Institutional Instability, Regulatory Fragmentation, and the Status of Contested Comorian Offshore Financial Licenses

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DOI: https://doi.org/10.51244/IJRSI.2026.1307000063

Received: 05 July 2026; Accepted: 10 July 2026; Published: 27 July 2026

ABSTRACT

The Banque Centrale des Comores (BCC) does not recognize banking and financial licenses attributed to the Anjouan Offshore Finance Authority (AOFA) or the Mwali International Services Authority (MISA), and under current compliance practice the question of present operating authority is answered by reference to the BCC alone. This article separates that question from a narrower doctrinal one: whether every island-attributed instrument must be characterized as fraudulent at inception. Working through doctrinal legal analysis under an explicit hierarchy of sources, it distinguishes the current validity of a regulatory instrument from its original legal status. The 2001 constitutional settlement conferred substantial island autonomy, yet the boundary between Union monetary competence and island-administered economic powers remains open to competing and unresolved interpretations. Because subsequent centralization produced neither a published adjudication of that boundary nor an integrated transitional regime, the constitutional question still governs how island-attributed instruments should be classified retrospectively, at least as of the July 2026 source cutoff. On the present record, neither AOFA nor MISA falls into the purely fraudulent category at the institutional level, since each invokes an island-level claim to public authority within an unresolved competence dispute. The taxonomy developed here separates fraudulent instruments, instruments subsequently invalidated or superseded, and instruments whose original legality remains contested. Neither body holds operating authority at present. Two practical implications follow: prudential authority is allocated to the BCC, and any inquiry into the legal status of island-attributed instruments must be document-specific and fact-intensive rather than presumptive. An unresolved allocation of sovereign power also leaves room for sovereign liability where foreign parties act in reliance on apparent state authority.

Keywords: Political economy, Institutional competence; Regulatory fragmentation; Offshore financial licensing; Central banking; Comoros

INTRODUCTION: CURRENT AUTHORITY AND HISTORICAL LEGAL CLASSIFICATION

The Union of the Comoros is a small archipelagic state whose modern constitutional order emerged from the secessionist crisis of the late 1990s. The General Agreement on National Reconciliation, signed at Fomboni in February 2001, and the Union constitution adopted in 2001 and revised in 2009 reconstituted the Union as a highly decentralized system in which Ngazidja, Ndzuwani, and Mwali retained autonomy from Union decision making (Oxford Constitutional Law, n.d.). The settlement halted an escalating cycle of violence. It also left a durable argument about where Union sovereignty ends and island authority begins.

Banking and financial licensing became one site of that argument. The BCC has maintained throughout that authorization is a Union matter: a presidential circular of 11 May 2005 and a BCC circular of 16 November 2005 refused authorization for offshore banking outside the recognized national system, and a BCC communiqué of 15 June 2022 identified structures including MISA that, in its view, held no power to issue banking and financial approvals (Banque Centrale des Comores [BCC], 2005a, 2005b, 2022). Registry operators and some holders of island-attributed instruments respond that legislation enacted by autonomous island institutions cannot be set aside by what they characterize as executive fiat.

Two questions are capable of separate answers. The first is current and practical: under the law of the Union as it now stands, who may authorize a bank or financial institution to conduct banking or financial activity? On that question the BCC-centered analysis is dispositive. The second is historical and classificatory: where a document was ostensibly issued by a public body under a defensible, forum-specific island law, was it in fact issued by a public body, or fabricated by a private actor? Conflating the two produces a false dichotomy between present validity and fraud at inception, since an instrument may have been wholly inoperative when issued without having been fraudulent.

The article advances three propositions. First, the 2001 constitutional design generated a latent competence conflict by combining Union monetary competence with wide island autonomy over local administration and development. Second, the Union progressively occupied the field of banking supervision through the BCC statutes, Law No. 13-003/AU of 2013, its implementing regulations, and the revised central bank statutes of 2024 (BCC, 2010, 2025, n.d.; Law No. 13-003/AU, 2013; Ministry of Finance of the Comoros, 2025). Third, classification turns on evidence of enacted law, a functional nexus to the state, an official chain of issuance, and subsequent legal displacement. A tripartite classification of fraudulent, subsequently invalidated, and disputed instruments applies uniformly to AOFA and MISA at the institutional level, while remaining document-specific for every individual instrument.

