



# LATVIAN FINANCIAL SECTOR: MANAGING THE CHANGE

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*Pēters Putniņš*, Chairman  
Financial and Capital Market Commission  
Republic of Latvia  
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# BANKING SECTOR IN LATVIA 2018

Standard liquidity requirement 30%

**FCMC sets enhanced regulatory requirements** for foreign deposits:

20-40% - liquidity requirement **40%**

40-70% - liquidity requirement **50%**

70% and more - **60%**



# CHALLENGE TO SUPERVISION: significant presence of foreign customers since 1990s

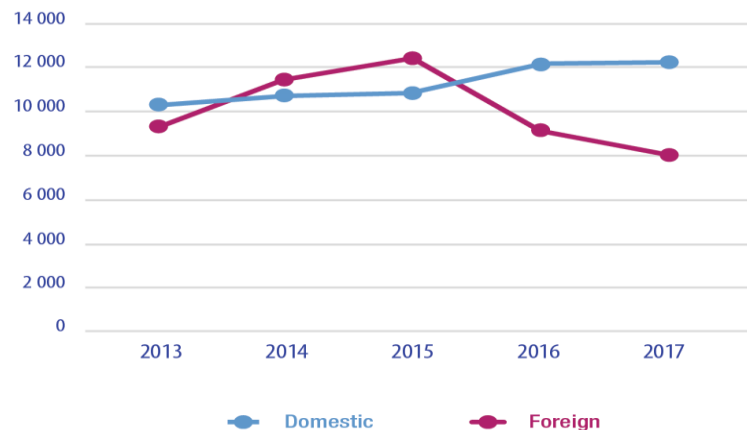
55%

March 2015

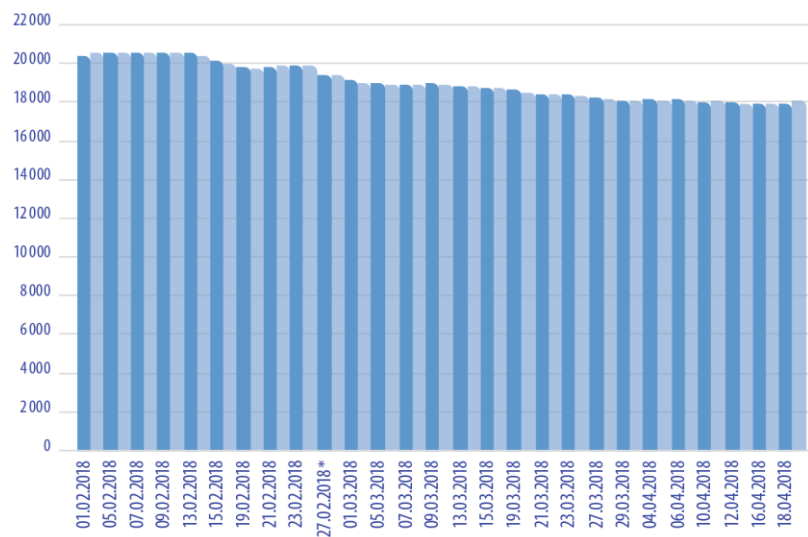
31%

Today

DEPOSITS, EUR MILLIONS



DEPOSIT DYNAMICS ON DAILY BASIS, EUR MILLIONS



\* ABLV Bank AS transfers 480 million euro for pay-out of guaranteed compensations

