

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

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

Luxembourg, 16 January 2013

To all professionals subject to the supervision of the CSSF and that fall within the scope of the Law of 12 November 2004 on the fight against money laundering and terrorist financing

CIRCULAR CSSF 13/556

Re: Entry into force of CSSF Regulation N° 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing - repeal of Circulars CSSF 08/387 and CSSF 10/476

Ladies and Gentlemen,

We refer to the entry into force of CSSF Regulation N° 12-02 on the fight against money laundering and terrorist financing (hereafter “CSSF Regulation N° 12-02”) published in Mémorial A - N° 5 of 9 January 2013.

1. Presentation of CSSF Regulation N° 12-02

The purpose of CSSF Regulation N° 12-02 is to provide details and complete the Luxembourg provisions relating to the fight against money laundering and terrorist financing (hereafter “AML/CFT”) as specifically applicable to professionals subject to the supervision of the CSSF and referred to in Article 2 of the law of 12 November 2004 on AML/CFT (hereafter “AML/CFT Law”).

It is in line with the steps taken at the legislative and regulatory level in order to improve the Luxembourg AML/CFT framework following the criticism made in the third mutual evaluation report of Luxembourg adopted by the Financial Action Task Force (FATF) in February 2010.

CSSF Regulation N° 12-02 confers a binding character on the existing professional obligations laid down in CSSF circulars hitherto. The regulation specifies the regulatory framework as it has existed since the adoption of the law of 27 October 2010 amending the AML/CFT Law and of the Grand Ducal regulation of 1 February 2010 providing details on certain provisions of the amended law of 12 November 2004 on the fight against money laundering and terrorist financing. CSSF Regulation N° 12-02 already takes into account some new recommendations of the FATF adopted in February 2012 which will be referred to in a European directive to be transposed into Luxembourg law.

The provisions of CSSF Regulation N° 12-02 relate to the following main subjects: risk-based approach (Chapter 3), due diligence (Chapter 4), internal organisation (Chapter 5), cooperation with authorities (Chapter 6) and audit by the *réviseur d'entreprises agréé* (approved statutory auditor) (Chapter 7).

2. Repeal of Circulars CSSF 08/387 and CSSF 10/476

Circular CSSF 08/387 "Fight against money laundering and terrorist financing and prevention of the use of the financial sector for the purpose of money laundering and terrorist financing" and Circular CSSF 10/476 "Fight against money laundering and terrorist financing: abrogation or amendment of certain provisions of Circular CSSF 08/387" are hereby repealed.

Circular CSSF 11/519 and Circular CSSF 11/529 "Risk analysis regarding the fight against money laundering and terrorist financing (AML/CFT)", Circular CSSF 11/528 "Abolition of the transmission to the CSSF of suspicious transaction reports regarding potential money laundering or terrorist financing", Circular CSSF 10/486 "Fight against money laundering and terrorist financing: amendment of certain provisions of Circular CSSF 03/113" and Circular CSSF 10/484 "Fight against money laundering and terrorist financing: amendment of certain provisions of Circular CSSF 01/27, as amended" remain in force.

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

Claude SIMON
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