risks, vulnerabilities and threats of ML/TF (Article 41(2) of the AML/CFT/CPF Law No. 25-004/AU); and Article 2 of Decree No. 26-026/PR on the composition and functioning of the AML/CFT/PF-NC specifies that the committee's mission is: 'adopting prevention and mitigation measures based on an approach founded on identified risks, according to which available resources are allocated and prioritised', which fills the gap identified in the MER regarding the absence of legal provisions relating to the application of a risk-based approach..

17. **Criterion 1.6 a-b [Not applicable]** The Union of the Comoros has not opted for a waiver from the application of FATF recommendations in the circumstances referred to in this criterion; the MER analysis is still applicable.

18. **Criterion 1.7 [Met]**
    a) **A - [Met]**: FIs and DNFBPs are required to take proportionate measures to mitigate identified risks. Thus, when higher risks have been identified, FIs and DNFBPs must apply enhanced due diligence measures. (Art 48, 67 AML/CFT/PF Law No.25-004/AU).
    b) **b- [Met**]: FIs and DNFBPs must ensure that this information is incorporated into their risk assessments (Art 41(3); 86, AML/CFT/PF Law No.25-004/AU.

19. **Criterion 1.8 [Met**] Where lower risks have been identified, and there is no suspicion of money laundering or terrorist financing, FIs and DNFBPs may apply simplified due diligence measures. These measures must be proportionate to the characteristics of the activities of the obliged person and take into account the results of national risk assessments (Art 48 of the AML/CFT/PF Law No.25-004/AU).

20. **Criterion 1.9 [Met]** The supervisory authorities of financial institutions and DNFBPs have an obligation to ensure that the latter implement all their AML/CFT obligations including in application of Recommendation 1 (Art 134; 135 AML/CFT/PF Law No. 25-004/AU). Article 134 of the new AML/CFT/PF law N°25-004/AU designates respectively the Central Bank of the Comoros as the AML/CFT supervisory and supervisory authority of persons subject to AML/CFT in the financial sector, including insurance companies; and article 135 designates the Financial Intelligence Unit (FIU) as the AML/CFT supervisor for DNFBPs.

21. **Criterion 1.10 [Met]** FIs and DNFBPs in Comoros are required to take appropriate measures to identify and assess their ML/TF risks; risks related to customers, countries or geographical areas, products, services, operations, and distribution channels (Art 48 of the AML/CFT/CPF Law No.25-004/AU). They are therefore required to:

    a- [Met] Document their risk assessments (Art 48(2) AML/CFT/CPF Law No.25-004/AU);
    b- [Met] Take into consideration all other relevant risk factors to be analysed, including customer information, before determining their overall level of risk and the level and type of appropriate measures to be applied to mitigate these risks (Art 48 (2) AML/CFT/CPF Law No.25-004/AU);
    c- [Met] Update the risk assessment (Art 48 (1) AML/CFT/CPF Law No.25-004/AU;
    d- [Met] Have appropriate mechanisms to communicate to competent authorities and self-regulatory bodies information on their risk assessment. (Art 48(3) AML/CFT/CPF Law No.25-004/AU).

22. **Criterion 1.11 [Met] FIs** and DNFBPs are required to:

a- **[Met]** Have internal policies, procedures and controls documented, dated and approved by senior management to effectively mitigate and manage money laundering and terrorist financing risks identified at the sectoral or internal level, by the country either by the financial institution or by the DNFBP (Art 58 AML/CFT/PF Law No. 25-004/AU);

b- **[Met]** Monitor the implementation of these control measures and strengthen them when necessary (Art 48 AML/CFT/PF Law No. 25-004/AU);

c- **[Met]** When higher risks are identified, take enhanced measures to manage and mitigate these risks (Art. 48, Art 86 of the AML/CFT/CPF Law No.25-004/AU).

23. **Criterion 1.12 [Met]** FIs and DNFBPs are permitted, only where lower risks have been identified, and there is no suspicion of money laundering or terrorist financing to apply simplified due diligence measures to manage and mitigate risks. (Art 48 (4) AML/CFT/CPF Law No.25-004/AU); the obligations under criteria 1.9 to 1.11 are also met.

Weighting and conclusion

24. The Union of the Comoros has identified and assessed the ML/TF risks to which the country is exposed. The legal framework provides for the application of risk-based measures and FIs and DNFBPs are obliged to have policies, controls and procedures in place to manage and mitigate the identified risks. However, the evaluation did not cover all sectors including legal entities, NPOs, virtual assets and virtual asset service providers.

25. **Recommendation 1 is re-rated Largely Compliant.**

Recommendation 2 - (initially rated PC)

26. In the 2nd MER, Comoros was rated PC for Recommendation 2. The gaps identified concerned the following points: Although this framework is functional, it is not sufficiently inclusive and does not integrate the fight against proliferation financing. Also, the National Coordination Committee does not have adequate resources to carry out its missions effectively. Furthermore, there is no cooperation with the competent authorities in charge of data protection and privacy.

27. **Criterion 2.1 [Met]** Following the adoption of the national ML/TF risk assessment, the authorities approved a National AML/CFT Strategy in June 2023, taking into account the identified risks. This strategy provides for updates every five years. Comoros has also committed to review its ML/TF risk assessment every five years, or more frequently if circumstances so require (Art. 41(4) of the AML/CFT Law and Art. 2, (3) (e) of Decree n°26-026/PR). The AML/CFT strategy update will take into account updates to risk assessments. The timeline and modalities for updating the strategy are reasonable.

28. **Criterion 2.2 [Met]** The CN-AML/CFT/PF is the designated authority responsible for coordinating national AML/CFT policies (Article 40 of Law No. 25-004/AU on AML/CFT/PF; Article 2 of Decree No. 26-026/PR).

29. **Criterion 2.3 [Met]** The National Committee is the cooperation and coordination framework for the development and implementation of AML/CFT policies and activities in the Comoros (art. 40, AML/CFT/PF Law). The National Committee is made of representatives of investigative and prosecuting authorities, representatives of Ministries, FIU, supervisory authorities and other competent authorities. It promotes information sharing and coordination at the operational level and also at the policy-making level. (Decree No.26-026/PR).

30. **Criterion 2.4 [Met]** The national committee set out in Article 40 of the Law No. 25-004/AU on AML/CFT cited above (2 .3) is the mechanism that also applies for coordination to combat the financing of the proliferation of weapons of mass destruction.

31. **Criterion 2.5 [Met]** The National Committee's mandate includes ensuring that AML/CFT/FP requirements are compatible with data protection and privacy obligations (Art. 40, Law No. 25 004/AU). Key AML/CFT stakeholders in the Comoros participate in this Committee and cooperate on these issues. The inclusion of the Director of the National Agency for Digital Development, responsible for digital data protection, further strengthens coordination on this matter (art. 3 and 5 of Decree No.26-026/PR).

Weighting and conclusion

32. The Union of the Comoros has a legal and institutional framework for cooperation and coordination for the development and implementation of AML/CFT policies and activities.

33. **On this basis, Recommendation 2 is re-rated Compliant.**

Recommendation 6 - (initially rated PC)

34. In its 2nd MER, Comoros was rated PC for Recommendation 6. The deficiencies identified included the following points: the intervention of the Director of the FIU by a freezing decision whose nature and modalities are not specified, so that the TFS taken under UNSCR 1267 et subsequent resolutions cannot be implemented immediately. Furthermore, as the mechanism for communicating the sanctions lists to those subject to them is not specified, it is unclear whether this is done in a timely manner, and the procedures for publishing the removal of designated persons and entities from the list and the release of their funds and other economic and financial resources are neither clearly defined nor effective. There are no guidelines for obligated persons to help them implement all their TFS obligations.

35. **Criterion 6.1 [Mostly met]**

(a) **[Met]** - The Minister of Finance in the Comoros is the authority charged with proposing the designation of persons or entities to the 1267/1989 and 1988 Committees of the United Nations Security Council (Article 4 Decree 23-074/PR of 25 July 2023, Art 91 AML/CFT/CPF Law No. 25-004/AU).
(b) **[Mostly Met]** The MER analysis is still applicable
(c) **[Met]** MER analysis is still applicable.
(d) **[Met]** MER analysis is still applicable.
(e) **[Met]** MER analysis is still applicable.

36. **Criterion 6.2 [Mostly met]**

(a) [Met] MER analysis is still applicable.
(b) **[Mostly Met]** The Union of the Comoros has a mechanism to identify designation targets based on the designation criteria established by UNSCR 1373 with the establishment of a Technical Advisory Committee on Administrative Freezing (Art. 31 to 35 of Decree 23-074/PR). However, the order which is to define the functioning of the said commission has not been issued.
(c) **[Met]** MER analysis is still applicable.
(d) **[Met]** MER analysis is still applicable.
(e) **[Met]** MER analysis is still applicable.

37. **Criterion 6.3 a-b [Met]** REM analysis remains valid

38. **Criterion 6.4 [Met]** Prohibition measures and the freezing of funds and other property of designated persons or entities shall be implemented without delay upon the publication of the lists of designations by the United Nations Security Council under Resolutions 1267, and subsequent resolutions (Art 194 AML/CFT/CPF Law No. 25-004/AU). For designations under Resolution 1373, the provisions of the same Article set out an implementation upon publication and notification of the Order of the Minister of Finance. Under Article 6 -60 of the AML/CFT/CPF Law No. 25-004/AU, the expression "Without delay" means a maximum period of twenty-four hours following a designation of persons or entities by the United Nations Security Council or one of its sanctions committees. For the purposes of Resolution 1373 (2001), the expression 'without delay' also refers to the moment at which there are reasonable grounds or a reasonable basis for suspecting or believing that a person or entity is a terrorist, is financing terrorism or is a terrorist organisation.

39. **Criterion 6.5 [Mostly met]**

a- [Met] - Any natural or legal person, national or foreign, in the territory of the Union of the Comoros, including obligated entities, are required to proceed immediately, without prior notification to the holders, to freeze the assets, funds and other financial resources of the designated persons and entities (Art 192 AML/CFT/CPF Law No.25-004/AU).

b-[Met] MER analysis is still applicable

c-[Met] It is prohibited for any natural or legal person, whether a national or a foreigner, located within the territory of the Union of the Comoros, including persons subject to the procedure, to make funds, property or other financial resources subject to the freezing procedure, to the disposal of designated persons or entities or entities owned or controlled, directly or indirectly, by designated persons or entities, or to the disposal of persons and entities acting on behalf of or on the instructions of designated persons or entities, unless otherwise licensed, authorised or notified, in accordance with the applicable Security Council resolutions (Art. 193(2) of AML/CFT/CPF Law No. 25-004/AU).

d- [Mostly Met] The publication of lists of SFCs on the website of the SFR and the regulatory and supervisory authorities is the mechanism for communicating designations to the financial sector and DNFBPs (Article 196 of AML/CFT/CPF Law No.25-004/AU). In practice, the FIU transmits the sanctions lists by email to the obligated entities as soon as they are published by the UNSC. The authorities have not yet issued guidelines to financial institutions and other persons and entities, including DNFBPs, that may hold funds and other assets covered by the measures, regarding their obligations under the freezing mechanisms.

e- [Met]Financial institutions and DNFBPs are required to report to the Minister of Finance, the FIU and, where applicable, the Authority responsible for the management and freezing of seized and confiscated assets, any frozen assets or any action taken in accordance with the prohibition requirements of relevant United Nations Security Council resolutions, including attempted transactions. (Article 195 of AML/CFT/CPF Law No. 25-004/AU)

f- [Met] The holding or freezing of funds and other assets is without prejudice to the rights of third parties acting in good faith in connection with the implementation of the provisions of the SFC. Similarly, when obligated entities comply with the obligations arising from targeted financial sanctions, they are exempt from any liability. They may not be the subject of any civil, administrative or criminal proceedings. The State bears responsibility for any adverse consequences that may arise from the implementation in good faith, by affected persons, of freezing and prohibition measures (Articles 197 and 198 of AML/CFT/CPF Law No. 25-004/AU).

