AS PNB Banka: SRB Decides No Resolution Required

**Following the European Central Bank’s assessment of AS PNB Banka as failing or likely to fail, the Single Resolution Board has today decided that resolution action is not necessary. The Latvian bank will be wound up under national law.**

The SRB assessed the situation and concurred with the ECB’s assessment of the bank. It concluded that there are no available supervisory or private sector measures that could prevent its failure.

The Board carried out a public interest assessment and found that resolution action was not necessary. In particular, PNB Banka does not provide critical functions to the economy and its failure is not expected to have an adverse impact on financial stability in Latvia or other EU Member States.

The National Resolution Authority in Latvia, the Financial and Capital Market Commission, will implement the decision in accordance with national law.

Eligible deposits up to €100,000 are safeguarded in accordance with the Latvian law transposing Directive 2014/49/EU. Depositors in Latvia can contact the [Financial and Capital Market Commission](https://www.fktk.lv/), which is the administrator of the Latvian deposit guarantee fund, for more information.

[Summary of the SRB decision in relation to AS PNB Banka](https://srb.europa.eu/sites/srbsite/files/20190815_summary_of_non-resolution_decision_pnb_banka.pdf)  
[ECB press release in English](https://www.bankingsupervision.europa.eu/press/pr/date/2019/html/ssm.pr190815~b8e2038aa9.en.html)  
[ECB press release in Latvian](https://www.bankingsupervision.europa.eu/press/pr/date/2019/html/ssm.pr190815~b8e2038aa9.lv.html)

[FCMC press release in English](https://www.fktk.lv/en/news/press-releases/fcmc-following-the-decisions-of-the-ecb-and-srb-suspends-the-provision-of-financial-services-by-jsc-pnb-banka-and-decides-on-the-unavailability-of-deposits/)  
[FCMC press release in Latvian](https://www.fktk.lv/jaunumi/pazinojumi-medijiem/fktk-ieverojot-ecb-un-srb-lemumus-aptur-finansu-pakalpojumu-sniegsanu-as-pnb-banka-un-pienem-lemumu-par-noguldijumu-nepieejamibu/)

**More information**:

[Public Interest Assessment: SRB approach](https://srb.europa.eu/sites/srbsite/files/2019-06-28_draft_pia_paper_v12.pdf)  
[Critical Functions: SRB approach](https://srb.europa.eu/en/content/critical-functions-srb-approach)

[Directive](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014L0059) 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council.

[Regulation](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32014R0806) (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010.

[Directive](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0049) 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes.