

ANDREW LEWER MBE MP  
NORTHAMPTON SOUTH



HOUSE OF COMMONS  
LONDON SW1A 0AA

Mark Carney  
Governor  
Bank of England  
Threadneedle St,  
London  
EC2R 8AH

5 December 2019

Dear Chancellor and Governor,

With regard to a meeting that is being sought this week with the Bank of England by two representatives of the Maduro regime in Venezuela in order to discuss the regime's request to transfer to it some US\$550m of gold: Were such a meeting to take place it would pose significant reputational risk to the Bank and may be in violation of US Treasury imposed sanctions.

I understand the Venezuelan regime representatives to be Simon Zerpa and Calixto Ortega Sanchez. The first, Zerpa, has been sanctioned by the US Treasury Department for his corrupt activities (see <https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170726.aspx>). He currently serves as Minister of Finance.

The second, Calixto Ortega Sánchez, presents himself as 'President' of the Venezuelan Central Bank. Because his appointment was not ratified by the National Assembly (as mandated by the Central Bank law and the Constitution), he is not a legitimate President. The Venezuelan National Assembly declared in June that Ortega Sánchez is 'usurping' its authority (see <http://www.unidadvenezuela.org/noticias/8673=an-aprobo-acuerdo-en-rechazo-al-nombramiento-de-calixto-ortega-como-presidente-del-bcv>).

I am sure that you will agree that it is entirely inappropriate for senior officials of the Bank of England to meet with an individual who has been placed on the US sanctions list for reasons of corruption. To treat with such an individual would threaten the reputation of both the Bank of England and the Government as a whole.

It also would be quite inappropriate for the Bank of England to confer respectability on a regime placeman such as Calixto Ortega who is unlawfully seeking to present himself as a central bank president.



HOUSE OF COMMONS

LONDON SW1A 0AA

It would be doubly inappropriate to discuss the subject of the transfer to gold with these two regime representatives, as it is well known that the regime operates its financial systems and misappropriates the assets of the Venezuelan people for the personal benefit of the leaders of the regime. The transfer of gold reserves from the Bank of England to Venezuela is likely to be used to money launder assets in direct violation of existing UN, UK and EU anti-money laundering and anti-corruption regulations.

The most egregious of the corrupt systems referred to above, is the currency exchange system, which is under the control of the two individuals who seek to meet with you. One of Mr. Zerpa's predecessors has just been sentenced to 10 years in US prison for his admitted theft of \$1 billion through this system. It is reported that his successors as finance minister are being investigated by the US Department of Justice for similar activities. It would be prudent to make appropriate enquiries of the US Authorities in this regard.

The existing complex government and military corruption and patronage system in Venezuela, linked to its official foreign exchange system, suggests that it is prudent for any authorities dealing with the regime to exercise careful consideration, due diligence, and risk assessment before any engagement.

I firmly believe that any transfer of gold to the regime would be quite wrong, as the proceeds would either be used for corrupt personal enrichment of regime leaders, or intensified repression of the population, or both. I urge you to reject the meeting request and decline any request to transfer gold until it is formally approved by the National Assembly.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Andrew Lewer', written over a horizontal line.

CC: Rt Hon Philip Hammond, Chancellor of Exchequer