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If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia

Cabinet

Regulation No. 705

Adopted 13 November 2018

**Regulations Regarding the Requirements for the Prevention of Money Laundering and Terrorism and Proliferation Financing for the Providers of Consumer Crediting and Debt Recovery Services**

[*18 April 2023*]

*Issued pursuant to*

*Section 47, Paragraph four of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing*

[*18 April 2023*]

**1. General Provisions**

1. The Regulation prescribes for the persons who are engaged in consumer crediting and to whom the Consumer Rights Protection Centre has issued a special permit (licence) for the provision of crediting services (hereinafter – the creditor) and for the persons who are engaged in the provision of debt recovery services and to whom the Consumer Rights Protection Centre has issued a special permit (licence) for the provision of debt recovery services (hereinafter – the provider of debt recovery service) binding requirements for the fulfilment of the obligations specified in the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing (hereinafter – the Law) in respect of the money laundering and terrorism and proliferation financing risk assessment, internal control system and its establishment, customer due diligence and supervision of the transactions executed by customers.

[*18 April 2023*]

2. If group-scale policies and procedures for the prevention of money laundering and terrorism and proliferation financing implemented by a subsidiary or branch of the credit institution fail to comply with this Regulation in any part thereof, the Consumer Rights Protection Centre shall, where necessary, request the opinion of the supervisory and control authority of the relevant credit institution and determine a solution which complies with the Law.

[*18 April 2023*]

3. The conformity with this Regulation shall be supervised by the Consumer Rights Protection Centre.

**2. Risk Management Internal Control System**

4. An employee who is responsible for the fulfilment of the requirements for the prevention of money laundering and terrorism and proliferation financing shall regularly inform the senior management of the operation of the internal control system for the prevention of money laundering and terrorism and proliferation financing in the undertaking.

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4.1 An assessment of compliance of the employee responsible for the fulfilment of the requirements for the prevention of money laundering and terrorism and proliferation financing (including senior management) shall be carried out in accordance with the requirements laid down in the Law by applying a risk-based approach, taking into account the risk profile of the service provider, the findings of the initial assessment, and other valid factors, at least every three years. If it becomes known that the employee responsible for the fulfilment of the requirements for the prevention of money laundering and terrorism and proliferation financing (including senior management) does not comply with the requirements laid down in the Law or there are doubts as to his or her compliance, an assessment of compliance of the employee shall be carried out immediately.

[*18 April 2023*]

5. The creditor and the provider of debt recovery service shall ensure independence of the responsible employee in taking such decisions which are related to the fulfilment of the requirements for the prevention of money laundering and terrorism and proliferation financing.

[*18 April 2023*]

6. The responsible employee of the creditor and the provider of debt recovery service shall, not less than once in three months, submit a report to the senior management on the management of money laundering and terrorism and proliferation financing risks.

[*18 April 2023*]

7. The creditor and the provider of debt recovery service shall develop the form and content of the report referred to in Paragraph 6 of this Regulation on the basis of the risk assessment-based approach.

8. The creditor and the provider of debt recovery service shall develop the procedures by which the responsible employee shall carry out the self-control of the quality of the activities for the prevention of money laundering and terrorism and proliferation financing. At least the following issues shall be included in the abovementioned procedures:

8.1. the activities for the prevention of money laundering and terrorism and proliferation financing for which the quality control is performed;

8.2. frequency for the performance of quality control;

8.3. the amount of selection;

8.4. documenting of the performance of quality control.

[*18 April 2023*]

8.1 The creditor shall ensure an audit regarding the efficiency of its internal control system for the prevention of money laundering and terrorism and proliferation financing and compliance thereof with the requirements of the laws and regulations governing the field of the prevention of money laundering and terrorism and proliferation financing. The audit shall be performed at least every two years, except in the case of a decision of the supervisory and control authority on an individually determined audit procedure or a decision of the supervisory and control authority not to apply the internal audit function.

[*18 April 2023*]

9. The creditor and the provider of debt recovery service shall ensure training in the field of the prevention of money laundering and terrorism and proliferation financing (hereinafter – the training) for the management and employees of the creditor and the provider of debt recovery service in conformity with the obligations and authorisation of the employees. The creditor and the provider of debt recovery service shall determine the categories of staff for whom training is to be provided.

[*18 April 2023*]

10. The creditor and the provider of debt recovery service shall establish the training plan by taking into account that the training must take place at least once a year.

11. The creditor and the provider of debt recovery service shall ensure that at least the following issues are discussed in the training:

11.1. the essence and manifestations of money laundering and terrorism and proliferation financing;

11.2. the laws and regulations governing the prevention money laundering and terrorism and proliferation financing;

11.3. the internal rules of procedures of the creditor and the provider of debt recovery service in the field of the prevention of money laundering and terrorism and proliferation financing;

11.4. the rights and duties of the employees to be trained in the field of money laundering and terrorism and proliferation financing and liability for violations of the laws and regulations in the aforementioned field, and influence of the violations on the activities of the creditor and the provider of debt recovery service;

11.5. features of unusual transactions and current typologies of money laundering, terrorism and proliferation financing and criminal offences associated therewith;

11.6. customer due diligence (including enhanced customer due diligence) and monitoring of customer transactions;

11.7. remote identification of customers;

11.8. requirements for personal data protection in the field of the prevention of money laundering and terrorism and proliferation financing.

[*18 April 2023*]

12. The creditor and the provider of debt recovery service shall ensure storage of the information on the completed employee trainings by documenting at least the name and content of the training, the personal data of the trained employee (the given name and surname), position and structural unit, the head and organiser of the training, the place, time and duration of the training, and also the result of the examination of knowledge. The creditor and the provider of debt recovery service shall store the information on the trainings completed during a calendar year for three years from the end of the relevant calendar year.

13. The creditor and the provider of debt recovery service shall ensure the implementation of the risk management measures in respect to all customers.

14. The creditor and the provider of debt recovery service shall submit to the Consumer Rights Protection Centre the internal policies and procedures for the prevention of money laundering and terrorism and proliferation financing, an assessment of the risks inherent to its activities, an evaluation of the efficiency of operation of the internal control system, an audit report on the internal control system, and also information on significant changes to the internal control system or a new internal control system not later than within 10 days after approval thereof.

[*18 April 2023*]

**3. Aggregate of Risk Assessment Measures in the Provision of Crediting and Debt Recovery Services**

**3.1. Requirements for the Assessment of Customer Risks of the Creditor**

15. The creditor shall assess the features and factors that reduce and increase the risk of the customer, determine the risk of the customer, and assign the customer to one of the customer risk levels, ranging from the lower risk level to the higher risk level.

[*18 April 2023*]

15.1 When carrying out a risk assessment of the customer and determining the appropriate due diligence measures, the creditor shall take into account:

15.11. the risk increasing factors specified in the Law and other laws and regulations governing the activity of the creditor and also the risk reducing factors if the creditor considers the determination of risk reducing factors to be appropriate and has documented it accordingly;

15.12. the risks identified in the national risk assessment of the Republic of Latvia;

15.13. the risks identified in the European Union risk assessment carried out by the European Commission;

15.1 4. the risk factors specified in the Joint Guidelines of the European Banking Authority and the European Securities and Markets Authority in so far as they are relevant to the creditor;

15.15. risks arising from reports, decisions, or typologies developed by law enforcement institutions or supervisory and control authorities;

15.16. other risks specific to the creditor and its customers, services, and service delivery channels.

[*18 April 2023*]

15.2 The creditor shall carry out customer due diligence in accordance with the inherent risk of the customer, including by taking into account the risk factors indicated in the sources referred to in Paragraph 15.1 of this Regulation.

[*18 April 2023*]

16. When assessing the risk inherent to the customer on the basis of the risk assessment, the creditor shall take into account at least:

16.1. the economic, professional or personal activity of the customer or beneficial owner of the customer;

16.2. legal form of the customer and structure of the owners if the customer is a legal person;

16.3. untypical activities of the customer.

[*18 April 2023*]

17. When assessing the risk inherent to the customer on the basis of the risk assessment, the creditor shall ascertain whether:

17.1. any requests regarding the customer have been received from the Financial Intelligence Unit of Latvia, the supervisory authority, the investigating institutions, Office of the Prosecutor, or court in relation to suspicions of money laundering, terrorism and proliferation financing or commitment of another criminal offence;

17.2. any requests regarding the customer have been received from the investigating institution, Office of the Prosecutor, or court within the framework of criminal proceedings in relation to money laundering, terrorism and proliferation financing or another criminal offence.

[*18 April 2023*]

18. When determining the risk inherent to the economic, professional or personal activity of the customer and beneficial owner of the customer on the basis of the risk assessment, the creditor shall ascertain whether:

18.1. the customer or the beneficial owner of the customer is a person that should be recognised as a politically exposed person, a family member of a politically exposed person, a person closely associated with a politically exposed person;

18.2. the activities of the customer are untypical by making early repayment of the credit, repayment from third parties or in cash in unusually large amounts, or by making overpayments.

