

THE ETHICS COMMITTEE

[ECB/EC/21/5]

ECB-PUBLIC

[TRANSMITTED ON 22 NOVEMBER 2021]

Mr Māris Kālis
ECB Supervisory Board member
Deputy Governor of Central Bank of Latvia

Subject: Notification of a potential conflict of interest

Dear Mr Kālis,

Thank you for your letter, dated 8 November 2021, notifying – in line with the requirements of the Single Code of Conduct – a potential conflict of interest that may arise in relation to your participation in the decision-making of the ECB Supervisory Board in light of your financial involvement in a less significant credit institution not directly supervised by the ECB. In line with good administration, we have registered your notification.

Having reviewed the information provided, the Ethics Committee understands that mitigation measures are already in place at Latvijas Banka, i.e. that you are not involved in any issues related to the respective credit institution at national level and that you consider your participation in any decision-making in relation to this entity – should such issues reach the level of the ECB – might be perceived as impairing your impartiality and objectivity.

The Ethics Committee acknowledges your commitment to matters of good governance. Given that representatives of Latvijas Banka participate in Supervisory Board meetings without having any voting rights, and also taking into account that the extent and nature of your involvement in the bank falls below the threshold requiring reporting in your ECB Declaration of Interests, the Ethics Committee considers that your above-mentioned financial involvement in this entity does not give rise to conflict of interest concerns under Article 11 of the Single Code of Conduct. Having said that, and in line with the previous Ethics Committee advice concerning your financial involvement with two other credit institutions¹, the Ethics Committee considers it opportune to mirror the safeguards already in place at national level for Supervisory Board deliberations on matters directly related to the entity in question and any subsidiary. This serves the purpose of accommodating the stricter national requirements and thereby to complement their meaningful implementation at the level of the Supervisory Board. *In praxi* this means that, until the national restrictions

¹ [ECB/EC/20/3](#)

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cease, you should neither be granted access to documents relating to the entity in question nor participate in discussions and deliberations (in meetings or written procedures).

The Secretary of the Ethics Committee will inform the Secretary of the Supervisory Board accordingly.

Last but not least, in line with the transparency policy adopted by the Governing Council in July 2020, it is recalled that opinions issued by the Ethics Committee on potential conflicts of interests matters will, as a rule, be published with a six months delay.

With best regards,

The Chair of the ECB Ethics Committee (Patrick Honohan)

Cc: Mr A Enria, Chair of the ECB Supervisory Board
Mr P Teixeira, Secretary to the ECB Supervisory Board