

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

In case of discrepancies between the French and the English text, the French text shall prevail

Luxembourg, 24 October 2012

To all the persons and
undertakings under the
supervision of the CSSF

CIRCULAR CSSF 12/547

Re: FATF statements concerning
(1) jurisdictions whose anti-money laundering and combating the financing of terrorism regime has substantial and strategic deficiencies;
(2) jurisdictions not making sufficient progress;
(3) jurisdictions whose anti-money laundering and combating the financing of terrorism regime is not satisfactory.

Ladies and Gentlemen,

The Financial Action Task Force ("FATF") Plenary of October 2012 issued statements on the following topics:

(1) Jurisdictions whose anti-money laundering and combating the financing of terrorism ("AML/CFT") regime has substantial and strategic deficiencies and that are subject to a FATF call on its members and other jurisdictions to apply counter-measures

FATF confirms that the AML/CFT regimes of **Iran** and the **Democratic People's Republic of Korea** ("DPRK") continue to have substantial and strategic deficiencies and maintains the application of counter-measures against Iran and the DPRK.

We therefore require you to take into account the risks arising from the deficiencies of the AML/CFT regimes of these jurisdictions and to give special attention to business relationships and transactions with these jurisdictions, including companies and financial institutions from Iran or DPRK.

We require you to apply in these cases, as well as in correspondent banking relationships, enhanced due diligence and monitoring measures.

Moreover, we invite you to reinforce the mechanisms for reporting to the Financial Intelligence Unit ("FIU") of the State Prosecutor's office of the Luxembourg district court.

(2) Jurisdictions not making sufficient progress

This list concerns the jurisdictions with strategic AML/CFT deficiencies and that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies:

Bolivia, Cuba, Ecuador, Ethiopia, Indonesia, Kenya, Burma/Myanmar, Nigeria, Pakistan, São Tomé and Príncipe, Sri Lanka, Syria, Tanzania, Thailand, Turkey, Vietnam and Yemen.

We invite you to consider the deficiencies identified by the FATF in its statements as regards the regimes of these countries and the risks arising from these deficiencies for your business relationships and transactions with these jurisdictions.

As regards **Turkey** in particular, please pay special attention to your business relationships with Turkey, proportionate to the risks that may result from the deficiencies noted by the FATF in its statement of 19 October 2012, available in the document entitled "Outcomes of the Plenary meeting of the FATF, Paris, 17-19 October 2012", at the following address:

www.fatf-gafi.org/documents/documents/outcomesoftheplenarymeetingofthefatfparis17-19october2012.html.

Considering the substantial legislative efforts undertaken by **Ghana**, this jurisdiction will be monitored within the scope of the jurisdictions whose anti-money laundering and combating the financing of terrorism regime is not satisfactory (cf. below).

3) Jurisdictions whose anti-money laundering and terrorist financing regime is not satisfactory

The following jurisdictions have strategic AML/CFT deficiencies for which they have developed an action plan with the FATF to address the deficiencies:

Afghanistan, Albania, Algeria, Angola, Antigua and Barbuda, Argentina, Bangladesh, Brunei Darussalam, Cambodia, Ghana, Kyrgyzstan, Kuwait, Mongolia, Morocco, Namibia, Nepal, Philippines, Sudan, Tajikistan and Venezuela.

Therefore, we invite you to consider, where appropriate, the deficiencies identified by the FATF in its statements and the risks arising from them for your business relationships and transactions with these jurisdictions.

As regards some jurisdictions of this group, please note that the FATF considers identifying them as jurisdictions whose progress regarding AML/CFT is not sufficient if they do not take efficient measures until the next FATF Plenary in February 2013. The jurisdictions concerned are the following: **Nicaragua and Zimbabwe.**

Please also note that following the substantial efforts demonstrated by **Trinidad and Tobago**, this jurisdiction is no longer subject to FATF's monitoring process.

Please refer to FATF's full statements on the website
<http://www.fatf-gafi.org/topics/high-riskandnon-cooperativejurisdictions/>

This circular repeals Circular CSSF 12/541 of 13 July 2012.

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

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