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**Balancing Prudential Regulation and Competition Considerations in Banking – Note by  
Latvia**

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## Latvia

### 1. Introduction

1. Over the past decade, Latvia's financial system has undergone significant structural transformation, driven by sustained efforts to reconcile prudential regulatory objectives with the need to promote market competition. The banking sector comprised of twenty credit institutions<sup>1</sup> (fourteen full register participants and six with restricted status) has evolved within a regulatory framework aimed at simultaneously enhancing financial stability and ensuring equitable conditions for all market participants.<sup>2</sup>

2. This subsequent evolution has been notably influenced by the lessons derived from the 2018 ABLV Bank crisis<sup>3</sup>, which catalyzed a far-reaching tightening of supervisory standards and anti-money laundering oversight mechanisms.

3. While certain financial sector reforms have undoubtedly contributed to the restoration of confidence and the strengthening of the integrity of Latvia's financial markets, they have also generated challenges related to risk aversion, cautious lending practices, and the potential weakening of competitive dynamics.

### 2. Institutional and regulatory framework

4. The Bank of Latvia (hereinafter – LB) is the central bank of Latvia<sup>4</sup> and thus is the authority responsible for supervising Latvian credit institutions. The principal supervisory objective of the LB is the timely identification of risks or deficiencies within the financial market or in the operations of individual market participants, with the purpose of issuing appropriate recommendations or imposing corrective measures as necessary<sup>5</sup>. Pursuant to the Law on Latvijas Banka, LB also conducts macroeconomic and financial market analyses<sup>6</sup>, drafts regulatory rules<sup>7</sup>, and shall register and issue a licence for operating in financial markets, suspend and renew the operation of the licence issued, and revoke the

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<sup>1</sup> Within the meaning of Article 4(1)(1) of EU Regulation No 575/2013.

<sup>2</sup> LB, “*Credit Register participant*”. Available in English: <https://www.bank.lv/en/operational-areas/credit-register/participant>. Accessed October 27, 2025.

<sup>3</sup> European Central Bank, “*ECB determined ABLV Bank was failing or likely to fail.*” Available: <https://www.bankingsupervision.europa.eu/press/pr/date/2018/html/ssm.pr180224.en.html/>. Accessed October 23, 2025.

<sup>4</sup> Article 2 of the Law on Latvijas Banka. Available in English: <https://likumi.lv/ta/en/en/id/326575-law-on-latvijas-banka>.

<sup>5</sup> Article 46 (2) and (3) of the Law on Latvijas Banka. Available in English: <https://likumi.lv/ta/en/en/id/326575-law-on-latvijas-banka>.

<sup>6</sup> Article 30 of the Law on Latvijas Banka. Available in English: <https://likumi.lv/ta/en/en/id/326575-law-on-latvijas-banka>.

<sup>7</sup> Article 8 (1) and Article 62 (2) of the Law on Latvijas Banka. Available in English: <https://likumi.lv/ta/en/en/id/326575-law-on-latvijas-banka>.

licence issued and exclude the financial market participants supervised by LB from the register<sup>8</sup>.

5. In Latvia, the activities of financial service providers are subject to supervision by both LB and the Consumer Rights Protection Centre (hereinafter – CRPC). The CRPC acts as the competent authority for the licensing and supervision of non-bank consumer credit service providers, ensuring that such entities conduct their operations in accordance with the applicable consumer protection legislation and adhere to the principles of fair commercial practice in the provision of financial services.

6. In assessing the operations of credit institutions, it is evident that the current market conditions are to a significant extent the result of historical developments. The financial sector of the Latvia has been subject to a series of external and internal shocks, each of which has had a lasting impact on its structure and functioning. Therefore, domestic regulatory frameworks have been considerably strengthened, resulting in an increased level of prudence which, while essential to ensuring financial stability, may not in all cases be conducive to the enhancement of market competition.<sup>9</sup>

7. While the activities of credit institutions are governed by multiple national legislative acts<sup>10</sup>, the Credit Institution Law constitutes the principal legal framework governing this sector. The latter establishes the legal status of credit institutions and sets forth the provisions relating to their supervision, establishment, operation, reorganization, and liquidation. It further prescribes the liability and compliance obligations applicable to such institutions, which are complemented by Commercial Law and the Law on Recovery of Activities and Resolution of Credit Institutions and Investment Firms. In addition, obligations pertaining to the prevention of money laundering, terrorism financing, and proliferation financing are stipulated in the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing.

