EUROPEAN CENTRAL BANK

EUROSYSTEM

OPINION OF THE EUROPEAN CENTRAL BANK

of 8 January 2026

on the supervisory independence of Latvijas Banka, the prevention of conflicts of interest, and the insurance resolution and statistical tasks of Latvijas Banka

(CON/2026/1)

Introduction and legal basis

On 28 November 2025 the European Central Bank (ECB) received a request from the Latvian Ministry of Finance for an opinion on a draft law amending the Law on Latvijas Banka (hereinafter the 'draft law'). On 12 December 2025 the ECB received an additional request from the Latvian Ministry of Finance for an opinion on a draft law amending the Law on prevention of conflicts of interest in activities of public officials (hereinafter the 'draft amendments to the Law on prevention of conflicts of interest', together with the draft law, the 'draft laws').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and Article 2(1), third and fourth indents, of Council Decision 98/415/EC[1], as the draft laws relate to (1) Latvijas Banka, (2) the collection, compilation and distribution of statistics, and (3) the specific tasks conferred upon the ECB concerning the prudential supervision of credit institutions pursuant to Article 127(6) of the Treaty. In accordance with Article 17.5, first sentence, of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the draft laws

1.1 The main purpose of the draft laws is to transpose into Latvian law the amendments to Directive 2013/36/EU of the European Parliament and of the Council[2] introduced by Directive (EU) 2024/1619 of the European Parliament and of the Council[3] (hereinafter the 'CRD6'). However, the draft laws also contain a number of provisions not related to the CRD6 implementation, in particular related to the anticipated extension of Latvijas Banka's resolution tasks and to Latvijas Banka's tasks and powers in relation to its statistical tasks. Finally, the draft laws contain some amendments related to the administrative sanctions imposed by Latvijas Banka.

1.2 The draft laws transpose the provisions of the CRD6 that relate to the supervisory independence of competent authorities and the prevention of conflicts of interest in relation to the officials and

---

1 Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42, ELI: http://data.europa.eu/eli/dec/1998/415/oj).

2 Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338, ELI: http://data.europa.eu/eli/dir/2013/36/oj).

3 Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks (OJ L, 2024/1619, 19.6.2024, ELI: http://data.europa.eu/eli/dir/2024/1619/oj).

employees of such authorities, to the extent that these requirements are not included in the existing applicable framework consisting of the Law on Latvijas Banka[4], the Law on prevention of conflicts of interest[5], the Law on transparency of representation of interests[6] and in the internal procedure of Latvijas Banka for managing ethics and the prevention of conflicts of interest.

1.3 Under the Law on Latvijas Banka the term of office of the members of the Council of Latvijas Banka, including Latvijas Banka's Governor, is five years with the caveat that the same person may be a member of the Council of Latvijas Banka for no more than two successive terms[7]. The draft law does not change the term of the office, which will remain five years. However, regarding the members of the Council of Latvijas Banka the draft law eliminates the requirement that the terms must be successive, thus ensuring a maximum of two terms in the course of a person's life. This change does not concern the Governor of Latvijas Banka.

1.4 The draft law provides that the reasons for dismissal of both the Governor and the other members of the Council of Latvijas Banka must be made public unless the member of the competent authority's governance body concerned objects to the publication by providing that the reason for the removal from office of a member of the Council of Latvijas Banka are made public by the *Saeima* (Parliament) if the member removed has not submitted an objection to publication to the *Saeima*[8].

1.5 The draft amendments to the Law on prevention of conflicts of interest provide that the cooling-off period may be reduced to one year by the head of the decision making body of a public entity following a submission by a public official and assessment of the risks of corruption and conflicts of interest if the application of the two-year time period is not deemed appropriate and proportionate. The two-year cooling off requirement applies to the Governor, the other members of the Council of Latvijas Banka and to those employees of Latvijas Banka who qualify as public officials by virtue of the Law on prevention of conflicts of interest currently in force[9].

1.6 The draft law explicitly empowers Latvijas Banka to impose obligations, prohibitions and restrictions on members of the Council of Latvijas Banka and employees of Latvijas Banka in the field of prevention of conflicts of interest, in addition to the provisions laid down in other legal acts.

1.7 The draft law provides that Latvijas Banka must cooperate with other institutions, and that Latvijas Banka and each such institution must coordinate their actions with each other, to ensure that the sanctions and administrative measures imposed on persons who have infringed financial market regulations in respect of a given breach are proportionate and appropriate to the seriousness of the offence concerned[10].

---

4 Latvijas Bankas likums. Latvijas Vēstnesis, 193, 06.10.2021.

5 Likums "Par interešu konflikta novēršanu valsts amatpersonu darbībā". Latvijas Vēstnesis, 69, 09.05.2002.

6 Interešu pārstāvības atklātības likums. Latvijas Vēstnesis, 207, 25.10.2022.

7 See Article 13(3) of the Law on Latvijas Banka.

8 Transposing Article 4a(2), second subparagraph, of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6.

9 See Section 10 of the Law on prevention of conflicts of interest.

10 In order to fully comply with the requirements of Article 70 of Directive 2013/36/EU, as inserted by Article 1, point (18), of the CRD6, on the effective application of administrative penalties and other administrative measures, and the exercise of powers to impose such penalties.

1.8 In view of the anticipated transposition of Directive (EU) 2025/1 of the European Parliament and of the Council[11], the draft law amends the scope of Latvijas Banka's resolution related tasks. Currently the Law on Latvijas Banka attributes to Latvijas Banka resolution tasks specifically in accordance with the Law on recovery of activities and resolution of credit institutions and investment firms[12, 13]. The draft law contains a more generic attribution of resolution tasks to Latvijas Banka in accordance with the legal acts in the field of resolution. While the draft law does not contain any further provisions, the explanatory memorandum clarifies that it is intended to confer resolution tasks on Latvijas Banka in relation to the resolution of insurance and reinsurance undertakings.

1.9 Finally, the draft law contains a number of amendments related to the statistical tasks of Latvijas Banka. In particular, the draft law provides that Latvijas Banka has: (1) the right to request and receive, free of charge, information necessary for the performance of its tasks also from statistical authorities; (2) the right to complete and connect the information received from other persons with other information available to Latvijas Banka, as well as to carry out its analysis thereon; and (3) the obligation to process the information at Latvijas Banka's disposal and received from other persons, including statistical data, in accordance with the relevant information protection requirements. More specifically, the draft law grants Latvijas Banka the right to collect, analyse, and integrate statistical information received from external sources, and allows Latvijas Banka to process information, including statistical data, for scientific and research activities in the economic and financial fields, subject to information protection requirements.

2. General observations

2.1 Article 130 of the Treaty and Article 7 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB') address the independence of central banks in the European System of Central Banks[14] (ESCB), stipulating that when exercising the powers and carrying out the tasks and duties conferred upon them by the Treaties and the Statute of the ESCB, neither the ECB, nor a national central bank (NCB), nor any member of their decision-making bodies, are to seek or take instructions from Union institutions, bodies, offices or agencies, from any government of a Member State or from any other body. This independence was thus entrusted to the ECB and Latvijas Banka, as an NCB, by primary law.

2.2 Based on considerations of central bank independence, and in order to ensure the independence of NCBs such as Latvijas Banka when exercising the powers and carrying out the tasks and duties conferred upon them by the Treaties and the Statute of the ESCB, the ECB has established an ethics

---

11 Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings and amending Directives 2002/47/EC, 2004/25/EC, 2007/36/EC, 2014/59/EU and (EU) 2017/1132 and Regulations (EU) No 1094/2010, (EU) No 648/2012, (EU) No 806/2014 and (EU) 2017/1129 (OJ L, 2025/1, 8.1.2025, ELI: http://data.europa.eu/eli/dir/2025/1/oj).

12 Kredītiestāžu un ieguldījumu brokeru sabiedrību darbības atjaunošanas un noregulējuma likums. Latvijas Vēstnesis, 127, 02.07.2015.

