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Russia Says Denmark Has Not Asked for Help in Danske Bank case

By Reuters

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Ints Kalnins / Reuters

Danish and Estonian financial crime agencies have not asked Russia to help investigate a massive money laundering scandal at Danske Bank involving Russian and other account holders, Russia's financial monitoring service told Reuters on Wednesday.

The scandal involves 200 billion euros ($230 billion) in transactions processed by Denmark's biggest bank via its Estonian branch between 2007 and 2015, many of which the bank said last month it thinks are suspicious.

"As of today, we have not received any official request from Estonian or Danish law enforcement agencies or financial intelligence units (for) assistance within the existing international agreements and obligations," Rosfinmonitoring said in an email reply to questions from Reuters.

Some 23 percent of the incoming funds in the Estonian non-resident portfolio, the centre of the scandal, came from Russia, Danske Bank said in its report last month.

"It is really criticisable that the Danish authorities did not reach out to the Russians. It would have been very relevant to ask them, to find out: where does the money come from," Jakob Dedenroth Bernhoft, a Copenhagen-based expert on anti money laundering, told Reuters.

The case has, along with one involving Dutch financial group ING, prompted European authorities to call for stricter regulation of the financial sector.

Andrea Enria, head of the European Union's banking watchdog, said on Monday it had launched an inquiry into the Danish financial regulator's handling of the Danske case.

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Rosfinmonitoring is unconditionally ready to assist "in counteracting laundering of the proceeds of crimes, provided we receive such requests via the official channels," the watchdog said.

It also said Russian authorities as far back as 2007 notified Estonian authorities about Danske Bank's "improper behaviour and its involvement in suspicious transit operations".

Danske's report concluded the bank had failed to take proper action in 2007 when it was criticised by Estonia's regulator.

Danish business minister Rasmus Jarlov said on Wednesday the country's Financial Services Authority (FSA) had put too much rust in information provided by Danske.

"I think it's a problem that the FSA to a high degree is supervising the banks by asking them, and then get answers back," Jarlov said at an open hearing in the Danish parliament's business committee.

"I've asked the FSA how we can out of that situation, so that we will not, in another case, get into the same situation.

The FSA did not immediately reply to a request for comment.

Jarlov also said Danish authorities were in contact with counterparts in the United States regarding Danske.

Danske said last week it had "received requests for information from the U.S. Department of Justice (DOJ) in connection with a criminal investigation relating to the bank's Estonian branch".

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