

Economic Court

Published: 15.04.2021.

ECONOMIC COURT

Specialized court for effective examination of the matters of commercial disputes, economic and financial crimes and corruption cases

Effective and high-quality judicial system is a significant precondition for improvement of the commercial activity environment and welfare of inhabitants. Current access to judicial specialization - concentration of cases in one court: **FRAGMENTET SYSTEM, limited development possibilities.**

FACTS

- commercial courts operate in 101 out of 190 national economies of the world
- Majority of EU countries have one or several special courts
- Establishment of special commercial courts decrease the time period for examination (on average by 92 days)

KEY PURPOSE

Fast, high-quality and effective examination of complicated commercial disputes, economic and financial crimes and corruption cases, ensuring useful and rational use of the funds of the national budget.

AFTER ESTABLISHMENT OF THE ECONOMIC COURT:
SUSTAINABLE SYSTEM, with potential of further development



Discussions in the procedural draft law development work groups on the possible court competence

2019

Selection of judges and employees
Adoption of legal acts

2020

Training, provision of the equipment of premises

Economic court starts to operate

2021

ADVANTAGES



TO CONCENTRATE the current specialization in one place and the possibility to **DEVELOP** (expand) them.



Not only **TO DEVELOP** the current areas, but to **ENSURE** also the specialization in **OTHER** disputes.



TO PROMOTE development of the business environment **IN A COMPLEX MANNER**.*

** On the long-term perspective the growth of investment and business environment may be achieved only in the complex manner, providing fast and effective settlement of commercial disputes in accordance with the civil procedure, as well as trial of criminal cases on criminal offences, which significantly affects the investment environment.*

STRUCTURE OF THE COUR

- Specialized district (city) court as the first instance court. Appellate procedure - within the framework of the general jurisdiction (specialized chamber composed of Riga Regional Court).
- Place of location - Riga, territory of operation - across the whole Latvia.
- Load in the first instance - on average 25 criminal cases, 125 civil cases (in total 150 cases) per court in a year.
- Load in the appellate instance - on average 13 criminal cases per year, 55 civil cases (in total 68) cases per year per court.
- Up to 10 judges in the first instance, additional 4 judges - in the second instance.
- New positions of judges are not established, but the current vacant positions, not being completed for a long period of time, are used.

COMPETENCES OF THE COUR

Competence of the Economic Court covers examination of the following cases:

In Civil cases:

- claims, arising from underinsurance contracts;
- claims, arising from investment service or investment ancillary service agreements;
- claims of the depositors of the European Union Member States against the Latvian state regarding protection of deposits;
- claims, arising from legal relations of groups of companies;
- claims, arising from mutual legal relations between shareholders (stockholders) of capital companies;
- claims, arising from financial security agreements;
- claims, arising from transactions of capital companies with related persons of the companies for the purpose of the Commercial Law and Financial Instrument Market Law;
- claims, arising from the transfer of enterprises and reorganization of the company, except claims of employees;
- claims, arising from contractual liabilities between participants of the construction process, including sub-contractors, with regard to the construction of the structure of the second and third group, the implementation of which needs a construction permit, except construction of a separate residential house of one apartment or two apartments and structures functionally related to it;
- claims about violations of competition law;
- claims about decisions of shareholders (stockholders) of capital companies;
- claims regarding liquidation and insolvency of credit institutions.



In the criminal cases:

- laundering of the proceeds of crime and terrorism and proliferation financing;
- corruptive criminal offences, as well as criminal offences in relation to acceptance of non-permitted benefit, non-permitted participation in property transactions and giving, requesting or acceptance of unlawful benefit, committed by a public official or official, who holds a responsible position, or an employee of the state and municipal authority, who is not a public official, or if a bribe or unlawful benefit has been accepted after extortion or requesting



Competences of the economic court are defined, when analysing the fields, requiring immediate solution, in order to ensure well-considered, prudential and gradual approach with regard to determination of the competence of the court, as well as in order to avoid rush of cases during the first years of operation.



Tieslietu ministrija

<https://www.tm.gov.lv/en/economic-court>