

FORM FOR TABLING A QUESTION FOR
WRITTEN ANSWER (Rule 130)**Select only one addressee:**

PRESIDENT OF THE EUROPEAN COUNCIL

COUNCIL

VICE-PRESIDENT / HIGH REPRESENTATIVE

COMMISSION

Priority question

AUTHOR(S): Sven Giegold

SUBJECT: Money laundering risks in Latvia
(please specify)

TEXT:

Before Latvia joined the Euro zone on 1 January 2014, it had promised in its commitment letter dated 18 June 2013 to align its anti-money laundering framework to the Fourth Anti-Money Laundering Directive (AMLD IV) and to also ensure practical enforcement of the regulatory framework.

We would like to ask what the Commission has done since the changeover to the euro to enforce Latvia's commitment to combat potential money laundering through the Latvian financial sector. In particular, we would like to know the development over time of the number of administrative sanctions and measures applied to breaches on the part of obliged entities in accordance with Article 59 of AMLD IV as well as the number of bank accounts closed and assets frozen.

In the light of the money-laundering allegations against ABLV Bank Latvia, we would like to ask what consequences does the Commission draw from the fact that the mere announcement by the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) of a draft measure to name ABLV Bank an institution of primary money laundering concern was sufficient for the solvent ABLV Bank to lose access to US dollar funding through correspondent banks.

Signature(s):

Date: 12/03/2018



**FORM FOR TABLING A QUESTION FOR
WRITTEN ANSWER (Rule 130)**

Select only one addressee:

PRESIDENT OF THE EUROPEAN COUNCIL

COUNCIL

VICE-PRESIDENT / HIGH REPRESENTATIVE

COMMISSION

Priority question

AUTHOR(S): Sven Giegold

SUBJECT: Enforcement of European Anti-Money Laundering rules in the financial sector
(please specify)

TEXT:

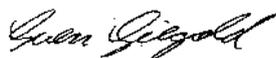
According to Article 6 (2) of the SSM Regulation, national competent authorities have to share all their information with the ECB. Which actions has the Commission taken to ensure that the ECB is provided by national competent authorities with all information necessary for the purposes of carrying out the tasks conferred on the ECB by the SSM Regulation?

According to Article 18 and 67 (1) CRD IV, the SSM can withdraw the authorization of a bank when there is a serious breach of the national provisions adopted pursuant to the Anti-Money Laundering Directive. Nevertheless, some Member States have not defined in their national law what constitutes a serious breach. Which actions has the Commission taken to close this gap and what does the Commission intend to do in the future to remedy this situation?

Should national financial intelligence units (FIUs) not only have the right to share relevant information about breaches of national provisions adopted pursuant to the Anti-Money Laundering Directive with competent authorities but also an obligation to do so and does the Commission consider to take legislative actions or other initiatives towards such an obligation?

Signature(s):

Date: 12/03/2018





Европейски парламент Parlamento Europeo Evropský parlament Europa-Parlamentet Europäisches Parlament
Euroopa Parlament Ευρωπαϊκό Κοινοβούλιο European Parliament Parlement européen Parlaimint na hEorpa
Europski parlament Parlamento europeo Eiropas Parlaments Europos Parliamentas Európai Parlament
Parlament Ewropew Europees Parlement Parliament Europejski Parlamento Europeu Parlamentul European
Euröpsky parlament Evropski parlament Euroopan parlamentti Europaparlamentet

European Banking Authority
Andrea Enria
Chairperson
Floor 46, One Canada Square
London E14 5AA
United Kingdom

12.03.2018, Brussels

Dear Mr Enria,

I am writing to you with respect to the Joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders (“Fit & Proper”) regarding compliance with Anti-Money Laundering rules.

There is a general obligation under Article 6 (2) of the SSM Regulation that national competent authorities have to share all their information with the ECB. For its Fit & Proper assessments, the ECB has to have access to detailed information on board members in all EU countries including convictions or ongoing prosecutions for a criminal offence. Joint ESMA and EBA Guidelines clarify that also ongoing investigations regarding financial crime and money laundering should be considered when assessing reputation, honesty and integrity of board members. However, in practice, not all Member States comply with this requirement.

We would like to know which countries do not comply with the requirement to consider also ongoing investigations regarding financial crime and money laundering as stipulated in the Joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU.