[*18 April 2023*]

19. In respect of the customers which are legal persons, the creditor shall, when determining the risk inherent to the economic, professional, or personal activity of the customer or beneficial owner of the customer on the basis of the risk assessment, in addition to the circumstances referred to in Paragraphs 17 and 18 of this Regulation, ascertain whether:

19.1. the customer provides such services for which the possibility to substantiate the fact of the provision of services by documents is made difficult;

19.2. the customer or beneficial owner of the customer is a person who is associated with the field of activity in which cash transactions have a significant role;

19.3. the type of economic activity of the customer is related to a higher risk sector.

[*18 April 2023*]

20. When determining the risk inherent to the activities of the customer on the basis of the risk assessment, the creditor shall take into account whether:

20.1. there are any grounds to believe that the customer is trying to avoid the laid down payment thresholds;

20.2. the customer tries to avoid the provision of information or tries to conceal his or her economic activity.

[*18 April 2023*]

21. When determining the risk inherent to the legal form and structure of the owners of the customer on the basis of the risk assessment, the creditor shall, in respect of customers who are legal persons, ascertain whether the customer is a legal person whose structure of the owners or participants makes it difficult to determine the beneficial owner and, where the structure of the owner of the customer is changed, the reasons for the change of owners are unclear, and shall take into account the acquired information.

22. When assessing the risk of the country and geographical risk of the customer and beneficial owner of the customer on the basis of the risk assessment, the creditor shall ascertain whether:

22.1. the customer or beneficial owner of the customer is a non-resident;

22.2. the customer receives the services of the creditor in such credit institution or payment service institution which is licensed in the Member State of the European Union or in the Member State of the European Economic Area.

23. In respect of the customers and beneficial owners of the customer which are legal persons, the creditor, when assessing the country and geographical risk of the customer on the basis of the risk assessment, shall, in addition to the circumstances referred to in Paragraph 22 of this Regulation, take into account at least:

23.1. the jurisdiction where the customer or beneficial owner of the customer is located;

23.2. the jurisdiction where the customer or beneficial owner of the customer carries out the economic or professional activity;

23.3. the jurisdiction with which the customer or beneficial owner of the customer has significant personal or economic activity links.

24. When assessing the risk of the country and geographical risk of the customer and beneficial owner of the customer, the creditor shall ascertain whether the country or the territory is:

24.1. included in the list of a low-tax or tax-free countries or territories approved by the Cabinet;

24.2. included in the list of the non-cooperating countries of the Financial Action Task Force, or is such on which the abovementioned organisation has published the notification as the country or territory in which there are no laws or regulations regarding the prevention of money laundering or terrorism and proliferation financing, or in which they have significant deficiencies and therefore they do not comply with the international requirements;

24.3. included in the list of those countries approved by the European Commission which are recognised as high risk countries.

[*18 April 2023*]

25. When assessing the risk inherent to the services and products used by the customer on the basis of the risk assessment, the creditor shall take into account at least:

25.1. the level of transparency of the service or product used by the customer;

25.2. the level of complexity of the service or product used by the customer;

25.3. the amount of the turnover of possible funds of the service or product used by the customer.

26. [18 April 2023]

27. When assessing the risk associated with the type (channel) in which the customer acquires and uses the service or product on the basis of the risk assessment, the creditor shall take into account at least:

27.1. remote identification of customers, unless the creditor fulfils the conditions referred to in Section 22, Paragraph two, Clause 1 of the Law;

27.2. scope and type in which the creditor uses intermediaries and agents in relations with customers.

[*18 April 2023*]

**3.2. Requirements for the Risk Assessment of the Customer of a Provider of Debt Recovery Service**

28. The provider of debt recovery service shall assess the features and factors that reduce and increase the risk of the customer, determine the risk of the customer, and assign the customer to one of the customer risk levels, ranging from a lower risk level to a higher risk level.

