Question for written answer Z-000052/2021

to the European Central Bank

Rule 140

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Subject: Legal certainty and stability of the European banking sector and safeguarding EU citizens’ financial rights

In June 2021, the US Department of Treasury sanctioned Bulgarian individuals and companies, resulting in their property on US territory being blocked and in a ban on transactions relating to their property by US citizens or persons in the US. These sanctions were not the result of a court case and are not backed by factual evidence.

According to Regulation 2271/96 there can be no direct extra-territorial application of third country legislation on EU territory. However, with Decision 441/2021, the Bulgarian Council of Ministers set up an extended blacklist of persons who fall or could potentially fall within the scope of these US sanctions. The same Decision ordered all institutions to terminate relations with these ‘blacklisted’ persons. The Bulgarian National Bank subsequently sent instructions for limitative measures, instructing banks to undertake discriminatory actions against blacklisted individuals - closing bank accounts and depriving them of the ability to perform any transactions, thus practically leading to ‘civil death’ for those concerned.

1. The ECB is responsible for the supervision of financial markets, institutions and payment-systems, so how does it ensure the stability of the banking system when such foreign measures are directly applied?

2. Would the ECB provide an opinion in order to guarantee legal certainty for banks and to protect the financial rights of those affected?