

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

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

Luxembourg, 1 July 2014

To all the persons and undertakings
supervised by the CSSF

CIRCULAR CSSF 14/590

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 2014 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 an FATF call on its members and other jurisdictions to apply counter-measures

The FATF maintains its position 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 the DPRK and to give special attention to business relationships and transactions with these 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 these business relationships being 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:

Algeria, Ecuador, Indonesia and Burma/Myanmar.

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.

In light of the efforts made by **Ethiopia, Pakistan, Syria, Turkey and Yemen**, these jurisdictions are henceforth monitored in the framework of the jurisdictions whose AML/CFT 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 these deficiencies:

Afghanistan, Albania, Angola, Argentina, Cambodia, Cuba, Ethiopia, Iraq, Kuwait, Lao People's Democratic Republic, Namibia, Nicaragua, Pakistan, Panama, Papua New Guinea, Sudan, Syria, Tajikistan, Turkey, Uganda, Yemen 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.

Please note also that, following the substantial efforts made by **Kenya, Kyrgyzstan, Mongolia, Nepal and Tanzania**, these jurisdictions are no longer subject to the FATF's monitoring process but will continue working with the FATF-style regional organisations.

Please refer to the FATF's full decisions and statements at the following addresses:

<http://www.fatf-gafi.org/topics/high-riskandnon-cooperativejurisdictions/documents/public-statement-june-2014.html>

<http://www.fatf-gafi.org/topics/high-riskandnon-cooperativejurisdictions/documents/fatf-compliance-june-2014.html>

This circular repeals Circular CSSF 14/584 of 17 February 2014.

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

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