[*18 April 2023*]

28.1 When carrying out a risk assessment of the customer and determining the appropriate due diligence measures, the provider of debt recovery service shall take into account:

28.11. the risk increasing factors specified in the Law and other laws and regulations governing the activity of the provider of debt recovery service and also the risk reducing factors if the provider of debt recovery service considers the determination of risk reducing factors to be appropriate and has documented it accordingly;

28.12. the risks identified in the national risk assessment of the Republic of Latvia;

28.13. the risks identified in the European Union risk assessment carried out by the European Commission;

28.1 4. the risk factors specified in the Joint Guidelines of the European Banking Authority and the European Securities and Markets Authority in so far as they are relevant to the provider of debt recovery service;

28.15. risks arising from reports, decisions, or typologies developed by law enforcement institutions or supervisory and control authorities;

28.16. other risks specific to the provider of debt recovery service and its customers, services, and service delivery channels.

[*18 April 2023*]

28.2 The provider of debt recovery service shall carry out customer due diligence in accordance with the inherent risk of the customer, including by taking into account the risk factors referred to in the sources referred to in Paragraph 28.1 of this Regulation.

[*18 April 2023*]

29. When determining the risk inherent to the customer on the basis of the risk assessment, the provider of debt recovery service shall ascertain whether any requests regarding the customer have been received from the Financial Intelligence Unit of Latvia, supervisory authority, investigating institutions, Office of the Prosecutor, or court in relation to suspicions of money laundering, terrorism and proliferation financing or commitment of other criminal offence.

[*18 April 2023*]

30. When determining the risk inherent to the customer on the basis of the risk assessment, the provider of debt recovery service shall ascertain whether any requests regarding the customer have been received from an investigating institution, Office of the Prosecutor, or court within the framework of criminal proceedings in relation to money laundering, terrorism and proliferation financing or commitment of other criminal offence.

[*18 April 2023*]

31. When determining the risk inherent to the economic, professional, or personal activity of the customer and beneficial owner of the customer on the basis of the risk assessment, the provider of debt recovery service shall, taking into account the specific nature of its activities, in addition to the circumstances referred to in Paragraphs 29 and 30 of this Regulation, ascertain whether:

31.1. the customer provides such services for which the possibility to substantiate the fact of the provision of services by documents is made difficult;

31.2. the customer or the beneficial owner of the customer is a person that should be recognised as a politically exposed person, a family member of a politically exposed person, a person closely associated with a politically exposed person;

31.3. the customer is a person who is associated with the field of activity in cash transactions have a significant role;

31.4. the type of economic activity of the customer is related to a higher risk sector.

[*18 April 2023*]

32. When determining the risk inherent to the legal form, ownership structure, and activity of the customer on the basis of the risk assessment, the provider of debt recovery service shall take into account at least whether:

32.1. the transactions carried out by the customer and transferred for processing to a provider of debt recovery service within the framework of co-operation are complicated, untypically large for the economic, professional or personal activity of the customer or their legal and economic objective is unclear;

32.2. the customer tries to avoid the provision of information or tries to conceal his or her economic activity.

[*18 April 2023*]

33. When assessing the country and geographical risk of the customer and beneficial owner of the customer on the basis of the risk assessment, a provider of debt recovery service shall find out at least:

33.1. the jurisdiction where the customer or beneficial owner of the customer is located;

33.2. the jurisdiction where the customer or beneficial owner of the customer carries out the main economic or professional activity.

34. When assessing the country and geographical risk of the customer and beneficial owner of the customer, the provider of debt recovery service shall ascertain whether the country or the territory is:

34.1. included in the list of a low-tax or tax-free countries or territories approved by the Cabinet;

34.2. included in the list of the non-cooperating countries of the Financial Action Task Force, or is such on which the abovementioned organisation has published the notification as the country or territory in which there are no laws or regulations regarding the prevention of money laundering or terrorism and proliferation financing or in which they have significant deficiencies and therefore they do not comply with the international requirements;

34.3. included in the list of those countries approved by the European Commission which are recognised as high risk countries.

[*18 April 2023*]

35. When assessing the risk inherent to the services and products used by the customer on the basis of the risk assessment, a provider of debt recovery service shall take into account at least:

35.1. the level of transparency and complexity of the service or product used by the customer;

35.2. the amount of the turnover of possible funds of the service or product used by the customer;

35.3. the amount of the transaction and number of persons associated with the customer;

35.4. the type of the customer identification.

36. The provider of debt recovery service shall determine and take into account, on the basis of a risk assessment, whether the transactions transferred by the customer are consistent with the economic activities of the customer and the purpose of the business relationship by assessing the risks inherent to the services and products used by the customer.

[*18 April 2023*]

36.1 When assessing the risk associated with the type (channel) in which the customer acquires and uses the service or product on the basis of the risk assessment, the provider of debt recovery service shall take into account at least:

36.11. remote identification of customers, unless the provider of debt recovery service fulfils the conditions referred to in Section 22, Paragraph two, Clause 1 of the Law;

36.12. scope and type in which the provider of debt recovery service uses intermediaries and agents in relations with customers.