40. **Criterion 6.6 [Mostly Met]**

a) [Met] - The MER analysis is still applicable; the Comorian legal system provides for procedures by which requests for removal from the lists may be submitted to the relevant United Nations sanctions committee when, in the country's opinion, persons and entities designated under United Nations sanctions regimes do not or no longer meet the criteria for designation, in accordance with the procedures adopted by the 1267/1989 Committee or the 1988 Committee (Article 39 of Decree 23-074/PR).

(b) **[Met]** The MER analysis is still applicable.

(c) **[Met]** MER analysis is still applicable.

d) **[Met]** The Comorian legal system specifies that when a challenge is brought against a freezing order issued pursuant to a UNSCR, it must follow the appropriate procedure set out in the relevant Security Council Resolutions (Article 39(3) of Decree 23-074/PR). Articles 201 and 202 of AML/CFT/CPF Law No.25-004/AU) set out the procedures to be followed; procedures recorded in a document entitled "Procedure for requesting removal from the UNSC sanction lists" and published: ***https://drive.google.com/file/d/1qYBdugbUA-EjXPil5x92W0gWu3Tt5Ee-/view?usp=drive_link***.

e) **[Met]** Any person may submit a delisting request to the Office of the United Nations Ombudsperson in accordance with resolutions 1904, 1989 and 2083. (Art 201 AML/CFT/CPF Law No.25-004/AU and Art 39 (1), Decree 23-074/PR). These procedures are known to the public and are contained in the document entitled “Procedure for Requesting Removal from UNSC Sanctions Lists” and are published.

f) **[Met]** Assets, funds and other economic and financial resources frozen in error may be unfrozen after verification (Article 42 of Decree 23-074/PR; Art 203 (3) AML/CFT/CPF Law No.25-004/AU). Article 201 of AML/CFT/CPF Law No. 25-004/AU outlines the procedures to be followed to contest any such error.

g) **[Mostly Met]** Decisions to remove individuals and entities from sanctions lists and to unfreeze their assets, funds and other economic and financial resources shall be notified without delay to entities in the financial and non-financial sectors as soon as they are taken and published in the official gazette (Article 40 of Decree 23-074/PR). Article 199 of AML/CFT/CPF Law No. 25-004/AU provides that: "The regulatory and supervisory authorities, the FIU with the authority responsible for the management and recovery of seized and confiscated assets publish guidelines on freezing or prohibitions intended to guide obligated entities". However, authorities have not yet issued guidance to financial institutions and other persons and entities, including DNFBPs, that may hold covered funds and other assets, on their obligations regarding delisting and unfreezing actions.

41. **Criterion 6.7 [Met]** The Minister of Finance is empowered to authorize access to frozen funds or other assets that have been deemed necessary to cover basic expenses, the payment of certain types of fees, expenses and service charges, or to cover extraordinary expenses, in accordance with the procedures set out in United Nations Security Council Resolution 1452 and any subsequent resolution (Art. 2024(3), AML/CFT/PF Law). It shall inform the applicant of its decision within 45 days of receipt of the application. Failure to notify the applicant of a decision within the prescribed period shall be considered a refusal of the application.

Weighting and conclusion

42. The legal framework of the Union of the Comoros allows for the immediate enforcement of targeted financial sanctions. The authority to ensure designation has been identified and the mechanisms defined. The delisting and thaw procedures have been set out and the rights of bona fide third parties guaranteed. However, the decree that is supposed to define the functioning of the Technical Advisory Committee on Administrative Freezes to facilitate the identification of targets for designation has not yet been issued, and those subject to the sanctions have not been provided with guidelines to assist them in implementing their obligations regarding delisting and unfreezing.

43. **Recommendation 6 is re-rated LC.**

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Recommendation 7 - (initially rated PC)

44. In the 2nd MER, Comoros was rated PC for Recommendation 2. The deficiencies identified included the following points: the intervention of the Director of the FIU by a freezing decision whose nature and modalities are not specified, so that the TFS taken under UNSCR 1718, 2231 et seq cannot be implemented without delay. Furthermore, as the mechanism for communicating the sanctions lists to those subject to them is not specified, it is unclear whether this is done in a timely manner, and the procedures for publishing the removal of designated persons and entities from the list and the release of their funds and other economic and financial resources are neither clearly defined nor effective. There are no guidelines for obligated persons to help them implement all their TFS obligations.

45. **Criterion 7.1 [Met]** The Comoros applies targeted financial sanctions relating to the prevention, suppression and disruption of the proliferation of weapons of mass destruction and their financing (TFS relating to PF) without delay. The obligation to freeze the funds and other assets of designated persons or entities takes effect upon publication of the designation lists by the United Nations Security Council, in accordance with Resolutions 1718, 2231 and any subsequent resolutions imposing TFS relating to PF (Art. 194 AML/CFT/CPF Law No. 25-004/AU).

46. **Criterion 7.2a [Mostly Met]**

(a) **[Met]** - All natural and legal persons in Comoros are required to freeze, without delay and without prior notice, the funds and other assets of the designated persons and entities (Art 192 AML/CFT/CPF Law No.25-004/AU).

(b) **[Met]** The MER analysis is still applicable.

(c) **[Met]** MER analysis is still applicable.

(d) **[Mostly Met]** The SFR together with the other regulatory and supervisory authorities, are required to publish the list of designations on their websites. In addition to managing and recovering seized and confiscated assets, the SFR and the supervisory and control authorities are also required to publish guidelines on freezing or prohibitions (Articles 196 and 199 of AML/CFT/CPF Law No. 25-004/AU). However, the authorities have not yet published guidelines for financial institutions and other persons and entities, including DNFBPs, that may hold funds and other assets covered by the freeze mechanisms, regarding their obligations under these mechanisms.

(e)**[Met]**Financial institutions and DNFBPs are required to report to the Minister of Finance, the FIU and, where applicable, the Authority responsible for the management and freezing of seized and confiscated assets, any frozen assets or any action taken in accordance with the prohibition requirements of relevant United Nations Security Council resolutions, including attempted transactions. (Article 195 of AML/CFT/CPF Law No. 25-004/AU)

(f) **[Met]** The holding or freezing of funds and other assets is without prejudice to the rights of third parties acting in good faith in connection with the implementation of the provisions of the SFC. Similarly, when obligated entities comply with the obligations arising from targeted financial sanctions, they are exempt from any liability. They may not be the subject of any civil, administrative or criminal proceedings. The State bears responsibility for any adverse consequences that may arise from the implementation in good faith, by affected persons, of freezing and prohibition measures (Articles 197 and 198 of AML/CFT/CPF Law No. 25-004/AU).

47. **Criterion 7.3 [Met]** As supervisor of FIs and regulator of non-financial entities (DNFBPs), the Central Bank of the Comoros (BCC) and the Financial Intelligence Unit (SRF) are both required to monitor the compliance of financial institutions with their TFS obligations related to proliferation financing, as well as the application of administrative measures, disciplinary and financial sanctions in the event of non-compliance with the obligations relating to asset freezing measures (Articles 134 and 135 of AML/CFT/CPF Law No. 25-004/AU).

48. **Criterion 7.4 [Mostly met]**

(a) **[Met]** The Comoros, through the Ministry of Finance, has published the procedure for requesting removal from the United Nations Security Council sanctions lists. This procedure requires the aggrieved party to provide, amongst other things: a) a statement of reasons justifying that the individual, group, company or entity does not meet, or no longer meets, the criteria for inclusion on the List, in particular a rebuttal of the grounds for their inclusion, as set out in the memorandum which may be disclosed; b) the applicant's occupation at the date of the application and/or their activities, as well as any other relevant information; c) any document supporting the application, whether referred to or attached, with an explanation of its relevance, where applicable. If the applicant dies, the request may be submitted to the focal point responsible for delisting requests by their heir, accompanied by the following documents: a death certificate or any official document attesting to the death; evidence establishing the existence of a legal beneficiary of the deceased's estate or a co-owner of their assets (Articles 201 to 204 of AML/CFT/PF Law No. 25004/AU)**.**.

(b) **[Met]** In accordance with Article 201 of Law No. 25, natural and legal persons whose assets, funds and other financial resources have been frozen or have been frozen in error must lodge an appeal with the Minister of Finance within one month of publication in the Official Gazette or in a newspaper authorised to publish legal notices, and in accordance with the procedure defined by UNSC Resolutions. The applicants must provide all evidence demonstrating the error. The appeal shall be examined within seven days. Articles 201 to 204 of AML/CFT/PF Law No. 25004/AU provide further guidance to parties seeking removal from the list. The procedure enabling persons and entities on the list to submit their request for removal to the Focal Point designated under UNSCR 1730, or informing designated persons and entities that they may contact the Focal Point directly, has been drawn up and published:***https://drive.google.com/file/d/1qYBdugbUAEjXPiI5x92W0gWu3Tt5Ee-/view?usp=drive_link***

(c) **[Met]** The new AML law provides for more flexible measures relating to the freezing of funds. It specifies the basic expenses covered by the funds made available to the person or entity subject to the freeze, as well as the procedure to be followed. Specifically, the Minister of Finance authorizes, under conditions that he deems appropriate, the person or entity concerned, upon request, to access a monthly sum, set by the competent authority. The Minister must notify the person, organisation or entity affected by the freeze of this decision within forty-five days of receiving the request. The Minister then informs the person or entity concerned of his decision. Paragraph 4 of the same article specifies that failure to notify the applicant of the decision within the time limit mentioned in the third paragraph above, from the date of receipt of the application, shall be deemed to constitute rejection. (Art. 204 (3) of AML/CFT/CPF Law No.25-004/AU).

(d) **[Mostly Met]** Comoros has a communication mechanism. Decisions to remove individuals and entities from sanctions lists and to unfreeze their assets, funds and other economic and financial resources shall be notified without delay to entities in the financial and non-financial sectors as soon as they are taken and published in the official gazette (Article 40 of Decree 23-074/PR). Article 199 of AML/CFT/CPF Law No. 25-004/AU provides that: "The regulatory and supervisory authorities, the FIU with the authority responsible for the management and recovery of seized and confiscated assets publish guidelines on freezing or prohibitions intended to guide obligated entities". However, authorities have not yet issued guidance to financial institutions and other persons and entities, including DNFBPs, that may hold covered funds and other assets, on their obligations regarding delisting and unfreezing actions.