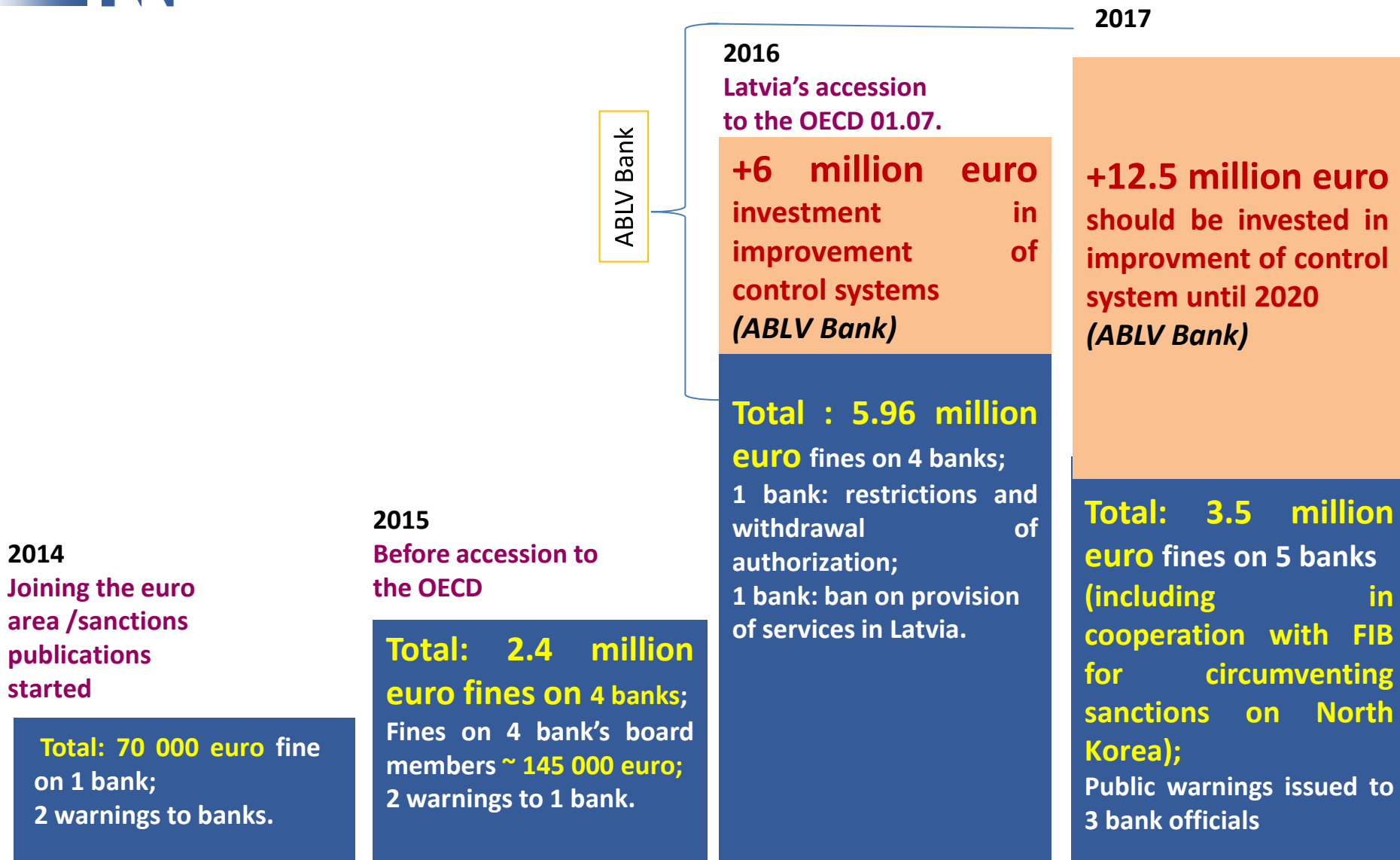
# 2016: CHANGE IN SUPERVISION APPROACH – Enhanced AML Controls



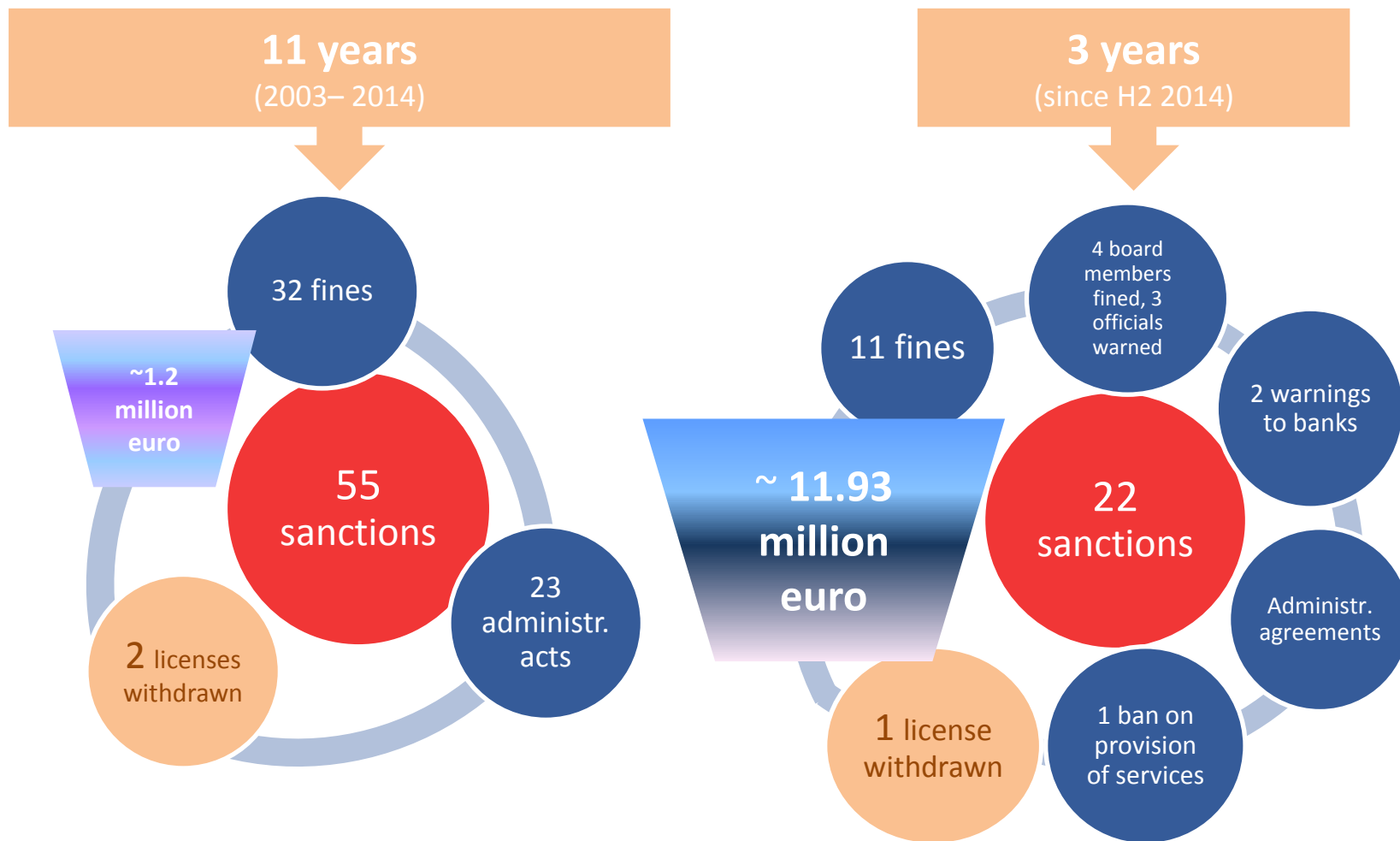
Setting up of **Compliance Control Department** – April 2016

Until 2016 – **Financial Integrity Division** as structural unit of FCMC Supervision Department

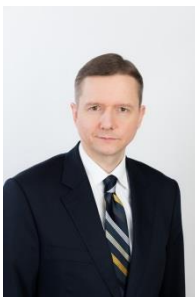
# FCMC sanctions/corrective measures applied to banks 2014 - 2017



# FCMC sanctions applied in AML/TF field since 2003



# SESSION of Q&A



***Pēters Putniņš***, Chairman  
Financial and Capital Market Commission



***Nora Dambure***, Director  
Supervision Department, Member of Board



***Gvido Romeiko***, Director  
Legal and Licensing Department, Member of Board