The conclusion drawn here is deliberately narrow. Nothing in the article recognizes AOFA or MISA as current prudential regulators; no instrument is treated as a license; and no institution is credited with authority to take deposits, provide brokerage, offer insurance, or take on clients in or from the Comoros. The conduct, assets, solvency, and good faith of individual licensees are questions of fact. What is at issue is the legal classification of regulatory instruments, not the commercial standing of private entities.

METHOD AND EVIDENTIARY APPROACH

The analysis combines documentary legal research with institutional political economy. The period of principal interest runs from the Fomboni settlement through the 2001 Constitution to the revised BCC statutes adopted in 2024. Three questions organize the inquiry: how competence was allocated, how later instruments reallocated it, and what evidentiary predicates must be established before an island-attributed license can be treated as a public act rather than a private one.

Materials are ranked. Level I comprises constitutional texts, Union statutes, BCC statutes, circulars and decrees, and government documents. Level II covers reported case law and official documentation of international organizations, including the IMF, the World Bank, and peace agreement archives. Scholarly interpretation and credible institutional reporting supply political and economic context. Registry and intermediary materials are used only as evidence of what their publishers assert; they are not accepted as proof of enacted law, public authority, or current regulatory recognition.

The interpretive method proceeds in four steps. It identifies the institution said to have issued a document; identifies the legal instrument invoked as the source of authority; situates that instrument in relation to Union constitutional, banking, and central bank law; and asks whether later law displaced the instrument prospectively or whether a competent body declared it void ab initio. Silence, continued availability online, and ongoing registry marketing are not treated as evidence of continuing validity.

Several things fall outside the exercise. The article does not authenticate individual documents, assess criminal culpability, or offer a legal opinion on any licensee. Nor does it infer validity from the absence of a locatable repealing instrument. The source cutoff is July 2026. Where an arbitration is identified but the tribunal's reasoning is not among the materials surveyed, or the proceeding remains pending, the article reports the parties' positions as pleaded and makes no finding on jurisdiction, liability, damages, or the legality of the underlying concession. The contribution is bounded: a source-sensitive taxonomy, applied only so far as the documentary record supports it through evidence of enacted law, institutional linkage, official publication, and subsequent legal change.

ECONOMIC AND FINANCIAL BACKGROUND: WHY SMALL ISLANDS SELL JURISDICTION

The Comoros displays the structural features common to small island developing states: a narrow productive base, limited fiscal capacity, heavy import dependence, and substantial reliance on remittances. Exports concentrate in a few agricultural commodities, and a large share of household consumption is financed by diaspora transfers (International Monetary Fund [IMF], 2023c; World Bank, 2026). These conditions constrain the domestic tax base and favor activities that generate revenue through transactions requiring little physical investment.

Financial sector reform accordingly sits near the center of the Union's macroeconomic agenda. The four-year Extended Credit Facility (ECF) arrangement approved in June 2023 restated the priority of revenue mobilization, addressed restructuring of the banking sector, called for stronger supervisory and resolution powers, and pressed for a strengthened framework for anti-money-laundering and countering the financing of terrorism (AML/CFT). Program implementation advanced, yet later reviews continued to flag financial sector and governance weaknesses (IMF, 2023a, 2023b, 2026). Those priorities explain the Union's preference for a single, internationally legible licensing authority.

The islands faced a different incentive structure. The post-Fomboni settlement gave them elected institutions and development functions while their own-source revenues remained constrained and their administrative capacity uneven (IRIN, 2009; PA-X, n.d.). For island governments, registration fees, corporate charters, and specialized licenses offer a way to monetize constitutional autonomy and offset fiscal dependence. That political economy does not settle legal competence. It does explain how island-level licensing claims formed and why they persisted.

A broader literature describes this practice as the commercialization of attributes of sovereignty. Selling a border, a registration, a citizenship, a tax domicile, or a regulatory environment is a feasible option for small jurisdictions when marginal administrative cost is low and fee income is locally material (Palan, 2002; Sharman, 2006). Political economy work on monetary institutions runs in the opposite direction, emphasizing the gains from insulating monetary and prudential decisions from short-horizon political pressure (Alesina & Tabellini, 1990; Cukierman, 1992). The Comorian case sits at the intersection: decentralized incentives to monetize jurisdiction meet central incentives to protect monetary credibility and financial stability.

