

Brussels, 28. 03. 2019
FD/yw A(19)1073433 -- S(19)1944149

Dear Honorable Member,

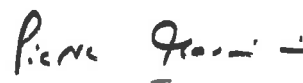
Thank you for your letter of 20 February 2019 concerning the bankruptcy of « Banco Espirito Santo Angola » (BESA), the Angolan subsidiary of the collapsed Portuguese bank Banco Espirito Santo (BES) in which you draw the Commission's attention to a number of problems which have arisen in connection with the declaration of bankruptcy of BESA.

The Union legal instrument which deals with bank failures is EU Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions (BRRD). This framework applies to banks established in the Union and not to their subsidiaries established in third countries. The framework only provides for the possibility for Union resolution authorities to enter into non-legally binding cooperation arrangements with third country resolution authorities.

In addition, as the Portuguese authorities took the decision to place the parent company BES under resolution on the basis of Portuguese national law¹ before the BRRD was implemented in Portugal, this case does not fall under the scope of the BRRD. From the information at our disposal, the Portuguese law fully transposing the BRRD is Lei 23-A/2015, which was published on 26 March 2015.

The failure of BESA therefore falls outside the scope of Union law and any problem that may have occurred in that context is governed by Angolan law and/or by Portuguese law. The Commission does not have the power to investigate these issues.

Yours sincerely, *amária*,



Pierre Moscovici

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¹ Decree Law 298/92, of 31 December 1992, Regime Geral das Instituicoes de credito e Sociedades Financeiras, "RGICSF", as amended by Decree-Law 31-A/2012, of 10 February 2012 ("DL31 A/2012")