13 Article 5(1), point (5), of the Law on Latvijas Banka.

14 Regarding the doctrine of the ECB as to independence and its ramifications, see the ECB's Convergence Report 2025, Section 2.2. Available on the ECB's website at www.ecb.europa.eu.

framework. This includes the ECB's Code of Conduct for high-level ECB officials[15] (hereinafter the 'Single Code'), which applies, among others, to the members of the Governing Council of the ECB when exercising their functions as members of a high-level ECB body, and Guideline (EU) [2021/2253] of the European Central Bank (ECB/2021/49)[16], which is addressed to the NCBs of the Eurosystem and establishes ethics requirements applicable to the members of the decision-making bodies and staff of the NCBs.

2.3 The NCBs, as an integral part of the ESCB, must act in accordance with the guidelines of the ECB[17]. Hence, national legislation is without prejudice to the ethics framework which the ECB has established in order to ensure the independence of the ECB and the NCBs when exercising the powers and carrying out the tasks and duties conferred upon them by the Treaties and the Statute of the ESCB, as both frameworks have their own scope and legal basis.

2.4 Furthermore, Article 19 of Council Regulation (EU) No 1024/2013[18] (hereinafter the 'SSM Regulation') stipulates that when carrying out the tasks conferred on it by the SSM Regulation, the ECB and the national competent authorities acting within the SSM must act independently. The legal basis for this provision is Article 127(6) of the Treaty. Article 31(3) of the SSM Regulation furthermore requires the ECB, in cooperation with the national competent authorities, to: (a) establish and maintain comprehensive and formal procedures including ethics procedures and proportionate periods to assess in advance and prevent possible conflicts of interest resulting from subsequent employment within two years of members of the Supervisory Board; and (b) provide for appropriate disclosures. Those procedures are without prejudice to the application of stricter national rules.

2.5 In view of this independence and these requirements of the SSM Regulation, the ECB has established an ethics framework to ensure the independence of national competent authorities, such as Latvijas Banka, when assisting the ECB in carrying out the tasks conferred on it by the SSM Regulation. This ethics framework includes the Single Code, which applies, among others, to the members of the Supervisory Board of the ECB when exercising their functions as members of a high-level ECB body, and Guideline (EU) 2021/2256 of the European Central Bank (ECB/2021/50)[19], which is addressed to the national competent authorities of the SSM and establishes ethics requirements applicable to the members of their bodies and the members of staff of the national competent authorities. In view of the responsibility of the ECB for the effective and consistent functioning of the SSM[20], the national competent authorities must comply with Guideline (EU) 2021/2256 (ECB/2021/50).

---

15 Code of Conduct for high-level ECB officials (OJ C 478, 16.12.2022, p. 3).

16 Guideline (EU) [2021/2253] of the European Central Bank of 2 November 2021 laying down the principles of the Eurosystem Ethics Framework (ECB/2021/49) (OJ L 454, 17.12.2021, p. 7, ELI: http://data.europa.eu/eli/guideline/2021/2253/oj).

17 See Article 14.3 of the Statute of the ESCB.

18 Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions (OJ L 287, 29.10.2013, p. 63, ELI: http://data.europa.eu/eli/reg/2013/1024/oj).

19 Guideline (EU) 2021/2256 of the European Central Bank of 2 November 2021 laying down the principles of the Ethics Framework for the Single Supervisory Mechanism (ECB/2021/50) (OJ L 454, 17.12.2021, p. 21, ELI: http://data.europa.eu/eli/guideline/2021/2256/oj).

20 See Article 6(1) of the SSM Regulation.

2.6 In contrast to the ethics framework, which is ultimately based on Article 127(6) of the Treaty, the CRD6, including its provision on supervisory independence of competent authorities[21], is based on Article 53(1) of the Treaty. A legal act based on this provision cannot alter the rights and obligations of the ECB and the national competent authorities when carrying out the tasks conferred on them by the SSM Regulation based on Article 127(6) of the Treaty. It follows from settled case-law of the Court of Justice of the European Union[22] that the different legal bases, namely Article 53(1) and Article 127(6) of the Treaty, cannot be combined as the legal basis for a legal act, in view of the different procedures involved. In particular, the measures adopted under Article 53(1) of the Treaty are adopted by the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, and after consulting the Economic and Social Committee (and, if relevant, the ECB in accordance with Articles 127(4) and 282(5) of the Treaty). By contrast, the regulations adopted under Article 127(6) of the Treaty are adopted by the Council alone, in a special legislative procedure in which the Council acts unanimously, after consulting the European Parliament and the ECB[23].

