
To : **Regulated Entities**

- i. CIFs**
- ii. ASPs**
- iii. UCITS Management Companies**
- iv. Internally managed UCITS**
- v. AIFMs**
- vi. Internally managed AIFs**
- vii. Internally managed AIFLNs**
- viii. Companies with sole purpose the management of AIFLNs**
- ix. Crypto Asset Service Providers**
- x. Small AIFMs under Law 81(I)/2020**

From : **Cyprus Securities and Exchange Commission**

Date : **22 December 2021**

Circular No : **C479**

Subject : **Public Consultation of the European Banking Authority on new draft Guidelines on the use of Remote Customer Onboarding Solutions**

With this Circular, the Cyprus Securities and Exchange Commission (the “CySEC”) wishes to inform Regulated Entities of the following:

1. On 10 December 2021, the European Banking Authority (the “EBA”) launched a public consultation on its [Draft Guidelines on the use of Remote Customer Onboarding Solutions](#) (the “Guidelines”).
2. Financial Institutions have seen a growing demand for remote customer onboarding solutions. This trend was exacerbated by restrictions on movement caused by the COVID-19 pandemic. As a result, it is important for financial sector operators to understand the capabilities of these new remote solutions in order to:
 - make the most of the opportunities they offer,
 - support their sound and responsible use,
 - be aware of ML/TF risks arising from the use of such tools and take steps to mitigate those risks effectively.
3. These draft Guidelines set common EU standards on the development and implementation of sound, risk-sensitive initial customer due diligence (CDD) policies and processes in the

remote customer onboarding context. They set out the steps financial institutions should take when choosing remote customer onboarding tools and when assessing the adequacy and reliability of such tools, in order to comply effectively with their AML/CFT obligations.

4. CySEC notes that any comments may be submitted through the EBA's [consultation page](#). The deadline for the submission of comments is 10 March 2022.

Sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission