

**** UNOFFICIAL TRANSLATION****

Effective supervision is a priority for the Cyprus Bar Association

The Cyprus Bar Association (CBA), responding to its role as supervisory authority, has placed great importance to supervisory checks during the current board's term of office - since October 2020 - and has taken actions that enhance the exercise of supervision, as derived from legislation on the prevention of money laundering.

In parallel, since March 2022, the CBA board has taken all necessary measures in relation to the EU sanctions imposed on Russia and we immediately proceeded to provide sufficient information and guidance to our supervised persons, applying strict standards.

More specifically, on-site inspections continue to be carried out to ascertain the compliance of the supervised entities, with the collection and evaluation of information and on-site inspections.

It should also be noted that for the effective exercise of supervision, the CBA has modernized the framework of supervisory checks further to the data set out in the relevant Moneyval report.

Additionally, the CBA has purchased specialised services for certain matters by approved experts in Cyprus for the enhancement of specialised expertise even during on-site inspections.

In this context, it has additionally proceeded to create and implement specialised modern software tailored to our obligations as a supervisory authority, for the technological and digital collection and evaluation of information and the categorisation of the risks of those we supervise with great data processing capabilities.

Also, it has established cooperation with the global organization, K2 Integrity, which provides education and certification for risk management related to the current sanctions which offers lawyers the opportunity for comprehensive and targeted training on sanctions.

Furthermore, CBA has developed cooperation with all competent authorities within and outside Cyprus and carefully examines every piece of information and / or complaint and acts effectively and in a coordinated manner.

In cases where non-compliance or omissions are identified, the CBA Board examines the cases that arise, imposes administrative fines, and instructs the supervisees to take corrective measures in their procedures and practices, with the aim of full compliance with their obligations.

We should emphasise that the CBA is the only body in Cyprus that, in the last three years, has adjudicated a large number of cases concerning money laundering and the Cyprus investment programme and based on the legislation, has proceeded with convictions and the imposition of financial penalties.

From September 2022 until 30 April 2023, scheduled on-site inspections have been conducted on 201 supervised persons of the CBA, including administrative service providers, for the prevention of money laundering and terrorist financing (AML / CFT).

As relevant to the Cyprus Investment Programme, from October 2022 to date, supervisory checks were undertaken in relation to 26 firms.

In detail, from these inspections:

For 4, an indictment has been issued.

For 5, a conviction has been issued.

For 3, a penalty has been issued.

For 2, a report has been prepared and is being reviewed by the AML department for possible presentation at the next CBA Board meeting.

For 2, a criminal case is pending.

For 10, the cases have been completed.

The link to the published decisions of the CBA Board can be accessed [here](#).

Therefore, with the aim of the CBA continuing to successfully fulfil its important role as supervisory authority, the CBA Board has made the continued strengthening of the Supervisory Department a top priority with all modern means of supervision and to this end is in constant communication with corresponding authorities in Cyprus and abroad.