### 3. Historical context and prudential reinforcement

8. A series of enforcement measures undertaken between 2015 and 2019<sup>11</sup> demonstrated the systemic deficiencies that previously existed within Latvia’s anti-money

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<sup>8</sup> Article 49 (2) of the Law on Latvijas Banka. Available in English: <https://likumi.lv/ta/en/en/id/326575-law-on-latvijas-banka>.

<sup>9</sup> FNA, “Uldis Cērps: Key Regulatory Challenges from the Industry Perspective.” Available in English: <https://www.financelatvia.eu/en/news/uldis-cerps-key-regulatory-challenges-from-the-industry-perspective/>. Accessed October 22, 2025.

<sup>10</sup> Legislation binding on credit institutions is available in English here: <https://www.bank.lv/en/legislation/latvia-legal-acts?page=0&filter-items=25,38&act-state=>. Accessed October 22, 2025.

<sup>11</sup> LSM, “FKTK uzdod “PrivatBank” atsaukt valdi un piemēro divu miljonu sodu; banka iebilst.” Available in Latvian: <https://www.lsm.lv/raksts/zinas/ekonomika/fktk-uzdod-privatbank-atsaukt-valdi-un-piemero-divu-miljonu-sodu-banka-iebilst.a159204/>. LSM, “Belokoņiem piederšajai bankai piemēro 1,1 miljona eiro sodu.” Available in Latvian: <https://www.lsm.lv/raksts/zinas/ekonomika/belokoniem-piederšajai-bankai-piemero-1-1-miljona-eiro-sodu.a172901/>. LSM, “Finanšu tirgus uzraugs bankai “ABLV Bank” uzliek 3,2 miljonu eiro sodu.” Available in Latvian: <https://www.lsm.lv/raksts/zinas/ekonomika/finansu-tirgus-uzraugs-bankai-ablv-bank-uzliek-3-2-miljonu-eiro-sodu.a184757/>. Financial Crimes Enforcement Network, “FinCEN Names ABLV Bank of Latvia an Institution of Primary Money Laundering Concern and Proposes Section 311 Special Measure.” Available in Latvian: <https://www.fincen.gov/news/news-releases/fincen-names-ablv-bank-latvia-institution-primary-money-laundering-concern-and>. Delfi,

laundering framework. During this period, the Financial and Capital Market Commission<sup>12</sup> (hereinafter – FCMC) imposed administrative sanctions on several credit institutions<sup>13</sup> for infringements of anti-money laundering and internal control requirements. The scope and recurrence of these violations revealed material weaknesses in the compliance and governance systems across the financial sector.

9. The cumulative impact of the aforementioned violations resulted in a material erosion of confidence in Latvia’s banking sector and diminished its attractiveness to potential strategic investors. The ensuing caution among foreign investors, particularly those sensitive to reputational risk, contributed to a reduction in market diversity and impeded the entry of new participants, notwithstanding Latvia’s continued efforts to enhance systemic stability and strengthen its regulatory framework.

10. In 2018, *Moneyval* placed Latvia under enhanced follow-up procedures following its assessment that Latvia’s anti-money laundering and countering the financing of terrorism regimes were ineffective or only moderately effective in several key areas<sup>14</sup>. Although Latvia has since achieved significant progress in strengthening technical compliance, improving supervisory practices, and enhancing institutional coordination, this development highlighted the structural vulnerabilities inherent in Latvia’s pre 2018 financial sector model.

11. Since 2018, the strengthening of anti-money laundering and countering the financing of terrorism oversight has effectively aligned Latvia’s regulatory framework with international standards and contributed to the restoration of investor confidence. However, this heightened regulatory environment has also fostered a prevailing atmosphere of supervisory caution. Credit institutions operating in Latvia, mindful of potential misinterpretations of complex anti-money laundering requirements, have consequently adopted more conservative risk appetites<sup>15</sup>. While this heightened prudence serves to preserve financial stability, it has simultaneously constrained the availability of credit to innovative small and medium-sized enterprises and to higher-risk sectors, thereby reducing competitive dynamics within the banking industry.

