
TO : **Regulated Entities**
i. **Cyprus Investment Firms ('CIFs')**
ii. **Crypto Asset Service Providers ('CASPs')**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **9 January 2024**

CIRCULAR NO. : **C614**

SUBJECT : **European Banking Authority's ('EBA') public Consultation Paper on two sets of Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures**

The Cyprus Securities and Exchange Commission ('CySEC') wishes with this Circular to inform the Regulated Entities of the following:

On 21st December 2023, the EBA launched a [public consultation](#) on two sets of Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures ('Guidelines'). Restrictive measures are binding on any person or entity under the jurisdiction of Member States. They comprise individual measures, i.e. targeted financial sanctions, and sectoral measures, i.e. financial and economic measures or embargoes.

One set of draft Guidelines is addressed to financial institutions and prudential supervisors and sets common, regulatory expectations regarding the role of senior management, internal governance and risk management in the restrictive measures context.

A second set of draft Guidelines, addressed to PSPs and CASPs, sets out what PSPs and CASPs should do to be able to comply with restrictive measures when performing transfers of funds and crypto-assets and focus, in particular, on know your customer (KYC), screening and due diligence.

Comments to the consultation paper can be sent by clicking on the 'Submit response' button on the [EBA's consultation page](#). The deadline for the submission of comments is 24 March 2024.

It is noted that the EBA will hold a virtual public hearing on the consultation paper on 8 February 2024 from 10:00 to 12:00 CET. The EBA invites interested stakeholders to register using this [link](#) by 31 January 2024 at 18:00 CET. The dial-in details will be communicated by the EBA to those who have registered for the meeting.

All contributions received will be published by the EBA following the end of the consultation, unless requested otherwise.

The CySEC encourages the Regulated Entities to respond to the said consultation paper.

Sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission