

DNB fined \$48 million for anti-money laundering breaches

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Norway's financial regulator has penalised the country's largest lender DNB for violating the Norwegian anti-money laundering law.

The Financial Supervisory Authority of Norway (FSA) [announced on 3 May](#) that it has fined the bank 400 million kroner (\$48 million) after an anti-money laundering inspection in 2020 found the bank breached Norway's Anti-Money Laundering Act 2018 and its predecessor legislation over "a long period of time".

The regulator found that, among other breaches, the bank failed to collect enough information on certain customers to determine whether they pose a high money laundering risk, according to [a 15-page summary of the regulator's investigation](#). The FSA also said that DNB gave the regulator misleading information about the steps the bank had taken to improve its compliance systems after a 2018 inspection that [uncovered "significant deficiencies"](#).

DNB has three weeks to appeal against the regulator's decision but said [in a statement](#) that it accepts the fine. However, the bank pushed back against the regulator's finding that the lender's board has not prioritised anti-money laundering efforts.

"DNB does not recognize the FSA's assessment that the board and management failed to prioritise anti-money laundering. The fight against money laundering is at the top of the board's agenda," the lender said.

The bank [warned investors in December](#) that it was facing a possible \$48 million penalty from the FSA.

Announcing the fine on Monday, the FSA said that a separate probe into the bank uncovered other instances of wrongdoing by the lender that are too old to charge. These alleged offences relate to banking services that DNB provided to Icelandic fishing company Samherji, which has been [the subject of bribery allegations in Namibia](#).

"The offences uncovered by [the FSA] in connection with the Samherji case mainly relate to matters that are time-barred or occurred under the former Anti-Money Laundering Act, in which there was no legal basis for imposing administrative sanctions," the regulator said in a statement.

The Icelandic company has consistently denied allegations, first published by WikiLeaks in 2019 and commonly known as the Fishrot Scandal, that the company bribed Namibian officials for access to the country's fishing quotas. [In a statement on Monday](#), the company said the FSA's report is "inaccurate" and added that it was "unfortunate" it wasn't given an opportunity to comment on the report before it was made public.

“Samherji has spent significant resources on getting to the bottom of the relevant facts in this matter,” the company said. “Two years since news broke about the so-called Fishrot case, no Samherji individual or company is charged,” it added.

In February, the Oslo Public Prosecutor’s Office [closed a criminal investigation](#) into DNB over banking services it provided to Samherji. Norway’s economic crime enforcer Økokrim [opened the investigation in 2019](#) and passed the probe to the public prosecutor in 2020, according to the FSA. The regulator said that when prosecutors closed the criminal probe into DNB they handed over evidence, including witness interviews, that the regulator used as part of its own investigation.

Nicolai Skridshol at SANDS Advokatfirma in Oslo said that the FSA’s penalty comes at a time when banks and financial institutions in Norway are upping their anti-money laundering efforts in response to scandals in other Nordic banks, such as at Denmark’s national lender Danske Bank. Skridshol said, however, that the FSA is pushing lenders to do even more to prevent illicit funds from entering the country’s financial system.

“Banks in general are focusing much more on how their clients are fulfilling their anti-money laundering obligations,” said Skridshol. “But the FSA are of the opinion that they have still not come as far as they expected them,” he added.