49. **Criterion 7.5 [Met]**

a-[Met] Interest or other earnings on frozen accounts, or payments due under contracts or obligations arising prior to the date of freezing of such accounts, shall be credited to the frozen accounts. Assets, funds or other financial resources due under contracts, agreements or obligations concluded or arising prior to the entry into force of the decision to freeze the funds must also be paid into the frozen accounts and be frozen (Article 200(1), AML/CFT/CPF Law No. 25004/AU).

b-[Met] The Comoros shall not prevent a designated person or entity from making a payment due under a contract concluded prior to its inclusion on the list, in particular where all the conditions set out in point 7.5. b have been met. (Art. 46 of Decree 23-074/PR; Art. 200 of AML/CFT/CPF Law No. 25004/AU).

50. **Weighting and conclusion**:

The Comoros legal framework provides for measures that allow for the immediate implementation of TFS for the financing of proliferation; however, the authorities have not yet issued guidelines for financial institutions and other persons and entities, including DNFBPs, that may hold funds and other assets covered by the mechanisms, regarding their obligations under the freezing mechanisms.

51. **Recommendation 7 is re-rated Largely Compliant.**

Recommendation 10 - (initially rated PC)

52. In the 2nd MER, Comoros was rated PC for Recommendation 2. The shortcomings identified concerned the following points: the legal framework is incomplete with regard to the obligation to understand the purpose and nature of the business relationship and the nature of the activities of the corporate customer and legal structure. Nor does it require FIs to ensure that the documents, data or information obtained in the exercise of their due diligence remain up to date and relevant. There are also significant shortcomings with regard to the verification of the identity of natural persons exercising control over legal persons. The same applies to the identity of the beneficial owners of corporate clients. FIs do not have the option of not performing customer due diligence and filing an STR in cases of suspected ML or TF.

53. **Criterion 10.1 [Met]** – The MER analysis is still applicable.

54. **Criterion 10.2 a-b-c-d-e [Met]** - Financial institutions should be required to carry out customer due diligence when:

a) they establish business relationships (Section 66(1) of AML/CFT/PF Law No. 25-005/AU)
b) they carry out, on an occasional basis, a transaction exceeding a threshold set by order of the Minister of Finance, which may not exceed five million Comorian francs (approximately 10,000 euros), whether that transaction is carried out in a single transaction or in several transactions between which there appears to be a link (Section 66(2) of AML/CFT/FP Law No. 25-005/AU; Section 6 of Decree No. 25/MFBSB/CAB threshold setting)
c) they carry out occasional transactions in the form of electronic transfers in the circumstances referred to in Recommendation 16 and its interpretative note (Article 66(3) of AML/CFT/PF Law No. 25-005/AU); the due diligence obligations regarding electronic transfers or fund transfers to be implemented by financial institutions have also been specified in Articles 93 to 102 of AML/CFT/PF Law No. 25-005/AU.
d) there is a suspicion of money laundering or terrorist financing, irrespective of any exemptions or thresholds provided for under the FATF Recommendations (Section 66(4) of Law No. 25-005/AU on AML/CFT/PF);
e) the financial institution has doubts as to the accuracy or relevance of the customer identification data previously obtained (FATF, Article 66(5) of AML/CFT/PF Law No. 25-005/AU)

55. **Criterion 10.3 [Met]** - Financial institutions are required to identify and verify the identity of their customers, whether they are natural persons, legal persons or legal entities, using documents, data or information from reliable and independent sources (Article 67 of the AML/CFT/FP Law No. 25-005/AU). Financial institutions must also identify and verify the identity of their customers when carrying out occasional transactions, under the same conditions (Article 69). The procedures for verifying the customer's identity are set out in more detail in Article 70. For natural persons, verification is carried out on the basis of a valid official identification document bearing a photograph, such as a national identity card, a passport or an equivalent document (Article 72). For legal persons and legal entities, verification is based on the original or a certified copy of documents proving their legal existence (Article 73). The documents required to verify the identity of a beneficial owner (Section 74 of AML/CFT/PF Law No. 25-005/AU) have also been listed.

56. **Criterion 10.4 [Met]** - The MER analysis is still applicable.

57. **Criterion 10.5 [Met]** - The MER analysis is still applicable.

58. **Criterion 10.6 [Met]** - FIs must understand and, where applicable, obtain information on the purpose and nature of the proposed business relationship (the third point of the first paragraph of Article 67 of AML/CFT/CPF Law No. 25-005/AU).

59. **Criterion 10.7 [Met]**

(a) [Met] - FIs are required to conduct a thorough review of transactions carried out throughout the duration of this business relationship to ensure that they are consistent with their knowledge of their customers and the business activities and risk profile of those customers, including, where applicable, the origin of the funds (Art. 67 of AML/CFT/CPF Law No. 25-005/AU).

(b) [Met] FIs are required to exercise constant vigilance over the business relationship, in particular by reviewing existing documents to ensure that they remain up to date and relevant, especially for categories of customers presenting higher risks (fourth point of the first paragraph of Article 67 of AML/CFT/CPF Law No. 25-005/AU).

60. **Criterion 10.8 [Mostly met]** - For corporate or legal entity customers, FIs are required to understand the customer's ownership and control structure (the second point of Article 67 of AML/CFT/CPF Law No. 25-005/AU). However, the obligation for FIs to understand the nature of the activities of legal entities and legal arrangements is not explicitly mentioned. In fact, Article 78 of the aforementioned Act, which the country has invoked, deals with the obligation of ongoing vigilance after entering into a business relationship.

61. **Criterion 10.9 a-b-c [Met]** - Financial institutions are required to identify and verify the identity of customers who are legal entities or legal arrangements using the following information:

a)[Met] the name, legal form and certificate of existence;

b) [Met] The powers governing and binding the legal person or legal structure, the names of the legal representatives of the legal entity and, where applicable, the registration number and tax identification number of the legal entity;

c) [Met] the address of the registered office and, if different, that of one of the main places of business. (Article 70(2) of Law No. 25-004/AU).

62. **Criterion 10.10 [Met]**

- **a) [Met]** The MER analysis is still applicable.
- **b) [Met]** If there are doubts as to whether the persons with a controlling interest are the beneficial owners, or if no natural person exercises control through a shareholding, the identity of the natural persons exercising control over the legal person or legal arrangement FIs are required to identify and verify the identity of the beneficial owners for a legal entity by other means (tenth indent of the first paragraph of Article 70 of AML/CFT/CPF Law No. 25-005/AU).
- **c) [Met]** Where no natural person is identified in the implementation of points (a) or (b) above, FIs are required to collect the identity of the relevant natural person who holds the position of senior manager (the tenth indent of the first paragraph of Article 70 of AML/CFT/CPF Law No. 25-005/AU).

63. **Criterion 10.11 a-b[Met]** The MER analysis is still applicable.

64. **Criterion 10.12 [Met]**

- **a) [Met]** In addition to the due diligence measures required with regard to the customer and the beneficial owner, FIs must, for beneficiaries who are natural or legal persons or legal arrangements identified by name, record the names of the persons (Article 71 of AML/CFT/CPF Law No. 25-005/AU);
- **b) [Met]** In addition to the due diligence measures required with regard to the customer and, where

applicable, the beneficial owners, FIs 'shall implement the following due diligence measures with regard to the beneficiaries of life insurance contracts and other insurance-related investment products, where such beneficiaries are identified or designated'; They must "collect sufficient information on the beneficiaries to ensure that the regulated entity can establish their identity at the time of payment of benefits in cases where the beneficiaries are designated by characteristics, categories or other means " (Article 71 of AML/CFT/CPF Law No. 25-005/AU).

c) **[Met]** For beneficiaries who are natural or legal persons or legal entities identified by name and beneficiaries designated by characteristics or by category or by other means, the verification of the identity of beneficiaries shall take place no later than at the time of payment of the benefits (third paragraph of Article 71 of AML/CFT/CPF Law No. 25-005/AU).

65. **Criterion 10.13 [Met]** FIs are required to consider the beneficiaries of a life insurance policy as a relevant risk factor when determining whether enhanced due diligence measures are applicable. Where they establish that the beneficiary is a legal person or legal arrangement presenting a higher risk, enhanced due diligence measures shall include the application of reasonable measures to identify and verify the identity of the beneficial owners at the time of payment of benefits (fourth paragraph of AML/CFT/CPF Article 71 of Law No. 25-005/AU).

66. **Criterion 10.14 [Met]** The MER analysis is still applicable.

67. **Criterion 10.15 [Met]** FIs are required to formalise in their ML/TF/FP risk management procedures the conditions under which a business relationship may be established prior to verifying the customer's identity (fifth paragraph of Article 69 of AML/CFT/CPF Law No. 25-005/AU).

68. **Criterion 10.16 [Met]** The MER analysis is still applicable.

69. **Criterion 10.17 [Met]** The MER analysis is still applicable.

70. **Criterion 10.18 [Met]** The MER analysis is still applicable.

71. **Criterion 10.19 [Met]** The MER analysis is still applicable

72. **Criterion 10.20 [Met]** FIs that have reasonable grounds to fear that the implementation of vigilance measures may alert the customer to their suspicions are authorised not to pursue them, but they must immediately submit a suspicious transaction report to the SRF (Article 77 of AML/CFT/CPF Law No. 25-005/AU).

Weighting and conclusion

73. The Comoros Union's AML/CFT/PF legal framework has been significantly strengthened with the adoption of a new AML/CFT/PF Act in 2025. This new legislation has corrected almost all of the shortcomings identified in the Mutual Evaluation Report (MER) with regard to R10. However, the obligation for FIs to understand the nature of the activities of legal persons and legal arrangements before entering into a business relationship is not explicitly mentioned in this Act. As a result, the legal framework relating to R10 has a minor deficiency.

74. **On this basis, Recommendation 10 is re-rated Largely Compliant.**

Recommendation 17 - (initially rated PC)

75. In its 2nd MER, Comoros was rated PC for Recommendation 17. The deficiencies identified concerned the following points: there is no legal provision requiring the Union of the Comoros, when determining the countries in which third parties may be established, to take into account the information available on their level of risk. FIs may also use third parties belonging to the same financial group under the conditions required by the texts in force, but there is no formal requirement for the group's AML/CFT programmes to be supervised by a competent authority.

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76. **Criterion 17.1 [Met]** Financial institutions are permitted to engage third parties to carry out due diligence obligations (customer identification; identification of the beneficial owner and understanding the nature of the business) or to act as introducers; provided that such third parties act 'on the instructions and under the supervision and responsibility of the financial institutions

a) **[Met]** In such cases, financial institutions are required to immediately obtain from third parties the necessary information regarding all customer due diligence measures set out in Recommendation 10 (Article 92 of AML/CFT/PF Law No. 25-004/AU);
b) **[Met]** In such cases, FI are required to set out in a written contract appropriate measures to ensure that the third party is able to provide, without delay and upon request, a copy of the conclusive identification documents used to verify the identity of the customer and, where applicable, the beneficial owners, other relevant documents relating to customer due diligence measures (Article 92(1) of Law No. 25-004/AU on AML/CFT/FP).
c) **[Met]** FIs are required to ensure that the third party is subject to regulation and supervision/monitoring, and that it has taken measures to comply with customer due diligence and record-keeping obligations (Art. 92(1) of AML/CFT/CPF Law No. 25-004/AU).

77. **Criterion 17.2 [Met]** The Comoros must take into account the risk levels associated with third countries on which they can rely. Therefore, the provisions of the aforementioned article expressly prohibit FIs from relying on third parties located in a high-risk country. (Article 92, Paragraph 2 of AML/CFT/CPF Law No. 25-004/AU).

78. **Criterion 17. 3 [Mostly met]**

a) **[Partly Met]**; Where an FI uses a third party belonging to the same financial group, the relevant competent authorities (home and host countries) may also consider that the obligations of the criteria set out in 17.1& 2 are met where the group applies customer due diligence measures, document retention obligations, and anti-money laundering and counter-terrorist financing programmes in accordance with the obligations relating to internal procedures and controls at group level. (Article 92, paragraph 3, point 2 of AML/CFT/CPF Law No. 25-004/AU). However, it is not expressly stated that the group's customer due diligence, record-keeping and AML/CFT programme requirements should comply with Rec 10 to 12 and Rec 18. In view of the risk and context of the country, this shortcoming is considered moderate.

b) **[Met]** Where an FI uses a third party belonging to the same financial group, the relevant competent authorities may also consider that the obligations of the criteria set out in 171 & 2 are satisfied when the implementation of customer due diligence measures, record-keeping obligations and AML/CFT programmes is monitored at group level by a competent authority (home and host countries). (Article 92 (3) (4) of Law No. 25-004/AU).

c) **[Met]** Where an FI uses a third party belonging to the same financial group, the relevant competent authorities may also consider that the obligations set out in 171&2 are satisfied where any risk associated with a higher-risk country is satisfactorily mitigated by the group's AML/CFT policies. (Article 92 (3) (5) of Law No. 25-004/AU).

Weighting and conclusion

79. Comorian legislation complies with most of the requirements of the recommendation, with a few exceptions. Financial institutions are required to ensure that third parties are subject to regulation and supervision and that they have taken measures to comply with customer due diligence and record-keeping requirements. Similarly, they must take into account the levels of risk associated with the third countries on which they may rely and are prohibited from relying on third parties located in high-risk countries. However, FIs are not expressly required to satisfy themselves that third parties/intermediaries belonging to the same group have measures in place to comply with R.10, R.11 and R.18. In view of the above, this shortcoming is considered minor.

80. **On this basis, Recommendation 17 is re-rated Largely Compliant.**

Recommendation 22 - (initially rated PC)

81. In its 2nd MER, Comoros was rated PC for Recommendation 22. The shortcomings identified concerned the following points: deficiencies identified under Recommendations 10 and 17 and the absence of requirements related to new technologies for DNFBPs.

82. **Criterion 22.1 [Mostly met]**

- **a) [N/A]** Lotteries and all other games of chance are prohibited in the Union of the Comoros, and the penalties for violating this prohibition are set out in the provisions of the law on games of chance (Article 201 of Law No. 20-038/AU of 29 December 2020).
- **b) [Mostly met]** Real estate agents must comply with the customer due diligence obligations set out in Recommendation 10 when conducting transactions for their clients relating to the purchase and sale of real estate (Art. 4; 6 Law No. 25-005/AU on AML/CFT/PF). However, the minor deficiency identified in Recommendation 10 also has a negative impact on the implementation of estate agents' customer due diligence obligations.
- **c) [Mostly Met]** Precious metal dealers and gemstone dealers must comply with the customer due diligence obligations set out in Recommendation 10 when conducting cash transactions with a customer for an amount equal to or greater than two million five hundred thousand (2,500,000) Comorian francs; approximately 5,000 euros (Article 2 of Decree No. 25-/MFBSB/CAB of 28 October 2025 setting the thresholds applicable for the implementation of AML/CFT/CPF Law No. 25-004/AU; Article 4 of AML/CFT/CPF Law No. 25-004/AU). However, the minor shortcoming identified in Recommendation 10 also has a negative impact on the implementation of customer due diligence obligations by dealers in precious metals and gemstones
- **d) [Mostly Met]** Solicitors, notaries, other independent legal professionals and accountants must comply with the customer due diligence obligations set out in Recommendation 10 when preparing or carrying out transactions for their clients in relation to the following activities: purchase and sale of real estate; management of clients' capital, securities or other assets; management of bank, savings or securities accounts; organisation of contributions for the creation, operation or management of companies; creation, operation or administration of legal persons or legal arrangements; and purchase and sale of commercial entities (Article 4 of AML/CFT/CPF Law No. 25-004/AU). However, the minor shortcoming identified in Recommendation 10 also has a negative impact on the implementation of customer due diligence obligations by independent legal and accounting professionals
- **e) [Mostly Met]** Trust service providers and companies must comply with the customer due diligence obligations set out in Recommendation 10 when preparing or carrying out transactions for a customer in connection with the following activities: "acting as an agent for the incorporation of legal entities; they act or take steps to ensure that another person acts as a director or manager of a capital company, a partner in a partnership or holds a similar position in other types of legal entities; they provide a registered office, business address or premises, administrative or postal address to a capital company, partnership or any other legal entity or legal arrangement; they act or take measures to enable another person to act as a shareholder on behalf of another person. (Art. 4 of AML/CFT/CPF Law No. 25-004/AU). However, the minor shortcoming identified in Recommendation 10 also has a negative impact on the implementation of customer due diligence obligations by service providers to trusts and companies

83. **Criterion 22.2 [Met]** The MER analysis is still applicable.

84. **Criterion 22.3 [Met]** The MER analysis is still applicable.

85. **Criterion 22.4 [Met]** DNFBPs are required to identify and assess the ML/TF/PF associated with them, and to take appropriate measures to manage and mitigate these new risks before launching new products, services

or business practices, including the use of new distribution mechanisms and new or developing technologies, in connection with new or pre-existing products and services, or before beginning to provide an existing service or product to a new category of customers or in a new geographical area (Paragraph 1 of Article 49 of AML/CFT/CPF Law No. 25-004/AU). In addition, the NC-AML/CFT/PF carries out, where necessary, a cross-sectoral analysis of ML/TF/PF risks associated with new products, services or business practices, including those linked to the use of new distribution channels and new or developing technologies, in connection with new or existing products and services (Article 49(3) of AML/CFT/PF Law No. 25-004/AU)

86. **Criterion 22.5 [Mostly Met]** DNFBPs may use third parties, agents or subcontractors, acting on their instructions and under their control and responsibility, to fulfil their due diligence obligations under the AML/CFT/CPF law or to perform business referral tasks, without prejudice to their ultimate responsibility for complying with said obligations (first paragraph of Article 92 of AML/CFT/CPF Law No. 25-004/AU); In this regard, the conditions or procedures for using third parties have been specified. However, the minor shortcoming identified in Recommendation 17 also has a negative impact on the arrangements for the use of third parties by DNFBPs

Weighting and conclusion

87. The Comoros Union's AML/CFT/CPF legal framework has been significantly strengthened with the adoption of a new AML/CFT/CPF Act in June 2025 and a ministerial decree setting the thresholds applicable for the implementation of the aforementioned Act in October 2025. These new legal texts have corrected almost all the gaps in relation to R22 identified in the Mutual Evaluation Report (MER). Indeed, the minor shortcoming identified in the analysis of R10: the lack of explicit mention of the obligation for FIs to understand the nature of the activities of legal persons and legal arrangements, also has a negative impact on the implementation of customer due diligence obligations by DNFBPs; as well as the minor shortcoming identified in Recommendation 17, which affects the arrangements for the use of third parties by DNFBPs. As a result, the legal framework related to R22 also has a minor shortcoming.

88. **On this basis, Recommendation 22 is re-rated Largely Compliant**.

Recommendation 24 - (initially rated PC)

89. In the 2nd MER, Comoros was rated PC for Recommendation 24. The deficiencies identified were as follows: The Union of the Comoros has not assessed the ML/TF risks associated with the types of commercial companies established in the country and does not have a mechanism for collecting and updating information on beneficial owners in the RCCM and the company register. There are no sanctions to punish breaches of the requirements of Recommendation 24. Nor are there any provisions requiring the country to monitor the quality of the assistance it receives from other countries in response to requests for basic information and information on beneficial owners or requests for assistance in locating beneficial owners residing abroad.

90. **Criterion 24.1 [Met]** The OHADA Uniform Law (AUSGIE) of 30 January 2014 describes the types and characteristics of the various commercial entities in the Comoros, including public limited companies, limited liability companies, companies and economic interest groups (EIGs), the procedures for setting up businesses and the basic information requirements. Additional laws govern associations and NGOs (Law No. 86-006/AF and Decree No. 20-101/PR). The commercial court registry is responsible for collecting and recording basic information and information on the beneficial owners of legal entities. This information must be accessible to the public (Art. 10, AML/CFT/CPF Law No. 25-004/AU).

91. **Criterion 24.2 [Not Met]** The MER's analysis on the lack of assessment of ML/TF risks associated with the various categories of legal entities created in the territory remains valid.

92. **Criterion 24.3 [Met]** The MER analysis is still applicable.

93. **Criterion 24.4 [Met]** The legal framework has not changed; the MER's analysis remains relevant.

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94. **Criterion 24.5 [Met]** Legal entities are required to obtain, maintain and update satisfactory, accurate and up-to-date information on their beneficial owners (Articles 13, 15 and 34 of the AML/CFT/PF Act). At the same time, the law gives the central registry manager explicit powers to verify documents and facts, cross-check data with other government registries and databases, detect discrepancies and impose corrective or restrictive measures when the information does not meet legal requirements (Articles 12, 13, 18, 19, 20 and 22 of the AML/CFT/CPF Law). Any change in the status of an obligated entity (civil status, marital regime, legal capacity, activity, or legal form) must be declared within 30 days, and any partial cessation of activity must also be reported (Arts. 35 and 52, OHADA Uniform Act on General Commercial Law). In addition, the representative of a registered entity or legal arrangement must request a modification within 10 days of any event requiring correction or additional information, once they knew or should have known about it (Article 17 of the AML/CFT/FP law). This ensures that the information in points 24.3 and 24.4 is accurate and up to date.