Sovereignty monetization was not an island monopoly. A parliamentary inquiry into the economic citizenship program introduced in 2008 reported serious problems of governance and legality (Africanews with Reuters, 2018). The point here is institutional rather than accusatory: weak fiscal systems push central and subnational governments alike toward revenue from the sale of legal status, while the reputational and compliance costs fall on the state as a whole.

Offshore licensing therefore generates a large externality. Fee income accrues to the licensing authority or its agents, whereas AML costs, correspondent banking de-risking, consumer harm, and reputational damage are borne across the Union. A dispersed licensing regime also makes it harder for foreign regulators and market participants to identify which supervisor is answerable. Against that background, a blanket denial is an intelligible prudential response for the BCC (BCC, 2022; IMF, 2023b).

This is part of why the supervisory answer today need not match the legal answer for the past. The Union requires a contemporary rule about who may conduct a given financial activity, and that rule points to BCC authorization. Historical inquiry remains bound to the constitutional framework in force when the island instruments were said to have been issued.

THE CONSTITUTIONAL ORIGINS OF THE COMPETENCE DISPUTE

The competence dispute is a direct inheritance of state collapse. Anjouan and Mwali seceded from the federal state in 1997, and the years that followed brought contested governments, sanctions, coups, and repeated mediation attempts. The agreement reached at Fomboni on 17 February 2001 traded reunification for farreaching island autonomy, and the Constitution adopted later that year established a Union of the Comoros composed of autonomous islands, each with its own executive and assembly, under a rotating Union presidency (Constitution of the Union of the Comoros, 2001/2009; Oxford Constitutional Law, n.d.; PA-X, n.d.).

Currency power sits with the Union under the constitutional text. That allocation does not by itself resolve every question about the licensing of financial service providers. Island representatives could plausibly assert a prerogative over local administration and economic development, while Union bodies could maintain that prudential supervision, banking regulation, and protection of the monetary system are inseparable from the Union's currency competence. The question is not whether a BCC exists. It is whether Union monetary competence fully excluded island financial regulation during that highly decentralized constitutional period.

Later reform narrowed the institutional space for island autonomy. In 2009 island presidents were replaced by governors and island institutions were reorganized; the 2018 revision strengthened the Union presidency, altered the rotation scheme, and abolished the Constitutional Court, vesting constitutional review in the Supreme Court structure (Africa Center for Strategic Studies, 2024; Constitution of the Union of the Comoros, 2018; Freedom House, 2019, 2024). These reforms redistributed powers and reinforced the tendency toward regulatory centralization. They did not supply a published decision or a general savings clause addressing instruments attributed to AOFA or MISA with the features described above.

The resulting legal conclusion is narrower than a claim that no forum for constitutional review exists. A forum does exist within the revised constitutional order. On the official documentation examined as of July 2026, however, no publicly available decision resolves the boundary between island economic autonomy and Union financial competence for the period at issue. The dispute has therefore not been settled by retrospective constitutional adjudication, even though current Union law centralizes prudential licensing in the BCC.

THE PARALLEL OFFSHORE FRAMEWORKS

Claims of parallel regulatory authority developed against this constitutional background. AOFA was associated with Anjouan during the final years of the island's separate political administration, while MISA later marketed licenses under the name of Mwali. The BCC recognizes neither body as competent to grant banking or financial authorization (BCC, 2005a, 2005b, 2022). The analysis must therefore apply the same threshold to both: non-recognition by the BCC establishes the absence of present operating authority, but it does not by itself establish that every instrument attributed to either island framework was privately fabricated. Classification of individual documents turns on their legal and institutional provenance.

5.1 The Anjouan Offshore Finance Authority

The Anjouan offshore structure originated under Colonel Mohamed Bacar, first as island president within the Union system and later as leader of a renewed separatist movement. AOFA material indicates that island legislation enacted in 2005 provides the foundation for international finance and company registration. For classification, the conditional carries the weight: the claim holds only if a sponsor can establish the enacted island legislation, the authority of the issuing island body under the island order, and a formal nexus linking the document to that body (Oxford Constitutional Law, n.d.).