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“Problēmas banku sektorā bija zināmas un tās tika risinātas savlaicīgi, uzsver Reizniece-Ozola.” Available in Latvian: [https://www.delfi.lv/bizness/37293360/bankas\\_un\\_finanses/49850039/problemas-banku-sektora-bija-zinamas-un-tas-tika-risinatas-savlaicigi-uzsver-reizniece-ozola](https://www.delfi.lv/bizness/37293360/bankas_un_finanses/49850039/problemas-banku-sektora-bija-zinamas-un-tas-tika-risinatas-savlaicigi-uzsver-reizniece-ozola). See also LSM, “ASV par naudas atmazgāšanu vērsās pret Latvijas “ABLV Bank”.” Available in Latvian: <https://www.lsm.lv/raksts/zinas/ekonomika/asv-par-naudas-atmazgasanu-versas-pret-latvijas-ablv-bank.a267768/>.

<sup>12</sup> As of January 1, 2023, the FCMC has been integrated into LB. In accordance with the decision adopted by the Saeima of the Republic of Latvia on 23 September 2021, Latvijas Banka takes over all functions related to the supervision and the promotion of the development of the financial and capital market as well as the functions of the resolution authority.

<sup>13</sup> Namely, PrivatBank, Baltic International Bank, ABLV Bank, LPB Bank, and Rigensis Bank.

<sup>14</sup> COMMITTEE OF EXPERTS ON THE EVALUATION OF ANTI-MONEY LAUNDERING MEASURES AND THE FINANCING OF TERRORISM (MONEYVAL), “Anti-money laundering and counter-terrorist financing measures Latvia Fifth Round Mutual Evaluation Report”, p. 14. Pieejams: <https://rm.coe.int/moneyval-2018-8-5th-round-mer-latvia/16808ce61b>. Accessed October 27, 2025.

<sup>15</sup> Ministry of Finance and LB, “Stratēģija samērīgu NILLTPFN prasību praktiskai piemērošanai godprātīgiem klientiem, lai novērstu pārmērīgu izvairīšanos no risku uzņemšanas.” Available in Latvian: <https://share.google/CtUZMOOeldU2dX1YU>. Accessed October 27, 2025.

12. Concurrently with the strengthening of supervisory oversight, Latvia has undertaken the modernization of its regulatory framework with a view to promoting innovation and facilitating the entry of new market participants. The transposition of the revised (second) Payment Services Directive<sup>16</sup> through the Law on Payment Services and Electronic Money has opened the payment services market to non-bank entities under an activity-based regulatory approach. This reform has fostered the development of financial technology (also known as *fintech*) solutions and enhanced competition in segments of the financial market previously heavily driven by incumbent credit institutions.

13. Likewise, the adoption of the European Crowdfunding Regulation<sup>17</sup> has established a proportionate and risk-based framework for the conduct of cross-border crowdfunding activities, thereby enhancing legal certainty for digital platforms<sup>18</sup> operating in Latvia. In conjunction with complementary initiatives, including the startup visa program<sup>19</sup> and fintech accelerator schemes<sup>20</sup>, these measures demonstrate Latvia's strategic commitment to achieving an appropriate balance between prudential soundness and regulatory openness.

14. Furthermore, the integration of the FCMC into LB has reinforced institutional coordination between prudential supervision and financial innovation policy. The regulatory sandbox<sup>21</sup> operated by the LB enables market participants to test innovative financial products and technologies within a controlled regulatory environment, thereby facilitating constructive dialogue between regulators and innovators. This initiative exemplifies Latvia's ongoing efforts to align prudential rigor with a forward-looking approach to competition, technological advancement, and sustainable market development.

#### 4. Role of the Competition Council

15. The Competition Council (hereinafter – CC) plays an essential role in ensuring that prudential regulation does not inadvertently give rise to unfair or distorted market conditions. While prudential policy remains primarily within the competence of LB and the European Central Bank (hereinafter – ECB), the CC acts to safeguard free, fair, and effective competition in the public interest across all sectors of the economy, including the financial sector. In this context, the CC provides reasoned opinions on draft legislative acts,

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<sup>16</sup> Directive (EU) 2015/2366.

<sup>17</sup> Regulation 2020/1503.

<sup>18</sup> LB, “*Crowdfunding service providers.*” Available in English: <https://www.bank.lv/en/operational-areas/licensing/crowdfunding-service-providers>. Accessed October 27, 2025.