95. **Criterion 24.6 [Met]**

a) **[Met]** The Commercial Court of Moroni is the entity responsible for the central register of beneficial owners. Legal persons are required to maintain satisfactory, complete, accurate and up-to-date information on the beneficial owners of companies (Articles 10 and 34(2) of AML/CFT/CPF Law No. 25-004/AU). The law also specifies the types of information that must be obtained and retained. In accordance with Article 15, this information includes, in particular, the full identification of the beneficial owner, relevant personal identification details, and the nature and extent of control or participation exercised over the legal entity. This information must be collected at the time of the entity's incorporation and updated throughout its existence, in accordance with the applicable legal obligations.

b) **[Met]** Approved entities are required to obtain, retain and keep up to date satisfactory, accurate and complete information on their beneficial owners, and to report any relevant changes within the legally prescribed time limits (Articles 15, 16, 17 and 34 of AML/CFT/CPF Law No. 25-004/AU).

c) **[Met]** The Comoros has multiple sources of additional information, including (I) information obtained by FIs and DNFBPs (Articles 12(1), 20 and 26 of the AML/CFT/PF Law); (II) information held by other competent authorities on beneficiaries, including information from other registers, including in third countries (Art. 12 (4) AML/CFT/PF Law) and government databases; (III) information held by the company (Art. 12 (2); and (IV) information on registered companies (Articles 15 AML/CFT/CPF Act).

96. **Criterion 24.7 [Met]** The law requires legal persons to obtain and retain complete information on their beneficial owners and to update it whenever relevant changes occur, within the legally established time limits (Articles 13, 16, 17 and 34 of AML/CFT/CPF Law No. 25-004). In addition, the legislator confers specific powers on the manager of the central register of beneficial owners, at the Commercial Court of Moroni, to verify the quality of the information provided, including the verification of documents, cross-checking data with other government registers and databases, and detecting discrepancies (Articles 12, 13, 18 and 19). Where the information is not deemed satisfactory, accurate or up to date, the law provides for correction mechanisms and enforcement measures, including the obligation to rectify, suspension of registrations and other restrictive measures provided for in Articles 20, 22 and 37.

97. **Criterion 24.8 a-b-c [Met]** Law No. 25-00/AU establishes an obligation for companies to cooperate with the competent authorities in identifying beneficial owners; the legal representative of the entity is designated as responsible for communicating information relating to beneficial owners and providing all necessary assistance (Articles 13, 16, 17, 34 and 35). The law also provides for the involvement of relevant intermediaries, in particular notaries and the commercial court, in the communication and verification of this information (Article 17(2) and Articles 20 and 21).

98. **Criterion 24.9 [Met]** The Commercial Court of Moroni (manager of the central register of beneficial owners), reporting entities and the company itself, including directors, liquidators or any other person involved in the dissolution of the company, are required to keep information and records relating to beneficial owners for a minimum period of ten (10) years after the date of dissolution of the company or the cessation of its existence (Articles 25 and 34 of AML/CFT/CPF Law No. 25-00/AU). The law also provides that this information must be retained for ten years after the date on which the company ceases to be a customer of a professional intermediary or financial institution, thus ensuring the continued availability of information on beneficial owners even after the end of the business relationship (Article 90 of AML/CFT/CPF Law No. 25-00/AU).

99. **Criterion 24.10 [Met]** The competent authorities, and in particular the criminal prosecution authorities (the judicial authorities, judicial police officers, and members and agents of the Financial Intelligence Unit) have the necessary powers to access, in a timely manner, basic information and information on beneficial owners held by the parties concerned (Article 26(3) and others of AML/CFT/PF Law No. 25-00/AU-). The competent authorities have immediate and unlimited access to the information contained in the central register of beneficial owners, thanks to operational procedures that guarantee data security and confidentiality (Article 26 (1) and (2) of AML/CFT/CPF Law No. 25-00/AU). This access is not subject to prior judicial authorisation or other conditions that could delay or limit the availability of information. In addition, the law expressly provides that this access is extended to legal persons participating in public procurement procedures, thus guaranteeing the authorities direct access to information on the beneficial owners of entities participating in public procurement (Article 26(4) of AML/CFT/CPF Law No. 25-00/AU).

100. **Criterion 24.11 a-e [Met]** The MER analysis is still applicable.

101. **Criterion 24.12 [N/A]** The law applicable in the Comoros, in particular the revised OHADA Uniform Law on Commercial Companies and Economic Interest Groups (AUSCGIE), does not provide for the existence of bearer shares and does not authorise the holding of shares through nominees or agents on behalf of third parties. Shares are registered and must be entered in a register kept by the company, with only the registered holder being recognised as a shareholder by the company (Articles 744 and 744-1 of the AUSCGIE). In the absence of a legal regime authorising the holding of shares by nominees, the requirements set out in criteria 24.12 (a), (b) and (c) of the FATF methodology are not applicable in the national context.

102. **Criterion 24.13 [Met]** The new AML/CFT/PF law provides for a comprehensive sanctions regime applicable to any natural or legal person who breaches the obligations relating to the transparency of beneficial owners. Sanctions include administrative measures, financial penalties graded according to the seriousness of the offence, recidivism and the offender's responsibility, as well as criminal penalties in the most serious cases (Articles 37, 219, 221 and 233 to 235 of the AML/CFT/PF Act). The law establishes clear criteria of proportionality and deterrence, ensuring that breaches of beneficial ownership obligations are adequately sanctioned. These include, amongst other things, a fine of between five hundred thousand and one million Comorian francs (1,000 to 2,000 euros), the complete withdrawal of the licence or authorisation; suspension or dismissal of the director(s), restriction or prohibition from practising a profession, exclusion from public procurement either permanently or for a period of up to five years; permanent closure of one or more of the company's establishments, dissolution or imprisonment for a term of three to ten years.

103. **Criterion 24.14 a-b-c [Met]** Law No. 25-00/AU expressly provides for the possibility for the competent Comorian authorities to exchange, in a timely manner, information relating to beneficial owners with foreign authorities, within the framework of international cooperation, without undue obstacles and facilitate access by the relevant foreign authorities to basic information (Article 32 of the AML/CFT/PF Law). These provisions cover both information held by the central register of beneficial owners and information obtained by other competent authorities, ensuring that such data can be shared for AML/CFT/PF purposes, with appropriate confidentiality safeguards. They may use the investigative powers of their competent authorities to obtain information on beneficial owners on behalf of foreign counterparts (Sections 143 and 157 of the AML/CFT/PF Law)

104. **Criterion 24.15 [Mostly met]** Law No. 25-004/AU provides for measures including the creation and implementation of a central register of beneficial owners, the strengthening of internal access to information, and the possibility of exchanging information at the international level within the framework of international cooperation (Article 32 of the AML/CFT/PF Law). The Commercial Court of Moroni, which manages the central register of beneficial owners, ensures the quality of the information received and recorded therein, and the SRF ensures the quality of information received from its foreign counterparts. However, the country has not established a mechanism for systematic control of the quality of assistance received from other countries in response to requests for information on beneficial ownership.

Weighting and conclusion

105. The legal framework of the Union of the Comoros provides for measures to ensure the transparency of legal entities and beneficial owners. However, minor gaps remain due to the lack of assessment of ML/TF risks associated with different categories of legal entities and lack of a mechanism for systematic control of the quality of assistance received.

106. **On this basis, Recommendation 24 is re-rated LC.**

Recommendation 26 - (initially rated PC)

107. In the 2nd MER, Comoros was rated PC for Recommendation 26. The deficiencies identified concerned the following points: the identification of beneficial owners of FIs is not sufficiently taken into account when processing licence applications in order to prevent criminals from taking ownership or holdings in FIs. In addition, supervision and control activities are not carried out in accordance with the ML/TF risk-based approach. Furthermore, the insurance sector is not specifically subject to AML/CFT controls.

108. **Criterion 26.1 [Met]** The Central Bank of the Comoros (BCC) is the designated supervisory authority responsible for regulating and monitoring compliance by financial institutions in the Comoros with national AML/CFT requirements (Articles 26 and 27 of Law No. 13-003/AU; Article 24.1 of Law No. 12-008/AU on banking law; and Article 7 of the law on the status of the BCC). The legal framework in the Comoros explicitly extends the scope of persons subject to insurance and reinsurance companies, brokers and general insurance agents (Art. 4 combined with the definition of 'financial institution' in Art. 6 (37) of AML/CFT/CPF Law No. 25-004/AU of 30 June 2025), which allows the BCC to exercise the same prudential powers over this sector as over other Fis. The country doesn't have a financial market, but the broad definition of 'financial institutions' provided for in the law may enable the BCC to supervise this sector should such institutions be established in the future. (Articles 4 and 6(37) of AML/CFT/PF Law No. 25-004/AU of 30 June 2025).

109. **Criterion 26.2 [Met]** All FIs subject to the Core Principles must obtain prior authorisation before commencing operations, and other financial service providers (e.g., money/value transfer services, currency exchange) are also subject to licensing or registration requirements ensuring supervisory oversight. (Art. 8, Law No. 13 003/AU). Banks without physical presence and not affiliated with a regulated financial group are not authorised to operate or continue activities in the Comoros (Art. 324, Law No. 23 011/AU; Art. 6(11), LBC/FT/FP/BCC communiqué, 8 Dec. 2025). Furthermore, FIs are prohibited from establishing or maintaining correspondent banking relationships with such banks or with entities known to allow the misuse of their accounts by shell institutions (Art. 89, Law No. 23 011/AU).

110. **Criterion 26. 3 [Met]**. Article 134, point 4, requires the BCC to take the necessary measures to prevent criminals or their accomplices from holding or becoming beneficial owners of a significant interest or control in a financial institution, including insurance companies, or from holding a management position therein, which gives the supervisory authority clear and binding legal power to filter market access and the governance of FIs. Natural or legal persons must meet certain conditions to become a director, executive or manager of an FI or to acquire a stake in the capital of an FI (Article 22 of Law No. 13-003-AU on banking). These conditions primarily concern the

absence of a criminal conviction for offences under the law of the Union of the Comoros or abroad, and the absence of bankruptcy. Approval requirements also apply to senior managers of FIs. Indeed, the BCC verifies the good repute of those responsible for managing FIs and cooperates with other competent authorities regarding the exchange of information.

111. **Criterion 26.4 [Met]**

- **a) [Met]** The Comoros monitors institutions subject to the Core Principles using a risk-based approach. Article 138 of AML/CFT/CPF Law No. 25-004/AU requires supervisory and regulatory authorities, including the Central Bank of the Comoros (BCC), to exercise risk-based supervision, to determine the frequency and scope of on-site and off-site inspections based on: (i) national ML/TF/PF risks, (ii) sectoral risks, (iii) the internal policies and controls of each financial institution, and (iv) the characteristics of the institutions and, where applicable, the financial groups to which they belong. The provision also provides for consolidated supervision when an entity belongs to a financial group, thereby meeting the methodological requirements of criterion 26.4(a). Furthermore, this obligation applies to the insurance sector, which now falls within the scope of supervision of the BCC, in accordance with the same risk-based approach. Thus, the new legal framework introduces an explicit regulatory obligation applicable to all financial institutions, including insurance companies.
- **b) [Met]** The BCC has a mandate to regulate, supervise and control all persons subject to the financial sector in the Comoros. Article 134 (2) (1), of the AML/CFT/PF Law now requires the BCC to exercise supervision based on the analysis of ML/TF/FP risk and compliance by FIs with their legal obligations, on a social and consolidated basis. This provision constitutes an explicit and binding legal basis enabling the supervisory authority to adapt the frequency and intensity of its controls according to the level of risk, in accordance with the requirements of criterion 26.4(b). Article 138 reinforces this mechanism by requiring supervisory authorities to determine the scope and frequency of document-based and on-site inspections on the basis of a risk-based approach, taking into account national, sectoral and institutional risks, the internal policies and controls of financial institutions and, where applicable, the consolidated scope of a financial group. The BCC also has the power to issue instructions, regulations and guidelines to clarify AML/CFT/CPF obligations and take the necessary corrective measures.

