

Name: Alert ID: TMML2024036168536 WARSAW, May 26 (Reuters) - Polish prosecutors have started an investigation into suspected money laundering at a small state-controlled lender BOS Bank, Dziennik Gazeta Prawna daily said on Tuesday, quoting an unnamed source. The regional prosecutor's office in Katowice in southern Poland said in an emailed statement to Reuters: "An investigation has been initiated in the local prosecutor's office regarding irregularities in connection with transactions carried out on bank accounts for selected foreign entities at one of the banks." The prosecutor's office did not give further details. BOS Bank said in a statement on Tuesday that it complies with all anti-money laundering regulations and cooperates with authorities. A BOS Bank spokeswoman declined to comment further. A spokesman for Poland's financial sector regulator KNF declined to comment. BOS Bank shares were down 1.1% by 1213 GMT, underperforming the Polish stock market's banking index which was up 2.9% Poland's ruling nationalist Law and Justice (PiS) party has highlighted the country's success at fighting tax avoidance schemes, but money laundering is rarely a part of public debate. Poland ranks at 102 out of 125 in a 2019 ranking of countries with highest risk of money laundering compiled by the Basel Institute of Governance. Poland's ranking indicates that the risk of money laundering in the country is relatively low. Preventing money laundering has become an increasing focus for regulators in Europe after Estonia became the centre of a major money-laundering scandal in 2017. The European Union is looking at how to strengthen its scrutiny of the financial sector after a spate of scandals in Estonia, Malta, Latvia, Cyprus and the Netherlands exposed how national watchdogs were slow to take action against banks who abetted or did not prevent money laundering. (Reporting by Marcin Goclowski. Editing by Jane Merriman)