The Union rejected the project at the time. A presidential circular of 11 May 2005 moved to end illegal offshore banking activity, particularly in Anjouan, and a BCC circular of 16 November 2005 set out the list of recognized institutions and prohibited offshore banking outside the national system (BCC, 2005a, 2005b). Those facts weaken any argument from Union acquiescence. They are not, however, sources that establish on their own that each island official act covered by those documents was a criminal forgery, an ultra vires administrative act, or an act later stripped of legal effect.

Union and African Union forces restored central control over Anjouan in March 2008. The island's name has since appeared in online registration services offering offshore products and, more recently, gaming licenses (see Oxford Constitutional Law, n.d.). Pre-2008 registration activity is not evidence of institutional continuity.

Documents marketed after the restoration require proof that a genuine public agency, rather than a private operator using the geographic name, issued them.

The strongest arguable case for AOFA is probably confined to instruments that can be tied to identifiable island institutions acting between 2005 and the restoration of Union sovereignty in 2008. Even that window does not place an instrument in a category automatically. Depending on the assessment of constitutional competence and the effect of later Union law, such an instrument may fall in Category C as disputed or in Category B as subsequently invalidated.

5.2 The Mwali International Services Authority

MISA instruments likewise claim continuity with Mwali institutions and invoke island constitutional and statutory provisions. Those claims do not generate Union-level competence, and the BCC communiqué of 2022 states that MISA holds no competent authority to grant banking and financial approvals (BCC, 2022). They do place MISA on the same unresolved constitutional footing as AOFA: whether an island economic domain could at the relevant time create and supervise an offshore services regime falling within island administrative competence.

The present record challenges an institutional nexus without conclusively disproving one. MISA-issued instruments should not therefore be presumed to fall in Category A merely because the BCC disregards their present effects. At the institutional level the MISA question resembles the AOFA question: it falls outside Category A and moves toward Category C or Category B on the evidence of enacted statute, issuing organ, date, administrative channel, and subsequent legal displacement. Parity of inquiry is not parity of proof. Neither documentary strength, nor historical record, nor compliance standing is thereby equated; both frameworks are contested, and both are subject to the same argument about the allocation of competence.

UNION RECENTRALIZATION AND THE LEGAL TREATMENT OF EARLIER INSTRUMENTS

6.1 Current supervisory architecture

The Union has built a broader institutional umbrella for financial oversight. The BCC statutes adopted in 2010 set out the central bank's mission across monetary policy, financial stability, currency issuance, payment and settlement systems, and banking and financial activity. Law No. 13-003/AU of 12 June 2013 established the terms of State authorization, supervision, sanction, and withdrawal of approval, implemented through BCC Regulations Nos. 016, 017, 018, and 019 covering institutions, managers, auditors, and decentralized financial institutions (BCC, 2010, n.d.; Law No. 13-003/AU, 2013).

Statutes revised in December 2024 reinforced that architecture. They created dedicated monetary policy and banking supervision organs and strengthened procedures for authorization, withdrawal, provisional administration, and resolution (BCC, 2025; Ministry of Finance of the Comoros, 2025). Together with the IMF-supported reform agenda, these measures make the current supervisory position clear: financial institutions must be licensed by the Union and supervised through the BCC (IMF, 2023a, 2023b).

Clarity in current law does not dissolve the intertemporal question. A later framework can bar continued operation, displace or fail to displace prior instruments, or require re-licensing without thereby converting every earlier instrument into a fraudulent one. The absence of an express bridging provision, conversely, does not establish the continuing validity of an earlier instrument. The proper sequence is to ask about validity at issuance first, and only then about the effects of subsequent constitutional and statutory developments.

6.2 Competing constitutional narratives and legitimate expectations

The Union narrative ties currency, banking legislation, prudential supervision, and financial stability into a single national competence. The island narrative rests on the broad autonomy and development functions established by the 2001 settlement. For present operation the Union narrative controls, because the later constitutional and banking framework centralizes supervision. The island narrative retains its force for the historical classification of instruments attributed to AOFA and MISA. A claimant relying on either body must still show enacted island law and an official chain of issuance; the unresolved competence dispute nonetheless prevents present non-recognition, standing alone, from converting the whole class of island-attributed instruments into Category A.