2.7 Hence, the amendments made by the CRD6 are without prejudice to the ethics framework which the ECB has established to ensure the independence of the national competent authorities in the context of the SSM, as both frameworks have their own scope and legal basis. The Union legislator acknowledged this through the CRD6's amendments to Directive 2013/36/EU, which provide that Article 4a(2) of Directive 2013/36/EU is without prejudice to the rights and obligations of the national competent authorities pursuant to the SSM established by the SSM Regulation[24].

2.8 In this regard, the ECB welcomes that, under the draft law, which inserts a new paragraph 1, point (1), into Article 19 of the Law on Latvijas Banka, Latvijas Banka has been expressly confirmed in its power to impose obligations, prohibitions and restrictions on members of the Council of Latvijas Banka and employees of Latvijas Banka in the field of prevention of conflicts of interest through its own internal procedures[25].

3. Specific observations

3.1 *Supervisory independence and prevention of conflicts of interest*

3.1.1 As regards the term of office of the Governor of Latvijas Banka, the ECB understands that a person could serve as a member of the Council for a maximum of two terms, and that immediately thereafter or following a break the same person could serve as the Governor for two consecutive terms. The ECB also understands that a person may serve as Governor for two consecutive terms, and, after a

21 See Article 4a of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6.

22 See judgment of the Court of Justice of 29 April 2004, *Commission* v *Council*, C-338/01, ECLI:EU:C:2004:253, paragraphs 57 and 58; and judgment of the Court of Justice of 10 January 2006, *Commission* v *Parliament and Council*, C-178/03, ECLI:EU:C:2006:4, paragraphs 43 to 60.

23 See paragraph 2.6.2 of Opinion CON/2024/21 and paragraph 2.1.3 of Opinion CON/2025/19. All ECB opinions are published on EUR-Lex.

24 See Article 4a(2), fourth subparagraph, of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6. This acknowledgement refers directly to the dismissal requirements included in Article 4a(2), second subparagraph, of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6.

25 Article 19(1), point (1), of the Law on Latvijas Banka, as inserted by Article 6 of the draft law.

break, serve again as a Governor for two consecutive terms.

3.1.2 The draft law proposes to introduce a limitation on the term of office of members of the Council of Latvijas Banka, with the exception of the Governor, in order to ensure compliance with the CRD6 provision on the maximum term of office for members of the governance bodies of competent authorities, which provides that Member States must ensure that no member of a competent authority's governance body (except for governors of NCBs) who is appointed after 11 January 2026 remains in office for more than 14 years[26]. At present the Law on Latvijas Banka provides that the same person may be a member of the Council of Latvijas Banka for no more than two successive terms. This means that, following a break, a person may again serve as a member of the Council for two consecutive terms, which would exceed the overall maximum term provided for in the CRD6. Under the draft law the term of office of a member of the Council of Latvijas Banka is five years, with the possibility of only one renewal of their mandates. The ECB, therefore, considers that it is not necessary for the draft law to include any further provisions in this respect.

3.1.3 In this context, the ECB highlights that in accordance with Article 14.2 of the Statute of the ESCB, statutes of NCBs must provide for a minimum term of office of five years for a Governor. This does not preclude longer terms of office. Applying the rules regarding the term of office of Governors to other members of the decision-making bodies of NCBs involved in the performance of ESCB-related tasks also safeguards the personal independence of those persons[27]. The application of the same rules regarding the term of office to both Governors and members of decision-making bodies is particularly pertinent where a Governor is 'first among equals' alongside other members who have equivalent voting rights, or where other members are involved in the performance of ESCB-related tasks[28], as is the case in Latvijas Banka. The ECB considers that the relevant provisions of the Law on Latvijas Banka are consistent with the requirements of Article 14.2 of the Statute of the ESCB.

3.1.4 The ECB understands that the current provisions of the Law on Latvijas Banka that regulate the appointment and dismissal of members of the Council of Latvijas Banka are consistent with the CRD6 and the draft law only supplements them with new provisions concerning the public disclosure of grounds for dismissal. The CRD6 provides in this respect that Member States must ensure that members of a competent authority's governance body are appointed on the basis of published criteria that are objective and transparent and that those members can be dismissed if they no longer meet the criteria for appointment or have been convicted of a serious criminal offence. The reasons for dismissal are to be made public unless the member of the competent authority's governance body concerned objects to the publication[29]. The ECB considers that it is not necessary for the draft law to include provisions relating to the grounds for dismissal of members of the Council of Latvijas Banka. Under the Law on Latvijas Banka, the *Saeima* may remove a member of the Council of Latvijas Banka (this includes the Governor) from the office only if: (1) his or her personal submission

---

26 See Article 4a(2), second subparagraph, first sentence, of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6.

27 Article 130 of the Treaty and Article 7 of the Statute of the ESCB, which address the independence of central banks in the ESCB, refer to 'members of the decision-making bodies' of NCBs, rather than to Governors specifically.

28 See the ECB's Convergence Report, June 2025, Section 2.2.3, p. 26.

29 See Article 4a(2), second subparagraph, second and third sentences, of Directive 2013/36/EU, as inserted by Article 1, point (4), of the CRD6.

regarding resignation from the office has been received; (2) he or she no longer fulfils the conditions necessary for the fulfilment of the office within the meaning of Article 14.2 of the Statute of the ESCB; and (3) he or she is guilty of serious misconduct within the meaning of Article 14.2 of the Statute of the ESCB[30].

3.1.5 In this context, the ECB highlights that, pursuant to Article 14.2, second subparagraph, first sentence, of the Statute of the ESCB, 'a Governor may be relieved from office only if he no longer fulfils the conditions required for the performance of his duties or if he has been guilty of serious misconduct'. Applying the same rules regarding the grounds for relieving Governors from office to other members of the decision-making bodies of NCBs involved in the performance of ESCB-related tasks also safeguards the personal independence of those persons[31]. The application of the same rules regarding dismissal to both Governors and members of decision-making bodies is particularly pertinent where a Governor is 'first among equals' with other members who have equivalent voting rights, or where other members are involved in the performance of ESCB-related tasks[32], as is the case in Latvijas Banka. The ECB considers that the relevant provisions of the Law on Latvijas Banka are consistent with the requirements of Article 14.2 of the Statute of the ESCB.

3.1.6 The ECB notes that the 24-month cooling-off period, including the possibility to reduce it, is applicable to the Governor of Latvijas Banka, the other members of the Council of Latvijas Banka and to those employees of Latvijas Banka who qualify as public officials by virtue of the Law on prevention of conflicts of interest currently in force, is also in line with the provisions of the Single Code and of the Eurosystem and SSM Ethics Frameworks[33].

3.1.7 The ECB strongly welcomes that the draft law is without prejudice to the Eurosystem and SSM Ethics Frameworks and to the Single Code, as they may be amended from time to time. Indeed, as already mentioned, the text of the draft law explicitly clarifies that the Council of Latvijas Banka is entitled, in addition to the provisions laid down in other legal acts, to impose obligations, prohibitions and restrictions on members of the Council of Latvijas Banka and employees of Latvijas Banka in the field of prevention of conflicts of interest. While such additional obligations, prohibitions and restrictions are imposed by means of a non-legislative act, in the form of an internal legal act of Latvijas Banka, the ECB understands that such internal legal act is binding on all employees of Latvijas Banka by virtue of their employment contract, and as a result any disputes arising out of it can be adjudicated in court. The ECB considers that the internal legal act adopted by Latvijas Banka serves the purpose of achieving full alignment with the ethics frameworks established by the ECB pursuant to the Single Code and ECB guidelines, in particular given that in Latvia conflicts of interest are regulated by horizontal laws, which also apply, inter alia, to the members of the Council of Latvijas Banka.