112. **Criterion 26.5 [Met]**

- **a) [Met]** The Central Bank of the Comoros (BCC) is required to determine the frequency and scope of document-based and on-site supervision of financial institutions or financial groups, based on ML/TF/FP risks and the policies, internal controls and procedures associated with the institution or group, as identified in the BCC's assessment of the institution's or group's risk profile (Article 138(1) of the AML/CFT/PF Law).
- **b) [Met]** The BCC now has a legal basis enabling it to determine the frequency and scope of on-site and off-site inspections based on the ML/TF/PF risks present in the Union of the Comoros, in accordance with the logic of integrating national risks into supervisory planning and applicable to all financial institutions, including insurance companies. This enables the BCC to coordinate the planning of inspections with the results of the national risk assessment and other strategic information on sectoral threats and vulnerabilities. This requirement is directly set out in Article 134(2)(1) and supplemented by the provisions of Article 138, which structure the analysis and review of national, sectoral and institutional risk profiles, as well as by the documentation requirement set out in Article 48(1).
- **c) [Met]** The Central Bank of the Comoros is required to determine the frequency and scope of on-site and off-site inspections, taking into account the structural, operational and organisational characteristics of financial institutions or, where applicable, financial groups. This requirement stems directly from Article 138, paragraph 1 (AML/CFT/CPF Law No. 25-004/AU of 30 June 2025), which stipulates that supervision must take into account the diversity, number and complexity of activities, legal structure, internal risk control mechanisms and, where relevant, the consolidated scale of a financial group.

113. **Criterion 26.6 [Met]** Supervisory authorities are required to periodically review the ML/TF/FP risk profile of a financial institution or financial group; Article 134 of the AML/CFT/PF Act confers on the Central Bank of the Comoros (BCC) the exclusive mandate to supervise, regulate and control all persons subject to the financial sector, including insurance companies and financial groups, thus confirming a clear centralisation of the AML/CFT/PF supervisory system. This mechanism is reinforced by Article 138, which explicitly establishes supervision based on a risk-based approach. More specifically, Article 138(2) now requires the BCC and other supervisory authorities to periodically review the ML/TF/PF risk profile of FIs and financial groups, as well as whenever significant events or developments warrant such a review. This periodic review requirement is supplemented by Article 48, which requires regulated entities to carry out a documented individual assessment of ML/TF/FP risks, which must be kept up to date and made available to the BCC. The existence of these internal assessments provides the supervisory authority with a factual and operational basis for adjusting its supervisory decisions.

Weighting and conclusion

114. The current legal framework gives the Central Bank of the Comoros a comprehensive and legally binding mandate for AML/CFT/CPF supervision of financial institutions, including insurance companies, based on a risk-based approach. The law expressly provides for the supervisory authority to determine the frequency and scope of document and on-site inspections, to implement supervision on an individual and consolidated basis, and to periodically review the risk profiles of financial institutions and financial groups.

115. **On that basis, Recommendation 26 is rated Compliant.**

Recommendation 28 - (Initially rated NC)

116. In the 2nd REM, Comoros was rated NC for Recommendation 28. The deficiciencies identified concerned the following points: No NFPD has been subject to AML/CFT regulation or supervision. Furthermore, the precious stones and metals trading and real estate sectors are not regulated and therefore do not have a designated supervisory authority or self-regulatory body.

117. **Criterion 28.1 a-b-c [N/A]** The MER analysis is still applicable.

118. **Criterion 28.2 [Met]** Article 135 of AML/CFT/CPF Law No. 25-004/AU addresses deficiencies identified in the structure or specialised supervision and regulation of different categories of DNFBPs and designates the FIU as the authority responsible for supervising and ensuring that DNFBPs comply with their AML/CFT obligations.. Article 135(2) provides that the Director of the FIU shall determine the human, technical and financial resources devoted to the supervision of DNFBPs and prepare a specific budget. The Director shall ensure that dedicated staff are assigned to the supervision of DNFBPs, working autonomously and independently from other FIU staff, and shall guarantee impartiality and special attention to the risks of the non-financial sector, in accordance with AML/CFT requirements.

119. **Criterion 28.3 [Met]** Article 135(2) of AML/CFT/CPF Law No. 25-004/AU addresses deficiencies identified in the structure or specialised supervision and regulation of different categories of DNFBPs. Article 135(2) provides that the Director of the FIU shall determine the human, technical and financial resources devoted to the supervision of DNFBPs and prepare a specific budget. The Director shall ensure that the human, technical and financial resources devoted to supervisory and control tasks in the DNFBPs sector are adequate and shall prepare a specific budget. FIU staff members are specifically assigned to the supervision and control of DNFBPs and act autonomously and independently from other SRF staff members, in accordance with AML/CFT requirements.

120. **Criterion 28.4 [Met]**

- **a) [Met]** The Non-Financial Sector Supervisory and Control Authority (FIU) has the necessary powers to carry out its duties, including powers to monitor compliance. It can require persons/entities subject to the regulations to provide any relevant information in order to monitor

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their compliance with their AML/CFT/PF obligations and carry out on-site inspections by FIU staff specifically assigned to the monitoring and control of DNFBPs (section 135 (2 & 9) Law AML/CFT/PF)

b) **[Met]** The FIU has been designated as the supervisory authority for DNFBPs, unless another authority is officially designated (section 135 of the AMFL/CF/CPF Law No. 25-004/AU). In accordance with Article 135 (1) and (4) of the AML/CFT/PF Act, the FIU provides regulatory guidance, issues instructions, regulations and guidelines to clarify obligations and assist DNFBPs. The FIU cooperates with the administrator of the beneficial ownership register, the criminal investigation and prosecution authorities, and other competent authorities to prevent criminals or their accomplices from gaining access to these professions (Articles 31, 141 and 142 of Law No. 25-004/AU). Certain categories of DNFBP have self-regulatory bodies within their ranks which control access to the profession on the basis of criteria of competence and good repute designed to prevent criminals from gaining professional status; these include, amongst others, lawyers, notaries, accountants and bailiffs

c) **[Met]** Under Article 135 of Law No. 25-004/AU/LBC/FT/FP, the FIU has been designated as the supervisory authority for DNFBPs unless another authority is officially designated. The FIU has the power to apply administrative, disciplinary or financial penalties in accordance with Recommendation 35 in the event of non-compliance with AML/CFT obligations (Article 135(1)(7) of AML/CFT/CPF Law No. 25-004/AU)

121. **Criterion 28.5 [Mostly met]**

b) [Met] The supervisory and regulatory authority exercises supervision based on the ML/TF/FP risk posed by DNFBPS (Article 135 (1) of the AML/CFT/PF Act). Article 135 (2) of this AML/CFT/PF Law provides for the identification of risks and the establishment of mechanisms to identify, assess and understand risks in all categories of DNFBPs. Supervisory authorities must adapt their controls to the national risk profile (the overall ML/TF/FP risks in the Comoros) and the specific risks of each sector of activity or category of goods or services (Article 138(1) of Law No. 25-004/AU).

b) [Mostly met] Articles 135 and 138 of the new AML/CFT/PF Law No. 25-004/AU, subjects DNFBPs to AML/CFT checks that meet most of the requirements of this recommendation. Article 135 (1) (2), and point 1 of Law No. 25-004/AU by means of a risk-based analysis of exposure to money laundering and terrorist financing; policies and procedures must also be monitored by the FIU (Article 138 of AML/CFT/CPF Law No. 25-004/AU). However, the information provided by the country does not allow for an assessment of the extent to which discretion is taken into account or of the adequacy of the internal controls of non-financial businesses and professions (DNFBPs) in the supervision conduct.

Weighting and conclusion

122. The Comoros legal framework regulates and enables oversight of enables risk-based supervision of DNFBPs. However, Minor deficiencies remain, regarding the consideration of the degree of discretion and the assessment of the adequacy of DNFBPs' internal control

123. **On this basis, Recommendation 28 is re-rated Largely Compliant**.

Recommendation 29 - (initially rated PC)

124. During its 2nd MER, the Comoros was rated PC for Recommendation 29. The shortcomings identified concerned the following points: procedures/mechanisms are not effectively in place to guarantee the security and confidentiality of information, as well as the requirement for FIU staff and institutional correspondents to respect confidentiality. Furthermore, secure channels for the exchange of information between the FIU and other national actors have not been defined and put in place. The FIU is also not a member of the EGMONT Group and does not have access to the secure channel for information exchange between FIUs.

125. **Criterion 29.1 [Met]** The Financial Intelligence Unit (FIU) is the national centre for receiving and analysing STRs and other information concerning money laundering, associated predicate offences and terrorist financing, and disseminates the results of its analyses. It is an administrative authority with legal personality (Articles 116 and 117 of AML/CFT/CPF Law No. 25-004/AU, Decree No. 20-145 of 4 December 2020).

126. **Criterion 29.2 [Met]**

a) **[Met]** The FIU acts as the central agency for receiving suspicious transaction reports (STRs) and attempted suspicious transactions issued by reporting entities in accordance with the requirements of Recommendations 20 and 23, in particular by FIs and DNFBPs (Articles 108 to 115 of the AML/CFT/PF Law).

b) **[Met]** The FIU is responsible for receiving and analysing declarations concerning cash transactions, fund transfers or transfers and other declarations or communications made on the basis of a threshold transmitted by the persons subject to the law (Art. 117, (1) (2) of Law No. 25-004/AU). The provisions relating to cash transaction reports, reports concerning electronic transfers and other reports are set out in Articles 54 and 55 of AML/CFT/CPF Law No. 25-004/AU (Articles 54, 55 and 117)

127. **Criterion 29.3 [Met]**

a) **[Met]** The FIU may, when necessary to carry out its analyses satisfactorily, obtain and use additional information from reporting entities (Art. 117 of Law No. 25-004/AU).

b) **[Met]** The FIU may have access to the widest possible range of financial and administrative information and information from the criminal investigation authorities and any competent national authority necessary for the proper performance of its functions. (Art. 117 of Law No. 25-004/AU).

128. **Criterion 29.4 [Met]**

a) **[Met]** The FIU's mandate is to conduct operational analyses, focusing on the analysis of individual cases in order to identify specific targets by analysing available and obtainable information, to track particular activities or operations, and to establish links between these targets and possible proceeds of crime, money laundering, underlying criminal activities, terrorist financing or proliferation financing (Article 117 of Law No. 25-004/AU).

b) **[Met]** The FIU's mission is to conduct typological and strategic analysis based on the use of available and obtainable information, including data provided by other competent authorities, in order to identify trends and patterns in ML/TF/FP, with a view to supplementing and strengthening operational analysis. (Art. 117 of Law No. 25-004/AU).

129. **Criterion 29.5 [Met]** As part of its remit, the FIU is responsible for disseminating, spontaneously and on request, via dedicated, secure and protected channels, information and the results of its analyses to the competent authorities (Art. 117, (1), (2) (6) of Law n°25-004/AU).

130. **Criterion 29.6 [Met]**

a) **[Met]** The FIU establishes rules for preserving the security and confidentiality of information held, including procedures for its processing, storage, dissemination and consultation. (Article 123 (2) of the AML/CFT/CPF Act) The FIU also has a manual of procedures for processing suspicious transaction reports, which has been in place since 15 January 2025 and sets out confidentiality measures.

b) **[Met]** FIU staff have the necessary access authorisations and understand their responsibilities with regard to the processing and dissemination of sensitive and confidential information. This requirement is addressed in Article 123 (2) of the new AML/CFT/CFP law. Also, FIU staff are contractually bound not to disclose any confidential information that comes to their knowledge during and after the performance of their duties (Article 5 (2) of the employment contract).

c) **[Met]** The FIU has implemented measures that restrict access to its premises and IT systems. Since January 2025, the FIU has had a procedures manual covering the administrative, technical and IT protocols related to the processing and storage of information, including access to information and premises. The provisions of the AML/CFT/CPF law require the FIU to monitor and restrict access to its premises and IT systems. (Art. 123 AML/CFT/PF law).

131. **Criterion 29.7 [Met]** The FIU is an administrative authority under the supervision of the Ministry of Finance; it is operationally autonomous and independent:

a. the power and ability to freely perform its duties, in particular to decide independently to analyse, request any necessary and additional information, and disseminate the results of such analysis or any other information deemed necessary (Art. 111 of the AML/CFT/CPF Law No. 25-004/AU);
b. has the authority to exchange information, conclude agreements or decide independently to collaborate with other competent national authorities or foreign counterparts. (Art. 119 of AML/CFT/CPF Law No. 25-004/AU);
c. N/A;
d. The FIU enjoys financial autonomy and carries out its duties free from any influence or interference, whether political, administrative or from the private sector, that could compromise its operational independence.' (Art. 120 of Law No. 25-004/AU on AML/CFT/PF), the FIU has an annual budget.

132. **Criterion 29.8 [Not Met]** The MER analysis is still applicable. The FIU is not a member of the Egmont Group and has not yet submitted an official application for membership.

Weighting and conclusion

133. The Union of the Comoros has an operational, independent and autonomous FIU, but the country has not yet applied for membership of the Egmont Group.

134. **On this basis, Recommendation 29 is re-rated Largely Compliant**

Recommendation 35 - (initially rated PC)

135. In its 2nd MER, the Comoros was rated PC for Recommendation 35. The shortcomings identified are as follows: the administrative, disciplinary and financial penalties applicable to FIs are not clearly established in direct relation to breaches of AML/CFT obligations. Penalties for breaches of AML/CFT obligations in the insurance sector and DNFBPs are also not proportionate and dissuasive.

136. **Criterion 35.1 [Met]** Law No. 25-004/AU introduces a structured system of sanctions, including administrative, civil and criminal penalties, applicable to all persons subject to the law, including financial institutions, DNFBPs, legal entities and their managers (Articles 37, 219, 221 et seq. of the AML/CFT/PF Law). The legal text distinguishes between serious offences, repeat offences and systematic breaches, allowing the sanction to be adapted in response to the seriousness and frequency of the violations; these sanctions are proportionate and dissuasive. The legal framework is adequate to fill the legal vacuum previously observed.

137. **Criterion 35.2 [Met]** The provisions of Law No. 25-004/AU introduce a structured system of sanctions, including administrative, civil and criminal penalties, applicable to all persons subject to the law, including FIs, DNFBPs, legal entities and their managers (Articles 37, 219, 221 et seq. of the AML/CFT/PF Law). The legal text distinguishes between serious offences, repeat offences and systematic breaches, allowing the penalty to be adapted in response to the seriousness and frequency of the violations. These include, amongst other things, administrative sanctions ranging from a warning to the complete withdrawal of approval or authorisation; the suspension or dismissal of one or more directors; a restriction or prohibition on practising a profession; exclusion from public procurement contracts either permanently or for a period of up to five years; and a daily penalty payment until the situation is rectified. Financial penalties against the legal entity amounting to between seven and

ten per cent of the net annual turnover or total annual income of the entity concerned; between two and four per cent of the entity's turnover, amongst other things. From two million to five million Comorian francs (4,000 to 10,000 euros) for offences in the first category, or from one million to two million Comorian francs (2,000 to 4,000 euros) for offences in the second and third categories, for natural persons. Criminal penalties, including imprisonment for three to ten years or the dissolution of legal entities. (Art. 209 et seq. of the AML/CFT/FP Law). These sanctions are proportionate and dissuasive.

Weighting and conclusion

138. The requirements of Recommendation 35 regarding sanctions are met.

139. **On this basis, Recommendation 35 is rated Compliant**

Recommendation 40 - (initially rated PC)

140. In its 2nd MER, Comoros was rated PC for Recommendation 2. The shortcomings identified include the lack of opportunities for spontaneous exchange of information, the lack of clear procedures for prioritising the prompt execution of requests for cooperation, the lack of opportunities for feedback on requests, a legal mechanism to guarantee the protection of privacy and personal data received from foreign or even domestic sources, and a legal or conventional basis for setting up joint investigation teams to conduct investigations in a cooperative manner.

141. **Criterion 40.1 [Met] -** The competent authorities can rapidly provide the widest range of international cooperation in relation to money laundering, associated predicate offences and terrorist financing. The shortcoming identified in the MER regarding the absence of provisions on the possibility of spontaneously exchanging information in the context of this international cooperation has been corrected by the AML/CFT/CPF Law No. 25-004/AU, which provides for the possibility for competent authorities to exchange information spontaneously and upon request (Art. 132; 134; 135 AML/CFT/CPF Law No. 25-004/AU).

142. **Criterion 40.2 [Mostly met]**

- **a) [Met]** The MER analysis is still applicable
- **b) [Met]** The MER analysis is still applicable
- **c) [Mostly met]** The MER analysis is still applicable..
- **d) [Partly met]** The FIU has a manual of procedures for handling STRs and other financial information that prioritises the processing of requests in the context of cooperation, particularly in urgent cases. However, there is no similar provision for other competent authorities.
- **e) [Met]** The MER analysis still applies

143. **Criterion 40.3 [Met] -** The FIU may conclude agreements or decide independently to collaborate with foreign FIUs, which means that the FIU may, if necessary, negotiate and sign bilateral or multilateral agreements without constraint (Art. 144 AML/CFT/CPF Law No. 25-004/AU). Investigative authorities and customs authorities also have the same power with their foreign counterparts, with whom they can generally exchange information in a timely manner without signing an agreement, through the statutes of the OIPC/Interpol and the WCO respectively. The BCC may negotiate and sign agreements with its foreign counterparts in a timely manner in its capacity as the financial sector supervisory and oversight authority.

144. **Criterion 40.4 [Partly met] -** Upon request, the FIU provides feedback to its foreign counterparts on the use of information received from these FIUs and the results of its analysis (Art. 144 of AML/CFT/CPF Law No. 25-004/AU). However, this legal obligation does not apply to other competent authorities.

145. **Criterion 40.5 [Met]**

- **a) [Met]** The MER analysis still applies
- **b) [Met]** The MER analysis still applies

c) **[Met]** The competent authorities may not refuse to cooperate or respond to any request for information from foreign counterpart authorities on the grounds that an investigation or judicial or administrative proceedings are already underway for the same facts and against the same persons in the Union of the Comoros, unless the request from the foreign counterpart supervisory authority is likely to prejudice that investigation or proceedings. (Art. 145(3) of Law No. 25-004/AU on AML/CFT/PF).
d) **[Met]** The MER analysis is still applicable.

146. **Criterion 40.6 [Met]** - The laws of the Union of the Comoros on international cooperation, particularly on information sharing, provides that the information communicated may not be used for purposes other than monitoring compliance with ML/TF/FP preventive obligations, unless prior written authorisation has been obtained from the supervisory and control authority that communicated the information. This authorisation may not be granted if the purpose is incompatible with monitoring compliance with ML/TF/FP prevention obligations (Art. 147 of Law No. 25-004/AU on ML/TF/FP). It is also specified for the FIU that any document transmitted by the FIU to another FIU must state that the information thus communicated may only be used for the purposes for which it was requested or provided and that any transmission of this information to another authority, agency or department, or any use of this information for purposes beyond those initially consented to by the FIU, is subject to its prior authorisation (Art. 133 Law No. 25-004/AU on AML/CFT/PF).

147. **Criterion 40.7 [Partly met]** The FIU maintains confidentiality and protects personal data in its exchanges of information with its foreign counterparts. Foreign FIUs are therefore subject to confidentiality obligations that are at least equivalent to those of the SFR. the processing of the information communicated guarantees a sufficient level of protection of privacy and the fundamental freedoms and rights of individuals, in accordance with the legislation and regulations in force (Articles 133 and 144 of AML/CFT/CPF Law No. 25-004/AU). This legal obligation does not apply to other competent authorities.

148. **Criterion 40.8 [Met]** MER analysis is still applicable.

149. **Criterion 40.9 [Met]** MER analysis is still applicable.

150. **Criterion 40.10 [Met]** The provisions of Article 144 of the AML/CFT/CPF Law stipulate that the FIU shall, upon request, provide feedback to their foreign counterparts on the use of the information provided and the results of the analysis conducted on the basis of that information.

151. **Criterion 40.11 a-b[Met]** The MER analysis is still applicable.

152. **Criterion 40.12 [Met]** The MER analysis is still applicable.

153. **Criterion 40.13 [Met]** The MER analysis is still applicable.

154. **Criterion 40.14 [Met]** The MER analysis is still applicable.

155. **Criterion 40.15 [Met]** Supervisory and regulatory authorities may authorise their foreign counterpart authorities to seek information themselves within the territory of the Union of the Comoros or facilitate this task for them, in order to promote effective supervision of the financial groups concerned (Art. 145(5) of AML/CFT/CPF Law No. 25-004/AU).

156. **Criterion 40.16 [Met]** The MER analysis is still applicable.

157. **Criterion 40.17 [Met]** The MER analysis is still applicable.

158. **Criterion 40.18 [Met]** The MER analysis is still applicable.

159. **Criterion 40.19 [Partly met]** Article 157 of AML/CFT/CPF Law No. 25-004/AU specify that investigation

and inquiry measures shall be carried out in accordance with the legislation in force, unless the competent authority of the requesting State has requested that they be carried out in a particular manner compatible with national legislation. However, no explicit mention is made of the establishment of joint investigation teams.

160. **Criterion 40.20 [Partly Met]** The legal framework allows FIUs to indirectly exchange information with non-counterpart authorities (Art. 144(7) of AML/CFT/CPF Law No. 25-004/AU. On the basis of reciprocity, other competent authorities may also do so; however, no legal provision expressly specifies this or the obligation to always indicate precisely for what purpose and on whose behalf the request is made.

Weighting and conclusion

161. The revised legal framework of the Union of the Comoros allows the competent authorities to grant other forms of international cooperation. However, some minor shortcomings remain, particularly with regard to the obligation of all competent authorities to protect privacy and the need for clear procedures to prioritise the prompt execution of requests for cooperation.

162. **On this basis, Recommendation 40 is re-rated Largely Compliant.**

IV CONCLUSION

163. Overall, Comoros has made significant progress in addressing the Technical Compliance gaps identified in Recommendations 1, 2, 6, 7, 10, 17, 22, 24, 26, 28, 29, 35 and 40. As part of this exercise, Comoros is rated Compliant (C) for Recommendations 2, 26 and 35; and Largely Compliant (LC) for Recommendations 1, 6, 7, 10, 17, 22, 24, 28, 29 and 40.

164. Table 2 below presents the ratings in the Comoros MER and reflects progress made in follow-up reports, including re-ratings based on this report:

Table 2. Technical Compliance Rating[2] (October 2025)

Recommendation	Rating	Recommendation	Rating
1.	PC (MER 2024) ↑ **LC (FUR 2026)**	21.	C (MER 2024)
2.	PC (MER 2024) ↑ **C (FUR 2026)**	22.	PC (MER 2024) ↑ **LC (FUR 2026)**
3.	C (MER 2024)	23.	LC (MER 2024)
4.	LC (MER 2024)	24.	PC (MER2024) ↑ **LC (FUR 2026)**
5.	C (MER 2024)	25.	LC (MER 2024)
6.	PC (MER 2024) ↑ **LC (FUR 2026)**	26.	PC (MER 2024) ↑ **C (FUR 2026)**
7.	PC (MER 2024) ↑ **LC (FUR 2026)**	27.	LC (MER 2024)
8.	NC (MER 2024)	28.	NC (MER 2024) ↑ **LC (FUR 2026)**
9.	C (MER 2024)	29.	PC (MER 2024) ↑ **LC (FUR 2026)**
10.	PC (MER 2024) ↑ **LC (FUR 2026)**	30.	C (MER 2024)
11.	C (MER 2024)	31.	LC (MER 2024)
12.	C (MER 2024)	32.	LC (MER 2024)
13.	C (MER 2024)	33.	LC (MER 2024)
14.	LC (MER 2024)	34.	PC (MER 2024)
15.	NC (REM 2024)	35.	PC (MER 2024) ↑ **C (FUR 2026)**

[2] Note: There are four possible Technical Compliance ratings: Compliant (C), Largely Compliant (LC), Partially Compliant (PC) and Non-Compliant (NC).

16.	LC (MER 2024)	36.	LC (MER 2024)
17.	PC (MER 2024) ↑ **LC (FUR 2026**	37.	LC (MER 2024)
18.	C (MER 2024)	38.	PC (MER 2024)
19.	LC (MER 2024)	39.	LC (MER 2024)
20.	C (MER 2024)	40.	PC (MER 2024) ↑ **LC (FUR 2026)**

165. Comoros has 36 C/LC recommendations. The country will remain under the Enhanced Follow-Up process in view of its performance and the ratings it has been given for effectiveness. The next enhanced follow-up report for Comoros is expected in May 2027.

Annex to the FUR

Summary of Technical Compliance - gaps underlying the ratings

Recommendations	Rating	Factor(s) underlying the rating
1. Risk assessment and implementation of risk-based approach	LC	The evaluation did not cover all sectors including legal entities, NPOs, assets and virtual asset service providers
2. National cooperation and coordination	C	• This criterion is met
3. Money laundering offences	C	• The criminalization of ML and the related requirements are comprehensively taken on board by the Comorian legal system.
4. Confiscation and preventive measures	LC	• There are no measures aimed at preserving the capacity of actors in the criminal justice chain to freeze, seize or recover assets. There is also no mechanism for managing seized and confiscated assets.
5. Terrorist financing offence	C	• The Comorian legal system does not present any deficiencies with regard to the requirements of this Recommendation
6. Targeted financial sanctions related to terrorism and terrorist financing	LC	• The decree that is supposed to define the functioning of the Technical Advisory Committee on Administrative Freezes to facilitate the identification of targets for designation has not yet been issued, and those subject to the sanctions have not been provided with guidelines to assist them in implementing their obligations regarding delisting and unfreezing..
7. Targeted financial sanctions related to proliferation	LC	• The authorities have not yet issued guidelines for financial institutions and other persons and entities, including DNFBPs, that may hold funds and other assets covered by the mechanisms, regarding their obligations under the freezing mechanisms.
8. Nonprofit organizations	NC	• Lack of risk-based approach to the regulation and supervision of NPOs; • Non-definition of the obligation, procedure and frequency of identification and review of risks and vulnerabilities in the NPO sector; • Lack of designated AML/CFT monitoring and supervisory authority for NPOs; • Lack of mechanism for reporting TF-related facts involving NPOs without delay; • • Lack of national cooperation mechanism for the exchange of relevant information on NPOs among national actors and with foreign countries.
9. Professional secrecy Laws for financial institutions	C	This criterion is met
10. Customer due diligence	LC	• The obligation for FIs to understand the nature of the activities of legal persons and legal arrangements before entering into a business relationship is not explicitly mentioned in this Act.
11. Record keeping	C	• All criteria are met
12. Politically Exposed Persons		All criteria are met

Recommendations	Rating	Factor(s) underlying the rating
	C	
13. Correspondent Banking	C	All criteria are met
14. Money or value transfer services	LC	• There are no binding measures obliging the country to identify persons, natural or legal, who provide MVT services without being licensed or registered, in order to mete out the sanctions provided for.
15. New technologies	NC	No provisions have been issued regarding virtual assets and VASPs
16. Wire transfers	LC	• There is no legal or regulatory provision for a period of 03 working days to transmit the required information to the beneficiary's FI or to the competent authorities, at their request.
17. Reliance on third parties	LC	• FIs are not expressly required to satisfy themselves that third parties/intermediaries belonging to the same group have measures in place to comply with R.10, R.11 and R.18.
18. Internal controls, foreign branches and subsidiaries	C	All criteria are met
19. Higher-risk countries	LC	• The country's failure to put in place measures to systematically inform FIs of concerns raised by the deficiencies of other countries' systems.
20. Suspicious transaction reporting	C	All criteria are met
21. Disclosure and confidentiality	C	All criteria are met
22. Designated Non-Financial Businesses and Professions: customer due diligence	LC	• The lack of explicit mention of the obligation for FIs to understand the nature of the activities of legal persons and legal arrangements, also has a negative impact on the implementation of customer due diligence obligations by DNFBPs
23. Designated Non-Financial Businesses and Professions: other measures	LC	• The non-issuance of the Order establishing the threshold required for transactions/operations of dealers in gems and precious metals as provided for under the AML/CFT Law No. 12-008/AU. • Failure to put in place measures to inform DNFBPs of deficiencies in the AML/CFT systems of other countries.
24. Transparency and beneficial ownership of legal persons	LC	• The lack of assessment of ML/TF risks associated with different categories of legal entities.
25. Transparency and beneficial ownership of legal arrangements	LC	• Trusts are required to observe transparency rules in relation to their AML/CFT obligations. However, trusts are not required to declare their status to FIs and DNFBPs when they establish a relationship or execute an occasional transaction for any amount above a given threshold.
26. Regulation and supervision of financial institutions	C	• All criteria are met
27. Powers of supervisors	LC	• The insurance sector is not subject to AML/CFT supervision
28. Regulation and supervision of Designated Non-Financial Businesses and Professions	LC	• Minor deficiencies however remain in the effective implementation of this risk-based supervision
29. Financial Intelligence Units (FIUs)	LC	• The country has not yet applied for membership of the Egmont Group.

Recommendations	Rating	Factor(s) underlying the rating
30. Responsibilities of Law enforcement authorities	C	• The Comorian AML/CFT/PF legal system does not present any gaps with regard to the requirements of this Recommendation
31. Powers of Law enforcement authorities	C	• The Comorian AML/CFT/PF legal system does not present any gaps with regard to the requirements of this Recommendation
32. Cash couriers	LC	• There is no coordination mechanism between customs, immigration police and other administrations. Besides, the Comorian legislation does not explicitly provide for a reasonable period for withholding cash or BNI where it is necessary to conduct investigations linked to ML/TF suspicions and a period for keeping of related documents. There is also no provision for the means of sharing information between the FIU and customs within the framework of R. 32
33. Statistics	LC	• The Union of Comoros does not maintain statistics on frozen, seized and confiscated assets.
34. Guidance and Feedback	PC	• No guidelines have been developed for DNFBPs • Feedback on STRs and findings of inspection missions is provided by the FIU and BCC
35. Sanctions	C	• All criteria are met
36. International instruments	LC	• The country has signed and ratified the four relevant Conventions in the fight against transnational organized crime and has, to some extent, implemented the provisions of the said international legal instruments; • However, the country has not provided for the use of special techniques to investigate certain forms of crime provided for by the UN Conventions against corruption and against illicit trafficking in narcotics and psychotropic substances.
37. Mutual Legal Assistance	LC	• The Comorian legal and institutional system provides an opportunity to quickly provide the broadest possible range of mutual legal assistance; • Lack of clear procedures for establishing priorities and diligently executing requests for assistance received, as well as a system for monitoring the processing of requests for assistance; • • it is not clearly specified whether the country is required to keep mutual assistance requests and their contents confidential, apart from extradition requests.
38. Mutual legal assistance: freezing and confiscation	PC	• Lack of legal provisions allowing for the confiscation of the instrumentalities used, in the commission of the predicate offences to ML/TF; • The legal system does not provide for sharing confiscated assets and the country has not signed any agreement to coordinate the seizure and confiscation of criminal assets with foreign countries; • Lack of mechanism for managing seized assets apart from cash and gold bars and other precious metals.
39. Extradition	LC	• Lack of case management system and clear procedures for the diligent execution of extradition requests, including a prioritization system.
40. Other forms of international cooperation	LC	• shortcomings remain, particularly with regard to the obligation of all competent authorities to protect privacy

Recommendations	Rating	Factor(s) underlying the rating
		and the need for clear procedures to prioritise the prompt execution of requests for cooperation.

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Anti-money laundering and counter-terrorist financing measures in the Union of the Comoros

Follow-up Report & Technical Compliance Re-Rating

The report also examines whether the Union of the Comoros' measures meet the requirements of the FATF Recommendations that have changed since their Mutual Evaluation in 2024.

Follow-up Report