Three bodies of doctrine help separate present invalidity from fraud at inception. They operate as comparative canons of interpretation, not as a claim that foreign decisions govern Comorian law. The first is non-retroactivity, which ordinarily distinguishes the prospective operation of new law from the annulment of completed legal acts from the moment of their inception, together with the reluctance of French administrative jurisprudence to withdraw rights-creating administrative acts retroactively (Conseil d'État, Société du journal L'Aurore, 1948; Conseil d'État, Ternon, 2001). French sources carry weight here only as persuasive material in a legal system substantially shaped by the French civil law tradition. Applied with restraint, this canon favors prospective displacement over nullity ab initio unless the referring legal system does in fact annul the act from the start. It does not support a right to act contrary to prudential rules in force.

The second concerns acts of de facto or non-recognized authorities, where foreign and domestic jurisprudence separates the invalidity of an administration from the validity of each of its acts (Cyprus v. Turkey, 2001; Demopoulos v. Turkey, 2010; International Court of Justice, 1971). Routine acts may be given effect notwithstanding non-recognition, in order to serve the interests of the population and to preserve rights and legal certainty (Carl Zeiss Stiftung v. Rayner and Keeler Ltd., 1967; Cyprus v. Turkey, 2001; Demopoulos v. Turkey, 2010). The analogy has limits. Civil status records and routine local acts are a poor comparator for extraterritorial financial privileges.

The third concerns legitimate expectations and acquired rights, where the state's own error can matter if a private party relied in good faith on an official act. Pine Valley, Stretch, and Kopecký condition protection on an expectation with a sufficiently established basis in domestic law, while Metalclad and MTD illustrate the difficulties that arise when different state organs send divergent signals (Kopecký v. Slovakia, 2004; Metalclad v. Mexico, 2000; MTD v. Chile, 2004; Pine Valley Developments v. Ireland, 1991; Stretch v. United Kingdom, 2003). These decisions support procedural safeguards or compensation for state error. They do not create a right to continue regulated financial conduct.

REGULATORY CONTESTATION VERSUS FRAUD: A WORKING TAXONOMY

Table 1 sets out three legally distinct situations. Category A covers an instrument with no discernible legal basis, no genuine nexus to island public institutions, and no official chain of issuance. Category B covers an instrument issued through a public mechanism and subsequently displaced, repealed, superseded, or withdrawn by superior law. Category C covers an instrument issued by a recognizable island public organ under enacted island law during a genuine dispute over the division of constitutional competence. The classification attaches to the instrument, not to the standing or conduct of the private bearer, and the evidentiary burden grows heavier as a claim moves from the institutional level to the documentary level.

Branding, website registrations, payment receipts, and copies of purported statutes do not suffice on their own. At the level of the constitutional dispute, neither AOFA nor MISA falls in Category A on this record, because each asserts a link to a designated island public order while the contested allocation of competence remains unassigned. At the instrument level the position differs. A document attributed to AOFA or MISA that meets no identifiable legal or factual requirement may fall in Category A, provided that no enacted legal basis, issuing office, or official chain is demonstrated. Where those elements are demonstrated, the document moves to Category C as contested or to Category B as later displaced, superseded, or repealed. Applying the test in parallel preserves the good-faith line between public contestation and private counterfeiting without predetermining sanctions.

Table 1. Typology of Licenses: Evidentiary Criteria and Legal Consequences

Category	Core evidentiary criterion	Legal consequence
A. Fraudulent	No legal basis, public nexus, or official issuance chain.	Presumptively fraudulent or void; branding and registry listings are insufficient.

B. Invalidated	Publicly issued, then displaced, repealed, superseded, or withdrawn.	Not necessarily fraudulent at issuance; present effects may have ended.
C. Disputed	Issued by an island public organ under enacted law during a genuine competence dispute.	Historically disputed, not automatically fraudulent; no present authority follows.

Commercial persistence does not alter this analysis. A registry statement that a license remains operative shows only the continuity of a commercial claim; it is not proof of public authority, statutory standing, or Union recognition. The contested record is not purely abstract, however. BCC warning statements and associated registry material name entities including Nova Finance Ltd, and Apex Crypto Limited, Forbes Private Bank Monaco SA, Chartered Bank Ltd, Option 2 Trade, Cryptex Ltd, Zenith Chain Limited, Quantum Ledger Ltd, among those reported to have invoked, displayed, or relied on licensing attributed to MISA or AOFA (BCC, 2022; FintechSetup, 2024). Such references illustrate the practical reach of the authority conflict. They support no finding about the financial position, ownership, solvency, regulatory standing, commercial conduct, or good faith of the entities named.

The taxonomy redirects attention to four questions that can, in principle, be answered. Is there an enacted legal instrument? Was the issuer an identifiable public organ? Did the instrument pass through a recognized administrative channel? Did a later act withdraw, abandon, or replace its legal effect? The questions are the same for AOFA and MISA. An instrument that fails all four may fall in Category A despite the institutional controversy, whereas an instrument that satisfies them may rest in Category C and may subsequently descend into Category B once prevailing Union law displaces its operative effect.

The two cases establish the same proposition and stop at the same point. AOFA and MISA both show that the contested issue is the distribution of public power between the Union and the islands. Neither establishes that any given license is genuine, that any holder acted lawfully, or that a license may be used to circumvent present BCC supervision. The taxonomy is not an amnesty for private conduct. It describes a constitutional deadlock while keeping the conduct and good faith of individual licensees analytically separate.

WHY THE DISPUTE REMAINS LEGALLY CONSEQUENTIAL

The disagreement persists because the institutions minimize different losses. The BCC seeks to prevent unauthorized financial activity and therefore applies a categorical rule: an approval not granted by the BCC cannot validate operation. A court looking backward asks something else: was the instrument fabricated, ultra vires, adopted after the fact, or issued during a genuine dispute over authority? Both approaches can operate at once, provided present authorization is kept distinct from historical effect.

Several features keep the original question alive. The 2001 settlement created a broad set of island institutions. The Union opposed offshore licensing from 2005. Later constitutional revisions reduced island autonomy. MISA continued to present an island law-based model after recentralization. And no published decision identified in the sources available through July 2026 settles the original limit of financial competence in a way that would retrospectively characterize every instrument attributed to AOFA or MISA (BCC, 2005a, 2005b, 2022; Constitution of the Union of the Comoros, 2001/2009, 2018). These features make both institutional cases disputed. They do not dispense with document-specific evidence.

The practical position is nonetheless straightforward. Law No. 13-003/AU, the BCC regulations, and the revised central bank statutes supply the only current measure of licensing and supervision. No island-attributed instrument identified here overrides BCC authorization or grounds an entitlement to continue operating contrary to prudential requirements now in force (BCC, 2010, 2025, n.d.; Law No. 13-003/AU, 2013).

INTERNATIONAL ARBITRATION AS A CONSEQUENCE OF UNRESOLVED SOVEREIGN COMPETENCE

A competence dispute left unresolved domestically can be projected onto the international plane through investment claims. In a fragmented state, different organs grant concessions, issue guarantees, or purport to authorize economic activity; a later denial of approval by the central government can generate claims framed in attribution, apparent authority, legitimate expectations, fair and equitable treatment, or expropriation. International tribunals may then be asked to reopen what the domestic constitutional order left open: which organ could bind the state and at what moment, whether the investor's expectation was reasonable, and whether the state may invoke its own internal allocation of authority against an external counterparty (Metalclad v. Mexico, 2000; MTD v. Chile, 2004). Two proceedings involving the Comoros illustrate the pattern, and they sit in different forums: the first was administered by the International Chamber of Commerce (ICC), the second is registered at the International Centre for Settlement of Investment Disputes (ICSID).

The first, Mozambique Channel Discovery, Ltd. and Boulle Mining Group, Ltd. v. The Government of the Union of the Comoros, concluded in a final award of 20 October 2015 (International Chamber of Commerce [ICC], 2015). The investor is reported to have relied on a 2011 oil and gas exploration agreement signed by a Comorian Vice President as conferring offshore rights of first refusal, and the Union to have replied that the Vice President lacked the constitutional, parliamentary, or executive authority to bind the state. The tribunal's reasoning is not examined here, and those positions are reported as pleaded rather than as findings. What matters for the present argument is the shape of the dispute: one state organ conferred apparent authority that was later contested by reference to internal constraints.

The second, United Operations Limited v. Union of the Comoros, was registered at ICSID on 31 March 2025 and remains pending (International Centre for Settlement of Investment Disputes [ICSID], 2025). Reporting describes an investment dispute over concessions under the citizenship program, with claims of expropriation and unfair treatment following the withdrawal or repudiation of the arrangements by the Union. Because the proceeding is unresolved, the article does not examine the substance of the claims, the basis of jurisdiction, or the quantum. The case appears because it shows how the monetization of sovereign status can escape domestic political control and surface in an international forum.

Neither proceeding establishes the validity of the underlying concessions or island licenses. Together they support a more modest institutional point: where an internal legal order allows rival organs to generate proxies of authority without a discernible hierarchy, transitional rule, or public register, tribunals may end up giving legal effect to acts the centre later seeks to erase. Doctrines of attribution, de facto authority, legitimate expectations, and investor due diligence then operate as devices for allocating the cost of internal constitutional confusion.

The arbitration dimension reinforces the taxonomy. Classifying an island-issued instrument as disputed does not shelter it; it recognizes only that the instrument may carry enough colorable public character to generate reliance, procedural claims, or arguments for compensation. Labelling every instrument fraudulent offers no better protection for sovereign resources if a public organ did issue the document, or if its operation can be linked to a regulatory environment the state tolerated, administered, or left unclarified. An express repeal and savings regime, coupled with case-by-case administrative decisions, would reduce prudential risk and arbitration exposure at once.

CONCLUSION

The article has examined Comorian offshore licensing through a doctrinal approach that ranks constitutional and statutory texts, official BCC pronouncements, judicial decisions, and reports of international institutions above registry assertions and commercial claims. That ordering makes the central contention easier to state precisely: the present power to license financial institutions is concentrated, yet the absence of regulatory recognition does not by itself establish the original legal status of documents attributed to AOFA or MISA.

Current BCC positions rest on the 2010 statutes, the 2013 banking law and its implementing regulations, the revised 2024 statutes, and the IMF-supported financial sector reform agenda (BCC, 2010, 2025, n.d.; IMF, 2023a, 2023b; Law No. 13-003/AU, 2013; Ministry of Finance of the Comoros, 2025). No AOFA or MISA instrument confers current authority for banking, brokerage, insurance, deposit taking, or any other regulated activity.

Historical treatment is symmetrical but conditional. Under the taxonomy of Section 7, the AOFA and MISA institutional cases each fall outside Category A on the present record, because each embodies an asserted island-level exercise of public authority within an unresolved allocation dispute. That class-level result does not render any particular instrument valid. Individual AOFA and MISA documents must still establish an enacted legal basis, an identifiable public issuer, an official administrative chain, and the effects of subsequent recentralization. Where those elements are shown, the instrument may be contested under Category C or treated as later invalidated under Category B. Where they are not, Category A remains available.

The label "disputed" names an unresolved constitutional question, not a claim of legitimacy. Nothing here confers operating authority on any AOFA or MISA instrument under law now in force, and nothing here prescribes what individual licensees should do. A finding of fraud requires proof that a document lacks a credible legal basis, an identifiable issuer, or an official provenance. Nor does the taxonomy shield private wrongdoing: forged papers, misleading advertising, undercapitalization, laundering, and comparable misconduct remain actionable on their own terms.

A durable solution must be constitutional and administrative rather than declaratory. The Union would need an express repeal and savings statute that enumerates the island financial legislation at issue, provides a bridge for pre-existing interests that satisfy the tests set out in Section 7, and maintains a single public register of BCC-approved financial institutions. Alongside it, a time-limited, case-by-case review of island-issued licenses could reject documents that are defective or non-compliant, acknowledge historical documents without conferring de jure authority, channel eligible holders toward conversion into a BCC license, and address reliance and compensation claims where they arise. A transparent revenue-sharing arrangement, or a narrowly defined island role in non-prudential corporate registration and service fees, could protect island fiscal space without fragmenting banking regulation.

The citizenship program, the arbitration claims, and the offshore registries point toward the same lesson: where sovereignty carries no lawful price, informal markets set one. Until the Comorian constitutional order fixes that price and resolves the allocation of competence, rival institutions will continue to assert an authority that neither can conclusively establish.

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ISSN No. 2321-2705 | DOI: 10.51244/IJRSI |Volume XIII Issue VII July 2026

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