3.2 *Resolution tasks in relation to insurance and reinsurance undertakings*

---

30 See Article 14(1) of the Law on Latvijas Banka.

31 Article 130 of the Treaty and Article 7 of the Statute of the ESCB refer to 'members of the decision-making bodies' of NCBs, rather than to Governors specifically.

32 See the ECB's Convergence Report 2025, Section 2.2.3, p. 26.

33 See Article 17.3, point (b), of the Single Code; see also paragraph 2.2.3 of Opinion CON/2025/19 and paragraph 3.1.5 of Opinion CON/2025/36.

3.2.1 As regards the envisaged resolution tasks of Latvijas Banka in relation to the resolution of insurance and reinsurance undertakings, the material provisions implementing Directive (EU) 2025/1 are not available at the current juncture. Nevertheless, the ECB would like to take this opportunity to highlight the obligations deriving from Union law that need to be complied with when conferring resolution tasks on Latvijas Banka.

3.2.2 In accordance with Article 14.4 of the Statute of the ESCB, the NCBs, including Latvijas Banka, may perform functions other than those specified in that Statute, unless the Governing Council finds that those functions interfere with the objectives and tasks of the ESCB. Where a Member State assigns such a function to its NCB, that NCB is responsible and liable for the performance of that function. Nevertheless, when defining the responsibility and liability of an NCB in relation to that function, Member States are required to comply with their obligations deriving from Union law and, in particular, Article 123(1) and Article 130 of the Treaty[34].

3.2.3 Article 123(1) of the Treaty prohibits the NCBs from granting overdraft facilities or any other type of credit facility to public authorities and bodies of the Member States. Article 1(1), point (b), of Council Regulation (EC) No 3603/93[35] defines the term 'other type of credit facility' for the purposes of Article 123 of the Treaty as, inter alia, any financing of the public sector's obligations vis-à-vis third parties. Accordingly, the NCB concerned must not assume obligations vis-à-vis third parties that could potentially be incumbent on the public sector. Consequently, the NCB concerned must not finance pre-existing obligations vis-à-vis third parties that are incumbent on other public authorities or bodies and the effective financing of the obligations vis-à-vis third parties by the NCB concerned must not result directly from the measures adopted by, or from the policy choices made by, other public authorities or bodies[36].

3.2.4 The designation of Latvijas Banka as the resolution authority for insurance and reinsurance undertakings would require that the conditions under which Latvijas Banka exercises this function must be in line with the abovementioned limitations deriving from Article 123(1) of the Treaty. In particular, the liability of Latvijas Banka when exercising the function of resolution authority for insurance and reinsurance undertakings must be limited to infringements of a serious nature of the rules imposed on Latvijas Banka in that context[37].

3.2.5 The Court of Justice has not yet elaborated on what the limitations to infringements of a serious nature of the rules imposed on an NCB exactly consist of. In view of the different traditions for the liability of NCBs in the Member States' national legal orders, such limitations may therefore take different forms, provided that they exclude the effective financing of the obligations of the public sector vis-à-vis third parties by the NCB concerned when exercising the function of resolution

---

34 See judgment of 13 September 2022, *Banka Slovenije*, C-45/21, ECLI:EU:C:2022:670, paragraphs 53, 54, 57 and 97; paragraph 2.2.1 of Opinion CON/2023/17 and paragraph 3.1 of Opinion CON/2024/31.

35 Council Regulation (EC) No 3603/93 of 13 December 1993 specifying definitions for the application of the prohibitions referred to in Articles 104 and 104b (1) of the Treaty (OJ L 332, 31.12.1993, p. 1, ELI: http://data.europa.eu/eli/reg/1993/3603/oj).

36 See judgment of 13 September 2022, *Banka Slovenije*, C-45/21, ECLI:EU:C:2022:670, paragraphs 67 to 75 and 84; paragraph 2.2.2 of Opinion CON/2023/17 and paragraph 3.2.1 of Opinion CON/2024/31.

37 See judgment of 13 September 2022, *Banka Slovenije*, C-45/21, ECLI:EU:C:2022:670, paragraph 75; paragraph 2.2.3 of Opinion CON/2023/17 and paragraph 3.2.2 of Opinion CON/2024/31.

authority. This is the case if national law addresses the condition of fault and limits liability of the NCB concerned to gross negligence in view of the urgency and complexity characterised by resolution measures[38].

3.2.6 The ECB understands that the liability regime currently applicable to all Latvijas Banka's tasks, including those related to the resolution of credit institutions and investment firms, is limited. Latvijas Banka is responsible for losses caused to a third party by an action of a member of its Council, an employee, or an authorised representative of Latvijas Banka in the performance of his or her official (work) duties only if the illegal action of the member of the Council, the employee, or the authorised representative of Latvijas Banka was intentional or if he or she committed gross negligence[39]. If these limitations of liability were also applicable to Latvijas Banka's tasks relating to the resolution of insurance and reinsurance undertakings, this would address the requirement that the liability of Latvijas Banka when exercising these tasks must be limited to infringements of a serious nature[40].

3.2.7 Article 130 of the Treaty prohibits Member States from placing their NCBs in a situation which in any way undermines their ability to carry out independently a task falling within the scope of the ESCB[41]. This would be the case if, for example, an NCB were prevented from building up adequate financial resources in the form of reserves or buffers to offset losses, particularly those resulting from monetary policy operations, and the Member State concerned did not ensure in advance that the NCB had the necessary funds to bear the financial burden resulting from exercising a function outside the scope of the ESCB (such as the funds necessary to be able to pay the compensation resulting from the liability regime for that function), while retaining its ability to carry out its ESCB tasks effectively and independently[42]. An NCB constrained in its ability to create and/or restore its reserves or buffers may need to seek the consent of political authorities to obtain funding or recapitalisation. This places the NCB in a situation of dependence on those political authorities of the Member State[43].

3.2.8 The ECB considers that Latvijas Banka's risk of exposure to liability in the context of the exercise of its function as resolution authority for insurance and reinsurance undertakings would be remote if its liability is limited as set out under paragraph 3.2.4.

3.3 *Statistical tasks of Latvijas Banka*

3.3.1 Regarding the draft law's expansion of the statistical tasks and rights of Latvijas Banka, the introduction of the right for Latvijas Banka to request and receive, free of charge, information necessary for its tasks from statistical authorities aligns with Regulation (EC) No 223/2009 of the

38 See paragraph 2.2.3 of Opinion CON/2023/17 and paragraph 3.2.3 of Opinion CON/2024/31.

39 See Article 26 of the Law on Latvijas Banka.

40 See also paragraph 2.2.3 of Opinion CON/2023/17.

41 See judgment of 13 September 2022, Banka Slovenije, C-45/21, ECLI:EU:C:2022:670, paragraph 97.

42 See judgment of 13 September 2022, Banka Slovenije, C-45/21, ECLI:EU:C:2022:670, paragraph 105.

43 See judgment of 13 September 2022, Banka Slovenije, C-45/21, ECLI:EU:C:2022:670, paragraphs 100 to 102; see also paragraph 2.2.4 of Opinion CON/2023/17, paragraph 3.2.1 of Opinion CON/2023/44 and paragraph 3.3.1 of Opinion CON/2024/31.

European Parliament and of the Council[44], which permits the transmission of confidential data between the European Statistical System and the ESCB central banks under strict conditions. Such data sharing is allowed if necessary for the efficient development, production, dissemination, or quality improvement of European statistics, with prior approval required when the data originates from Eurostat.

3.3.2 The ECB recommends that where Latvijas Banka carries out the statistical tasks described in the draft law in order to collect statistical information that is necessary to undertake ESCB tasks, it must ensure compliance with Council Regulation (EC) No 2533/98[45], in particular the confidentiality regime thereunder.

This opinion will be published on EUR-Lex.

Done at Frankfurt am Main, 8 January 2026.

[signed]

The President of the ECB

Christine LAGARDE

44 See Article 21(2) of Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164, ELI: http://data.europa.eu/eli/reg/2009/223/oj).

45 See Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank (OJ L 318, 27.11.1998, p. 8, ELI: http://data.europa.eu/eli/reg/1998/2533/oj).