Kind regards,

Sven Giegold
MEP

FORM FOR TABLING A PARLIAMENTARY QUESTION

*Written Question to the [Chair of the Single Resolution Mechanism Board]
according to rule 131a*

AUTHOR(S): Sven GIEGOLD

SUBJECT: Division of competences for deciding on a bank's wind up
(please specify)

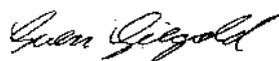
TEXT:

After the ECB had determined ABLV Bank as failing or likely to fail and the SRB had decided that resolution action was not in the public interest, the bank was wound up under the law of Latvia and Luxembourg.

We would like to ask which difficulties, in particular regarding the division of competences between SSM, SRB and national competent authority, the SRB faced when deciding on the shutdown of the Latvian bank and its subsidiary in Luxembourg. In view of these difficulties, which consequences does the SRB draw in order to ensure that market participants can be easily wound up in the future?

Signature(s):

Date



12/03/2018

FORM FOR TABLING A PARLIAMENTARY QUESTION

*Written Question to the [Chair of the Single Supervisory Mechanism Board]
according to rule 131/131a*

AUTHOR(S): Sven Giegold

SUBJECT: Money laundering incidents in Latvia and Denmark
(please specify)

TEXT:

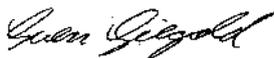
After the ECB had determined ABLV Bank as failing or likely to fail and the SRB had decided that resolution action was not in the public interest, the bank was wound up under the law of Latvia and Luxembourg. We would like to ask which difficulties, in particular regarding the division of competences between SSM, SRB and national competent authority, the SSM faced when deciding on the shutdown of the Latvian bank and its subsidiary in Luxembourg.

Given the decision of the shareholders of ABLV Bank to self-liquidate the Latvian bank and the pending court decision in Luxembourg whether to liquidate the subsidiary in Luxembourg, does the SSM agree that the triggers for liquidation in the national insolvency laws should be harmonized across all EU Member States?

More generally, in the light of the money-laundering allegations against ABLV Bank and Danske Bank, we would like to ask what consequences does the SSM draw in order to ensure that market participants strictly adhere to the regulatory framework in place.

Signature(s):

Date



12/03/2018

FORM FOR TABLING A PARLIAMENTARY QUESTION

Written Question to the [Chair of the Single Supervisory Mechanism Board]
according to rule 131/131a

AUTHOR(S): Sven Giegold

SUBJECT: Information exchange regarding money laundering risks
(please specify)

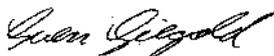
TEXT:

According to Article 6 (2) of the SSM Regulation, national competent authorities have to share all their information with the ECB. Has the SSM encountered limits to the obligation of national competent authorities to provide the ECB with all information necessary for the purposes of carrying out the tasks conferred on the ECB by the SSM Regulation? If yes, which types of limits were experienced in the area of the prevention of the use of the financial system for the purpose of money laundering and terrorist financing and consumer protection?

According to Article 18 and 67 (1) CRD IV, the SSM can withdraw a banking authorisation when it encounters a serious breach of the national provisions adopted pursuant to the Anti-Money Laundering Directive. We would like to know which Member States have defined in their national law what constitutes a serious breach and whether the SSM sees a need for harmonizing these definitions across the EU. Additionally, how can the SSM fulfil this function if it receives only limited information by the national authorities responsible for the enforcement of anti-money laundering and terrorist financing obligations and which changes does the SSM regard as necessary?

Signature(s):

Date



12/03/2018

FORM FOR TABLING A PARLIAMENTARY QUESTION

Written Question to the [Chair of the Single Supervisory Mechanism Board]
according to rule 131/131a

AUTHOR(S): Sven Giegold

SUBJECT: Integration of money laundering risks in prudential supervision
(please specify)

TEXT:

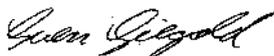
The SSM Supervisory Manual seems to lack any provisions on financial crime, money laundering or terrorist financing. Does the SSM plan to strengthen the manual in these regards?

Does the SSM subsume financial crime under prudential risks and how does it include financial crime in its supervisory work? In particular, in how many cases did the SSM apply higher SREP Pillar 2 capital surcharges and denied or discarded the fulfilment of the fit and proper requirements due to financial crime risks? How many cases of credit institutions having committed serious breaches of the Anti-Money Laundering Directive is the SSM aware of? Please, detail the figures for each year on a country by country basis since the creation of the SSM.

The Latvian ABLV Bank and the Maltese Pilatus Bank seem to be based on a business model of charging their customers with relatively high fees while at the same time enforcing anti-money laundering rules less rigidly than other institutions. Does the SSM have indications that there are other credit institutions with similar business models and if yes, will the SSM examine the business models of all banks regarding their risk of money laundering and terrorist financing?

Signature(s):

Date



12/03/2018