[*18 April 2023*]

**4. Procedures and Requirements for Customer Due Diligence**

**4.1. General Customer Due Diligence**

37. In order to ensure uniformity, completeness, and continuity of the customer due diligence process, the creditor and the provider of debt recovery service shall carry out the customer due diligence on all circumstances affecting the risk in general.

[*18 April 2023*]

38. The creditor, in respect of the customers who are legal persons, and a provider of debt recovery service before the commencement of co-operation with the customer shall ensure at least:

38.1. the verification of customer identification information;

38.2. verification of the information provided by the customer on the conformity with the particular transaction, and ascertain that the documents submitted by the customer do not contain the signs of possible falsification.

39. If the risk level laid down in the risk assessment is high for the particular customer, and also for the customers who form the group of customers associated with the particular customer, the creditor and the provider of debt recovery service shall apply enhanced customer due diligence measures before the commencement of co-operation and during the co-operation.

**4.2. Enhanced Customer Due Diligence**

40. The creditor and the provider of debt recovery service shall maintain the assessment granted to each circumstance affecting the risk in order to ensure its use for the determination of the risk level for the customer.

[*18 April 2023*]

41. The creditor and the provider of debt recovery service shall determine the cases when enhanced customer due diligence is to be carried out in conformity with the customer risk level by taking into account also the requirements for the risk assessment and other identified risk increasing factors.

[*18 April 2023*]

**5. Minimum Amount of Enhanced Customer Due Diligence**

42. Upon establishing the conformity of the customer with any of the cases when enhanced customer due diligence is to be carried out, the creditor and the provider of debt recovery service shall implement at least the following measures:

42.1. acquire additional information on the type of the economic, professional or personal activity of the customer and beneficial owner thereof, and also origin of those funds which are used to fulfil the financial obligations, existing or intended co-operation with the creditor and the provider of debt recovery service, the nature of business relationships, planned amounts of transactions and the place of performance of economic or professional activity or place of residence of the customer (actual address of the customer);

42.2. find out additional information on the beneficial owner of the customer if the customer is a legal person or it is known or there are substantiated suspicions that the customer has established business relationships in the interests or on behalf of other person;

42.3. find out by using publicly available information whether the customer, his or her authorised person and beneficial owner have been previously punished or is suspected of committing such criminal offence which is related to fraud, money laundering or attempt of such actions;

42.4. find out the following information on the reputation of the customer:

42.4.1. whether there is public information of negative nature on the customer or beneficial owner of the customer which attests to a potential relation to proceeds of crime or their laundering, or to terrorism and proliferation;

42.4.2. whether there is public that the funds of the customer or beneficial owner of the customer have been previously frozen or seized in relation to potential criminal activities;

42.4.3. whether the creditor and the provider of debt recovery service have earlier provided a report on suspicious transaction in respect of the customer or beneficial owner of the customer;

42.4.4. additional information on the beneficial owner of the customer if the customer is a legal person or it is known or there are reasonable grounds to suspect that the customer has established business relationship in the interests or on behalf of other person.

[*18 April 2023*]

43. In order to ascertain that the beneficial owner indicated by the customer or found by the creditor or the provider of debt recovery service is the beneficial owner of the customer, the creditor and the provider of debt recovery service shall take one or several of the following actions:

43.1. acquire additional information on the financial situation of the beneficial owner by requesting information from the customer or using other sources of information;

43.2. ascertain whether the economic, professional or personal activity carried out by the beneficial owner corresponds to or is related with the economic or professional activity carried out by the customer of the creditor and the provider of debt recovery service;

43.3. acquire other information which attests that the person who is indicated as the beneficial owner controls the customer and gains benefit from its activity;

43.4. [18 April 2023].

[*18 April 2023*]

44. The creditor and the provider of debt recovery service shall determine the regularity and scope of the transaction monitoring and enhanced customer due diligence by taking into account the existing risks and risk assessment level determined for the customer.

45. The creditor and the provider of debt recovery service shall compile and maintain a summary of the information on monitoring of business relationships and occasional transactions in which, in addition to the requirements laid down in the Law, all suspicious transactions shall be registered, including those transactions on which the decision not to notify the Financial Intelligence Unit of Latvia has been taken in the result of due diligence.

