

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

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

Luxembourg, 27 June 2013

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

CIRCULAR CSSF 13/567

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 June 2013 issued statements on the following topics:

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

The 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 Iran or DPRK and to give special attention to business relationships and transactions with these two jurisdictions, including companies and financial institutions from these jurisdictions.

We require you to apply in these cases, as well as in correspondent banking relationships, enhanced due diligence and monitoring measures in order to avoid that these business relationships be used to bypass or evade the application of enhanced measures and counter-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:

Ecuador, Ethiopia, Indonesia, Kenya, Burma/Myanmar, Pakistan, São Tomé and Príncipe, Syria, Tanzania, Turkey, Vietnam and Yemen.

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

As regards one jurisdiction of this group, the FATF considers that it has not made sufficient progress since being identified in the FATF public statement. If this jurisdiction does not take significant actions by October 2013, the FATF will call upon its members to apply counter-measures proportionate to the risks associated with the jurisdiction. The jurisdiction concerned is: **Ecuador.**

Considering the efforts undertaken by **Nigeria**, 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. list under 3) below).

3) Jurisdictions whose anti-money laundering and combating the financing of terrorism 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, Cambodia, Cuba, Kuwait, Kyrgyzstan, Lao PDR, Mongolia, Morocco, Namibia, Nepal, Nicaragua, Nigeria, Sudan, Tajikistan and Zimbabwe.

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 (cf. the list under 2) above) if they do not take efficient measures until the next FATF Plenary in October 2013. The jurisdictions concerned are the following: **Algeria and Antigua and Barbuda.**

Please note also that following the significant progress of **Bolivia, Brunei Darussalam, Philippines, Sri Lanka and Thailand**, these jurisdictions are no longer subject to the FATF's monitoring process.

Moreover, please refer to the FATF's full statements on the website:

<http://www.fatf-gafi.org/fr/documents/documents/public-statement-june-2013.html>

<http://www.fatf-gafi.org/topics/high-riskandnon-cooperativejurisdictions/documents/compliance-june-2013.html>

This circular repeals Circular CSSF 13/561 of 26 February 2013.

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

Claude SIMON
Director

Andrée BILLON
Director

Simone DELCOURT
Director

Jean GUILL
Director General