



COMPLIANCE CIRCULAR

24/2026 [CC 24_2026]

To:

**ALL MEMBERS, FIRMS AND
COMPLIANCE OFFICERS OF THE
INSTITUTE**

Date:

1 July 2026

Subject:

**Amendment of ICPAC's Regulations
and Directives**

The Institute of Certified Public Accountants of Cyprus, with the present Circular, notifies its Members, Firms and Compliance Officers of the amendments to the following Regulations and Directives:

- 1. Regulation 6.700 for the Appointment of the Compliance Officer,**
- 2. Regulation on Administrative Procedure and the Process of Imposition Administrative Sanctions** (Administrative Sanctions Regulation) corresponding amendment as a result of the update of Regulation 6.700.
- 3. AML/CFT Directive,** a single corresponding amendment as a result of the update of Regulation 6.700
- 4. Regulation 4.602 for the Quality Assurance for Compliance with Anti-Money Laundering and Countering the Finance of Terrorism and Sanctions,** with subsequent repeal of Regulation 6.400.
- 5. Sanctions Directive** amendments as a of result harmonization with the new legislative framework

This Circular notifies all Members, Firms and Compliance Officers of the publication of the updated Regulations and Directives on ICPAC's website and therefore the date they enter into immediate force and effect.

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Regulation 6.700

This Regulation replaces and repeals the previously applicable Regulation 6.700 governing the certification of the Compliance Officer. In addition to the AML/CFT Certification requirements, the new Regulation aims to introduce a comprehensive regulatory framework regarding the appointment of the Compliance Officer. To this end, the Regulation introduces:

- the framework for appointing a Compliance Officer, including ICPAC's eligibility criteria for assessing the appointment,
- the steps for replacing and criteria for revoking the appointment of Compliance Officer,
- the Compliance Officers' continuous professional development (CPD) obligations, including ICPAC's CPD verification procedure, and imposition of predetermined fines in case of non-compliance.

The Regulation is mandatory and binding upon all the persons to whom it is addressed.

Although the date this Regulation enters into immediate force and effect is the publication date of this circular, provisions of paragraphs 4(12)(7) and 4(12)(8) enter into force on the 1st of July 2026 and into effect on the 1st January 2028.

To access **Regulation 6.700** please follow the [link](#).

AML/CFT Directive and the Regulation on Administrative Procedure and the Process of Imposition Administrative Sanctions

Following the new Regulation 6.700, paragraph 3.1.4 of the AML/CFT Directive has been amended to reflect the change of the regulatory basis of the Compliance Officers' CPD obligation. The Regulation on Administrative Procedure and Imposition of Sanctions was accordingly updated to provide for the penalties imposed by the new regulation, in case of non-compliance with the CPD requirements.

To access the **AML/CFT Directive** please follow the [link](#).

To access the **Administrative Sanctions Regulation** please follow the [link](#).

Regulation 4.602

The amendments to Regulation 4.602 aim to reflect the changes that occurred with the enactment of the new legislative framework for sanctions, as well as to repeal Regulation 6.400 by incorporating the provisions regarding off-site supervision into this Regulation.

The Regulation is mandatory and binding upon all the persons to whom it is addressed.

To access **Regulation 4.602** please follow the [link](#).

Sanctions Directive

The current amendment aims to harmonize the Directive with the new legislative framework on sanctions and to practically revise certain provisions thereof. The main amendments concern:

- the change of the legislative framework,
- the renaming of the Directive to Sanctions Directive,
- the addition of the sanctions imposed by the Republic of Cyprus as legally binding,
- the addition of the transactions risk assessment process and inclusion of specific risk factors, into the risk assessment, making a three-step process,
- the change in obligations in cases of the existence of a true match before the establishment of the business relationship.
- the deletion of the obligation to report to ICPAC information in relation to data of persons linked to designated persons and
- the repeal of the reporting obligation for sectoral sanctions,
- incorporation of the new reporting obligations relating to violation or circumvention of sanctions to the NSIU, and replacing the existing reporting obligation to ICPAC with a notification obligation
- the risk assessment for terrorist financing and financing of the weapons of mass destruction purposes has now become an absolute obligation.



The Directive is compulsory and binding upon the persons to whom it is addressed. ICPAC, as a supervisory authority, has the power to take measures for the implementation of the provisions of the Directive, based on article 27 of the Establishment of the National Sanctions Implementation Unit and the Implementation of the Restrictive Measures and National Sanctions in the Republic Law of 2025 and article 24(2) of the Combatting of Terrorism and the Protection of the Victims Law of 2019, as the case maybe.

The Directive is available in the Greek language in a [clean final version](#) and in a [track changes version](#) and in the English language in [clean version](#) and in [track changes version](#).

Should you have any queries about the new Regulations or require assistance interpreting its provisions, please contact ICPAC at compliance@icpac.org.cy