<sup>19</sup> The Investment and Development Agency of Latvia, “*Jaunuzņēmumu inovatīvo ideju izvērtēšana (start-up vīzas pieteikšana).*” Available in Latvian: [https://www.liaa.gov.lv/lv/jaunuznemumu-inovativo-ideju-izvertesana-start-vizas-pieteiksana?utm\\_source=https%3A%2F%2Fwww.google.com%2F](https://www.liaa.gov.lv/lv/jaunuznemumu-inovativo-ideju-izvertesana-start-vizas-pieteiksana?utm_source=https%3A%2F%2Fwww.google.com%2F). Accessed October 27, 2025.

<sup>20</sup> LSM, “*Accelerator ready to support startups in Latvia, Estonia, Finland.*” Available in English: <https://eng.lsm.lv/article/economy/business/18.07.2025-accelerator-ready-to-support-startups-in-latvia-estonia-finland.a607264/>. Accessed October 27, 2025.

<sup>21</sup> LB, “*Regulatory Sandbox.*” Available in English: <https://www.bank.lv/en/operational-areas/supervision/support-for-fintech-and-innovations/regulatory-sandbox>. Accessed October 27, 2025.

participates in interinstitutional consultations, and identifies potential barriers to market entry or innovation that may result from regulatory or supervisory measures.<sup>22</sup>

16. Competition enforcement practice in Latvia affirms that compliance with prudential or banking regulations does not exempt market participants from the application of competition law, nor does it constitute a valid defence against antitrust liability. Adherence to regulatory requirements cannot be invoked to justify conduct that restricts, distorts, or otherwise adversely affects competition.

17. Beyond the enforcement functions, the CC has, both historically and at present, engaged in analytical activities aimed at identifying and addressing actual or potential structural competition issues. In 2019, the CC published the findings of its market inquiry on customer mobility within the banking sector<sup>23</sup>. The results of the market inquiry revealed that a significant proportion of Latvian consumers perceive the process of switching banks as costly, complex, and time-consuming, resulting in a low propensity to seek more favorable offers. According to a survey conducted among 500 respondents, 52% maintained accounts with multiple banks, while only 26% had changed their primary banking institution within the preceding five years. The principal barriers identified included existing credit commitments, switching costs, limited access to bank branches and ATMs, and the administrative burden associated with completing the necessary documentation.

18. Subsequently, in 2021, the CC conducted a follow-up market inquiry, supplemented by a consumer survey, with the objective of assessing whether the circumstances arising from the Covid-19 pandemic had had an impact on consumer mobility within the banking sector and on the ability of individuals to change their banking service providers (i.e. credit institutions). The findings of the inquiry indicated that the pandemic had not resulted in an increase in barriers to switching between credit institutions. On the contrary, consumers had, to a considerable extent, adapted to the use of remote banking services, and the necessity to change service providers had, as a result, become less pronounced. This was attributable, *inter alia*, to the fact that more than half of private customers were already maintaining accounts with multiple credit institutions.<sup>24</sup>

19. In the 2019 market inquiry the CC determined that customer switching was significantly more prevalent among clients without long-term credit obligations. To enhance customer mobility within the banking sector, the CC recommended the introduction of clearer and more transparent fee disclosure, the simplification of account-switching procedures, the broader application of remote customer identification, and the establishment of account number portability mechanisms analogous to mobile number portability. Several of these recommendations were subsequently incorporated into regulatory amendments adopted in 2024, aimed at facilitating mortgage refinancing and improving transparency in interest rate practices.

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<sup>22</sup> Article 6 of Competition Law. Available in English: <https://likumi.lv/ta/en/en/id/54890-competition-law>.

<sup>23</sup> The CC, “*KP: zemā patērētāju mobilitāte neveicina banku konkurenci cīņā par jauniem klientiem.*” Available in Latvian: <https://www.kp.gov.lv/lv/jaunums/kp-zema-pateretaju-mobilitate-neveicina-banku-konkurenci-cina-par-jauniem-klientiem-0>. Accessed October 27, 2025.

<sup>24</sup> The CC, “*KP: Covid-19 pandēmija nav būtiski ietekmējusi patērētāju iespējas un nepieciešamību mainīt banku.*” Available in Latvian: <https://www.kp.gov.lv/lv/jaunums/kp-covid-19-pandemija-nav-butiski-ietekmejusi-pateretaju-iespejas-un-nepiecieksamibu-mainit-banku>. Accessed October 28, 2025.

20. Amendments to several legislative instruments, including but not limited to the Consumer Rights Protection Law, have substantially streamlined the mortgage refinancing process, which may now be completed within a period not exceeding two months and conducted entirely through remote means.<sup>25</sup> These reforms are expected to strengthen competition among credit institutions by reducing refinancing costs and administrative burdens for borrowers. This development constitutes a concrete example of effective competition advocacy enhancing consumer welfare and market efficiency while maintaining the integrity of prudential safeguards.

21. Furthermore, in the summer of 2024, the CC initiated a comprehensive market inquiry into the commercial banking sector with the objective of assessing the state of competition, consumer mobility, and credit market dynamics following the recent legislative amendments. The inquiry aims to provide an evaluation of the market structure, encompassing both supply and demand side characteristics, levels of concentration, and the existence of barriers to entry or expansion affecting new and incumbent market participants.

22. The ongoing inquiry builds upon the CC's previous work on customer mobility but represents the first in-depth assessment of the commercial banking sector, given the absence of up-to-date data on competitive conditions. The inquiry focuses on several problem areas previously identified in policy discussions such as limited customer mobility, restrictive lending practices affecting households and businesses, elevated interest rates linked to Euribor fluctuations, and the limited availability of fixed-rate mortgage products. These factors are being analyzed both as potential consequences and as underlying causes of insufficient competitive pressure within the sector.

## 5. Coordination and data-sharing challenges

23. Effective coordination between prudential and competition authorities remains essential, however, certain legal constraints continue to impede the exchange of information. Pursuant to the Law on Latvijas Banka, the LB is prohibited from disclosing statistical data that may enable the identification of individual market participants. This restriction, as set forth in Articles 71(2) and 77 of the aforementioned law, prevents the LB from sharing such information also with the CC, even in cases where the data could facilitate the performance of the CC's statutory functions under the Competition Law.

24. The absence of access to relevant data has impeded the CC's work in several instances, including in the case concerning the Latvian Motor Insurers' Bureau<sup>26</sup> and the ongoing market inquiry into the commercial banking sector. In the absence of consistent and comparable data provided by the LB, the accuracy and depth of market assessments are significantly diminished.

25. In recognition of this impediment, the CC has formally requested that the LB consider initiating legislative amendments to permit the transfer of statistical data necessary for the effective performance of the CC's competition oversight functions. The proposed

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<sup>25</sup> LB, "Latvijas Banka invites borrowers to consider options of refinancing mortgage loans and avoiding overpayment." Available in English: <https://www.bank.lv/en/news-and-events/news-and-articles/news/17142-latvijas-banka-invites-borrowers-to-consider-options-of-refinancing-mortgage-loans-and-avoiding-overpayment>. Accessed October 27, 2025.

<sup>26</sup> The CC 21.12.2023. decision No. 35. Available in Latvian: [https://lemumi.kp.gov.lv/storage/files/20231221\\_KP\\_LTAB\\_LEMUMS\\_PUBL.pdf](https://lemumi.kp.gov.lv/storage/files/20231221_KP_LTAB_LEMUMS_PUBL.pdf). Accessed October 27, 2025.

reform would serve to reduce administrative duplication, enhance the efficiency of market investigations, and align with the recommendations set out in the OECD Economic Survey of Latvia (2024), which advocates for the strengthening of the CC's authority to monitor and address anti-competitive conduct within financial markets.<sup>27</sup>

26. In response to the CC proposal, LB has indicated that it is not in a position to propose amendments to the Law on Latvijas Banka, given that the provisions governing the collection, processing, and disclosure of statistical information are directly derived from Regulation No. 2533/98 concerning the collection of statistical information by the ECB, which establishes the rules governing the confidentiality, protection, and permissible use of statistical data within the European system of central banks.

27. Accordingly, LB has stated that any amendment to the national legal framework would be contingent upon corresponding amendments to the relevant provisions of European Union law. As a result, LB is legally entitled to transmit statistical information only to those institutions expressly listed in the aforementioned Regulation or, in exceptional circumstances, where the identifiable data subject has provided explicit consent for such disclosure to other authorities, including the CC.

## 6. Fiscal measures and market impact

28. In response to the exceptionally high levels of bank profitability resulting from the sharp increase in interest rates, the Government of Latvia adopted the Solidarity Contribution Law in 2024 as part of the state budget for 2025.<sup>28</sup> This measure establishes a temporary payment applicable to credit institutions from 2025 to 2027, imposing a 60% charge on credit institution net interest income that exceeds by more than 50% the average level recorded during the period 2018 to 2022. The law pursues a dual objective. First to secure extraordinary fiscal contributions in support of national defense, and second to incentivize increased lending to households and businesses, with reductions in the applicable payment subject upon the achievement of credit growth targets.

29. According to data published by the LB, the volume of credit granted to enterprises and households increased by 2.15% during the first quarter of 2025. Notwithstanding this moderate growth, the Finance Latvia Association<sup>29</sup> (hereinafter – FNA) has cautioned that the application of the solidarity contribution may exert a constraining effect on further lending activity and could give rise to unequal competitive conditions within the Baltic region, as the measure applies exclusively to credit institutions operating in Latvia. In contrast, Lithuania has excluded new lending from the scope of its comparable measure,

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<sup>27</sup> OECD Economic Surveys: Latvia 2024. Available in English: [https://www.oecd.org/en/publications/oecd-economic-surveys-latvia-2024\\_dfae75b-en.html](https://www.oecd.org/en/publications/oecd-economic-surveys-latvia-2024_dfae75b-en.html). Accessed October 27, 2025.

<sup>28</sup> LSM, “*No nākamā gada ievieš banku virspelnas nodokli jeb solidaritātes iemaksu.*” Available in Latvian: <https://www.lsm.lv/raksts/zinas/ekonomika/04.12.2024-no-nakama-gada-ievies-banku-virspelnas-nodokli-jeb-solidaritates-iemaksu.a578738/>. Accessed October 22, 2025.

<sup>29</sup> FNA represents the interests of the financial sector at different institutions nationwide and internationally and coordinates that all sectoral issues on the agenda are properly addressed. The association provides advisory support to its members, and its Ombudsman helps identify and resolve disputes between local banks and their clients. Available: <https://www.financelatvia.eu/en/about-us/>. Accessed October 23, 2025.

while Estonia has not introduced such a payment. Both the International Money Fund<sup>30</sup> and ECB<sup>31</sup> have similarly warned that the prolonged application of solidarity contributions may distort credit markets and contribute to the fragmentation of the single European financial area.<sup>32</sup>

30. While the measure pursues legitimate fiscal and macroprudential objectives, it has concurrently raised concerns that sector-specific “taxation” of this nature may deter the entry of new market participants and, consequently, limit the degree of competition within the market. It will therefore be essential to ensure that the design and application of such instruments remain predictable, proportionate, and time-limited, so as to preserve both financial stability and competitive conditions within Latvia’s banking sector.

## 7. Conclusions

31. Latvia’s experience underscores the continuing challenge of achieving an appropriate balance between prudential discipline and competitive dynamism within financial markets. The reforms implemented since 2018 have significantly enhanced the integrity of the financial system and ensured its alignment with international regulatory standards, however, they likewise illustrate the enduring necessity of maintaining proportionality in supervision and regulatory openness toward financial innovation.

32. As digitalization and the emergence of new business models continue to transform financial services, regulatory and supervisory authorities must regard financial stability and market competition as complementary policy objectives. Achieving this balance will require evidence-based market analysis, regulatory adaptability, and structured institutional cooperation between prudential and competition authorities, ensuring that innovation proceeds within a framework that safeguards both stability and fair competition.

33. Ultimately, Latvia’s regulatory evolution demonstrates the inherent complexity of maintaining prudential vigilance while refraining from unduly impeding innovation or the entry of new market participants. The decisive tightening of the supervisory and regulatory framework has served to restore the credibility and integrity of the financial system. However, it has likewise underscored the necessity of establishing an adaptive and proportionate regulatory environment that simultaneously fosters financial resilience and effective competition.

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<sup>30</sup> International Money Fund, “*Republic of Latvia: Staff Concluding Statement of the 2025 Article IV Mission.*” Available in English: <https://www.imf.org/en/News/Articles/2025/06/06/mcs060925-Latvia-Staff-Concluding-Statement-2025-Article-IV-Mission>. Accessed October 27, 2025.

<sup>31</sup> ECB, “*OPINION OF THE EUROPEAN CENTRAL BANK of 4 November 2024 on the imposition of a temporary solidarity contribution on credit institutions for national security purposes (CON/2024/35).*” Available in English: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52024AB0035>. Accessed October 23, 2025.

<sup>32</sup> FNA, “*FNA: Solidaritātes iemaksa bremzē banku kredītēšanas attīstību Latvijā.*” Available in Latvian: <https://www.financelatvia.eu/news/fna-solidaritates-iemaksa-bremze-banku-kreditesanas-attistibu-latvija/>. Accessed October 27, 2025.