

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

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

Luxembourg, 27 May 2008

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

CIRCULAR CSSF 08/355

Re: FATF Plenary, statement on Uzbekistan, Iran and the northern part of Cyprus

Dear Sir, Madam,

We are pleased to draw your attention to the statement released by the Financial Action Task Force (“FATF”) Plenary of February on the countries below:

- Uzbekistan: The FATF is particularly concerned that a series of presidential decrees in Uzbekistan has effectively repealed the anti-money laundering/combating the financing of terrorism (AML/CFT) regime in that country and generates a money laundering/financing of terrorism (ML/FT) vulnerability in the international financial system. The FATF calls upon Uzbekistan to restore its AML/CFT regime and to work with the Eurasian Group to establish an AML/CFT regime that meets international standards. The FATF calls on its members and urges all jurisdictions to advise their financial institutions to take the risk arising from the deficiencies in Uzbekistan’s AML/CFT regime into account for enhanced due diligence.

- Iran: Since its October 2007 Plenary meeting, the FATF has engaged with Iran and welcomes the commitment made by Iran to improve its AML/CFT regime. Consistent with its Statement on Iran, dated 11 October 2007, the FATF confirms its call to its members and urges all jurisdictions to advise their financial institutions to take the risk arising from the deficiencies in Iran’s AML/CFT regime into account for enhanced due diligence. Iran is encouraged to continue its engagement with the FATF and the international community to address, on an urgent basis, its AML/CFT deficiencies.

- Transactions with financial institutions operating in the northern part of Cyprus: The FATF welcomes the recent progress in policies and practices to combat money laundering and terrorist financing in the northern part of Cyprus. However, given the existing deficiencies, the FATF calls on its members and urges all jurisdictions to advise their financial institutions to pay special attention to the ML/FT risks in transactions with financial institutions operating in the northern part of Cyprus. The FATF encourages further progress to address the deficiencies.

On the basis of the above FATF statement, we advise you to take the risks arising from the deficiencies in the above countries' AML/CFT regime into account for enhanced due diligence.

The full text of the FATF statement is available on the website: <http://www.fatf-gafi.org>.

Yours sincerely,

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER

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