
TO : **Regulated Entities**

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FROM : **Cyprus Securities and Exchange Commission**

DATE : **5 March 2024**

CIRCULAR NO. : **C622**

SUBJECT : **U.S. Sanctions Guidance**

The Cyprus Securities and Exchange Commission ('CySEC') wishes with this Circular to inform the Regulated Entities that the Office of Foreign Assets Control (OFAC), on 22 December 2023, issued a [Sanctions Advisory](#) titled "Guidance for Foreign Financial Institutions on OFAC Sanctions Authorities Targeting Support to Russia's Military-Industrial Base" (the 'Sanctions Advisory'). The OFAC published this Sanctions Advisory to alert foreign financial institutions that the conduct or facilitation of significant transactions or providing any service involving Russia's military-industrial base runs the risk of being sanctioned by OFAC.

The Sanctions Advisory provides practical guidance to foreign financial institutions on how to identify sanctions risks and implement corresponding controls. Other key points includes information on the new OFAC sanctions authorities to target foreign financial institutions, examples of activity that could expose foreign financial institutions to sanctions risk, identifying and mitigating sanctions risks, previous guidance on Russia sanctions and export controls evasion and information on permissible transactions.

CySEC urges Regulated Entities to review and consider the provisions of the Sanctions Advisory, when implementing due diligence measures, especially for ongoing monitoring of accounts and transactions and risk-based controls to mitigate sanctions risks.

Additionally, CySEC draws the attention of Regulated Entities to Circulars [C337](#) and [C475](#) regarding the OFAC's Specially Designated Nationals And Blocked Persons List (the 'SDN List'), which is updated regularly, when assessing the money laundering and terrorist financing risks associated with business and client transactions. Sanctions imposed individually by third countries are not directly enforceable in the European Union, however CySEC expects Regulated Entities to consider the SDN List, in the context of their relevant risk assessment and take proportionate actions, including refraining from engaging with affected persons and/or consider reporting to OFAC any blocked/frozen assets of affected customers as a result of these proportionate actions.

CySEC also encourages the Regulated Entities to [sign up](#) and receive OFAC email alerts and consult, on an ongoing basis, the following useful links:

[OFAC Recent Actions](#)

[OFAC Frequently Asked Questions](#)

[OFAC SDN Lists](#)

[OFAC Basics Video Series - Sanctions List Search](#)

[OFAC Sectoral Sanctions Identifications \(SSI\) List](#)

[OFAC Sanctions Programs and Country Information](#)

[OFAC Reporting System](#)

[U.S. Department of the Treasury Press Releases](#)

[U.S. Department of State Advisory - Risks and Considerations for Doing Business in Russia](#)

[Financial Crimes Enforcement Network \(FinCEN\) Alerts/Advisories/Notices/Bulletins/Fact Sheets](#)

Sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission