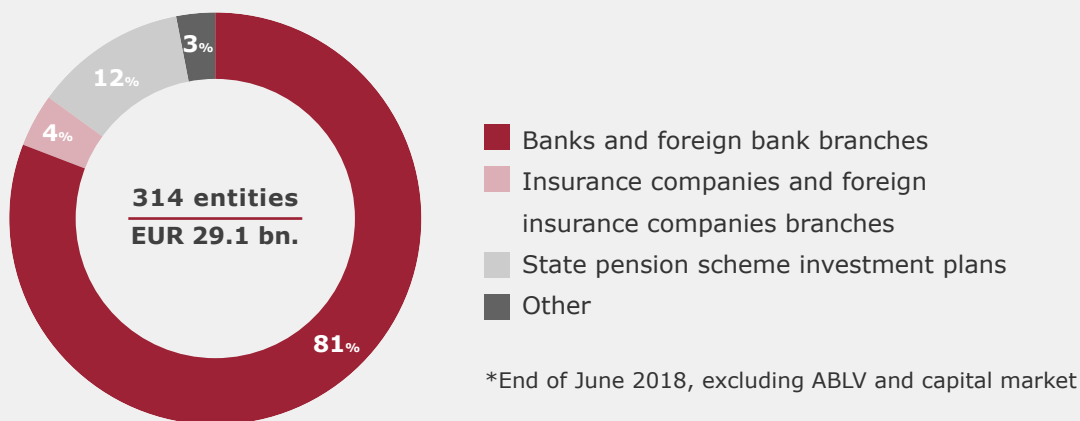


above EU averages (source: EBA Risk Dashboard 2018 Q2), ensuring a greater ability to withstand shocks.

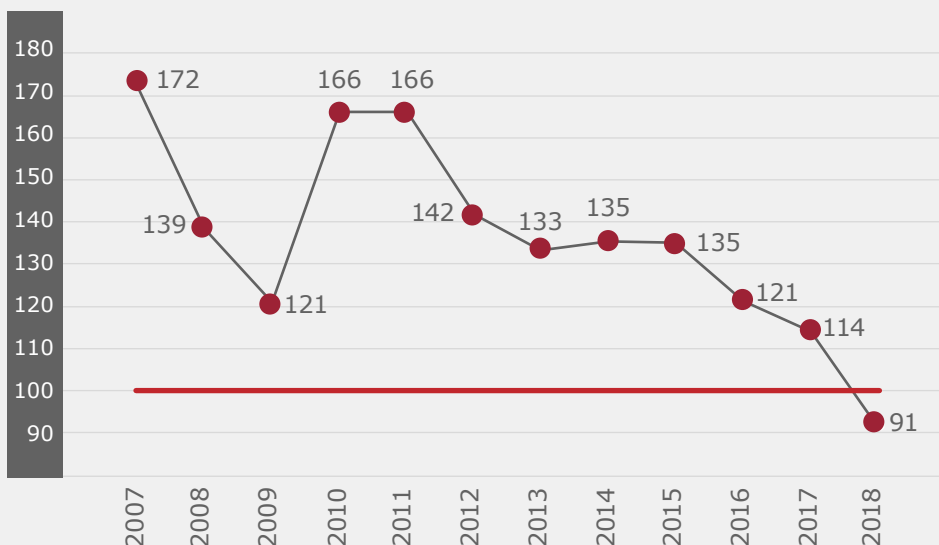
The FCMC is currently working on defining specific capital and liquidity requirements for some individual banks, as part of the approval process for their new business strategies. However, the ECB sets capital and liquidity requirements for three Latvian banks under its direct supervision.

[Learn more](#)

FCMC supervised entities* in terms of assets, %



Banking sector assets to GDP, %



Source: FCMC

AML Risk Management & Compliance

Ministry of Foreign Affairs organizes more workshops on sanctions

On 27 November, the Ministry of Foreign Affairs organized a public information workshop for Latvian financial institutions and other Latvian entrepreneurs entitled "What businesses need to know about sanctions: what

they are and where to find information on them". The event was designed to introduce the latest amendments to the Law on International Sanctions and National Sanctions of the Republic of Latvia and current issues concerning sanctions in Latvia. Experts from the International Law Department and the Export Control Office for Strategic Goods of the Ministry of Foreign Affairs, led the workshop and explained the nature of the sanctions, and provided information about the existing sanctions regimes being enforced globally and in Latvia. More than 80 representatives of Latvian companies and financial sector participated in the workshop.

The Ministry of Foreign Affairs continues to organize workshops on sanctions: on 11 December, there was an explanatory workshop for journalists and media representatives about sanctions, and on 13 December, there was a specialized workshop for Attorneys at Law, sworn notaries and prosecutors on the regulatory framework of sanctions and liability for non-compliance.

Heads of Enforcement Institutions Agree on Threshold of Evidence for AML Cases

At the end of November, Latvia's Financial Intelligence Unit, in conjunction with the Latvian School of Public Administration* organized a four-day workshop with participation of international experts and Latvian pre-trial investigation institutions, security institutions, Prosecutor's Office, courts, Ministry of Interior, Ministry of Justice, Financial and Capital Market Commission, State Revenue Service, Financial Intelligence Unit.

Prosecutor General Ēriks Kalnmeiers, the Chairman of the Department of Criminal Cases of Supreme Court Pēteris Dzalbe, the Chief of State Police Ints Ķuzis, Deputy Director General of State Revenue Service Dace Pelēkā, Chief of Tax and Customs Police Board Kaspars Podiņš, Deputy Director of The Corruption Prevention and Combating Bureau Jānis Roze, and FIU head Ilze Znotiņa agreed on a common understanding of the required threshold of evidence for AML cases and accepted FIU guidelines on how to prioritise information agencies have received to ensure more effective investigation of financial crime.

FIU initiated the workshop to set up a collaborative platform between the various authorities involved in disrupting financial crime. The Latvian Government's Action Plan, following the MONEYVAL report, has identified improved investigative and enforcement measures as a critical priority in disrupting financial crime.

* The workshop was organized within the framework of the ESF project No.3.4.2.0 / 15 / I / 002 "Improvement of Human Resources in Public Administration in the Field of Corruption Prevention and Shadow Economy" implemented by Latvian School of Public Administration.

FIU participates in MONEYVAL plenary meeting

Latvia's Financial Intelligence Unit participated in the MONEYVAL plenary session in Strasbourg, France from 3 to 7 December. Experts from Latvian delegation, in cooperation with Bulgarian delegation, made an assessment of Serbia's progress. MONEYVAL approved Lithuania's and the Czech Republic's 5th round assessment reports, and reviewed and approved the follow-up reports of Andorra, Hungary, Serbia and Slovenia.

Finance Latvia Association has approved new self-regulation guidelines

Finance Latvia Association has approved new additional self-regulation guidelines – the Anti-Bribery and Corruption Policy and Guidelines, and Guidelines for Implementing the Sharing of Information amongst Financial Institutions in Connection with the AML/CFT Law as well.

Together with partners from governmental and non-governmental bodies and business entities, the Association is fully committed to fight all kinds of financial crime and prevent the abuse of the Latvian financial system.

[Read Guidelines](#)