[*18 April 2023*]

46. As regards the customers for whom the enhanced customer due diligence has been carried out during the last 12 calendar months, the creditor and the provider of debt recovery service shall, at least once in 12 calendar months, ascertain that the risk increasing factors identified for the customer and the determined risk level have not changed and that the transactions carried out by the customer do not generate suspicions of money laundering and terrorism and proliferation financing, and ensure that the information at their disposal which characterises the economic or professional activity of the customer is current.

[*18 April 2023*]

**6. Monitoring of Transactions**

47. The creditor shall, based on the risk assessment, determine payment thresholds for a certain period of time. If those thresholds are exceeded, it shall be considered that activity of the customer is untypical.

[*18 April 2023*]

48. The payment thresholds referred to in Paragraph 47 of this Regulation shall be differentiated based on the maximum amount of loan available to customers, time period and regularity of transactions in relation to the circumstances referred to in Paragraph 50 of this Regulation.

49. In respect of the person who is repaying a debt, the provider of debt recovery service shall, based on the risk assessment, determine thresholds for one payment and payments during a year. If those thresholds are exceeded, it shall be considered that activity of the person is untypical.

[*18 April 2023*]

50. Within the framework of the monitoring of transactions, the creditor shall pay attention and ascertain whether:

50.1. a customer makes the repayment in cash, if the payment thresholds referred to in Paragraph 47 of this Regulation are exceeded;

50.2. a third party makes the repayment instead of the customer, if the payment thresholds referred to in Paragraph 47 of this Regulation are exceeded;

50.3. overpayment is made, if the payment thresholds referred to in Paragraph 47 of this Regulation are exceeded;

50.4. when making the payment, the customer or third party tries to avoid the payment thresholds referred to in Paragraph 47 of this Regulation.

51. Within the framework of the monitoring of transactions, the provider of debt recovery service shall pay attention and ascertain whether:

51.1. a person repays the debt in cash if the payment thresholds referred to in Paragraph 49 of this Regulation are exceeded;

51.2. a third party repays the debt;

51.3. when making a payment, the person tries to avoid the payment thresholds referred to in Paragraph 49 of this Regulation.

**7. Requirements for the Introduction and Improvement of Technological Solutions**

52. When introducing technological solutions, the creditor and the provider of debt recovery service shall ensure that they meet the requirements of the laws and regulations in the field of the prevention of money laundering and terrorism and proliferation financing, and are suitable for the model of economic or professional activity of the creditor and the provider of debt recovery service.

[*18 April 2023*]

53. At least the following risk management functions shall be ensured within the framework of technological solutions:

53.1. processing of information on the customer of the creditor, the customer of a provider of debt recovery service and person who fulfils the payment obligations;

53.2. classification of the customer risk, and maintenance and use of the risk assessment;

53.3. customer due diligence and monitoring of transactions;

53.4. the use of special lists of the creditor and the provider of debt recovery service (internal lists of the creditor and the provider of debt recovery service on the customer, the beneficial owner and authorised representatives thereof on whom negative information in relation to money laundering and terrorism and proliferation financing is available) and the list of sanctions (in conformity with the Law on International Sanctions and National Sanctions of the Republic of Latvia);

53.5. the supervision of such customers who are politically exposed persons, their family members or persons closely associated with the politically exposed person;

53.6. the management of reports on suspicious transactions.

[*18 April 2023*]

54. Technological solutions of the creditor and the provider of debt recovery service shall ensure the display of the overall level of money laundering and terrorism and proliferation financing risk determined for each customer. The creditor and the provider of debt recovery service shall compile an overall risk profile of the customer based on each risk increasing factor found during the risk assessment process in accordance with risk level.

[*18 April 2023*]

55. The creditor and the provider of debt recovery service shall ensure the continuity of operation and renewal of operation in emergency situations.

56. The creditor and the provider of debt recovery service shall notify the Consumer Rights Protection Centre of the establishment of new technological solutions not later than within 10 days after the introduction thereof.

[*18 April 2023*]

57. The creditor and the provider debt recovery service shall notify the Consumer Rights Protection Centre of making significant changes in its technological solution in relation to enhanced customer due diligence.

**8. Closing Provisions**

58. The Regulation shall come into force on 1 January 2019.

59. The creditor and the provider of debt recovery service shall submit the information referred to in Paragraph 14 of this Regulation to the Consumer Rights Protection Centre for the first time by 1 February 2019.

Prime Minister Māris Kučinskis

Deputy Prime Minister, Minister for Economics Arvils Ašeradens