

I. ADMINISTRATIVE ENFORCEMENT

Which administrative mechanisms are available to enforce the Directives?

- In Latvia, Directives **2011/83** (Consumer Rights), **93/13** (Unfair Contract Terms) and **1999/44** (Consumer Sales and Guarantees) are implemented in the Consumer Rights Protection Law (in Latvian “Patērētāju tiesību aizsardzības likums”) (hereinafter – **Consumer Law**). It is the main legislative act regulating consumer rights. The supervision and control of compliance with the Consumer Law and related Cabinet of Ministers Regulations is carried out by the [Consumer Rights Protection Centre](#) (in Latvian “Patērētāju tiesību aizsardzības centrs”) (hereinafter – **Centre**). According to Article 24 of the Consumer Law, the Centre is a direct administration institution supervised by the Minister for Economics. The purpose of the Centre is to implement the protection of consumer rights and interests and perform market supervision. As such, the Centre proactively seeks out violations of consumer rights, investigates consumers’ complaints, adopts decisions, which are binding to the traders, as well as offers conciliation in case of disputes between consumers and traders. Given the number of investigations carried out by the Centre (see e.g. [Yearly reports of the Consumer Rights Protection Centre](#)) and the substantial role of the Centre in consumer rights enforcement, the tendency towards administrative enforcement can be described as strong.

Enforcement of Consumer Law is also carried out by other competent and duly authorised authorities (as specified in the Latvian Administrative Violations Code) together with municipalities and associations for protection of consumer rights.

- Directive **2008/122** (Timeshare) is implemented in the Consumer Law as well as in Cabinet of Ministers Regulation No. 136, dated 22 February 2011, “Regulations Regarding Contracts on the Right of Long-term Use of Holiday Accommodations, Long-term Contracts on Holiday Products, Contracts on the Resale of the Right of Long-term Use of Holiday Accommodations or Holiday Products and Contracts for Exchange of Long-term Right to Holiday Accommodations” (adopted pursuant to the Consumer Law), which is enforced by the Centre.
- Directive **98/6** (Price Indication) is implemented in the Cabinet of Ministers Regulation No. 178, dated 18 May 1999, “Procedures for Displaying Prices of Products and Services” (adopted pursuant to the Consumer Law). The compliance with the transposed provisions of Directive 98/6 (Price Indication) is controlled simultaneously by the Centre, the municipalities’ administrative commissions and the municipal police.
- Directive **2006/114** (Misleading and Comparative Advertising) is implemented in the Advertising Law. The supervisory authorities, each within their field of supervision, are the [Competition Council](#) (if a violation has caused or can potentially cause significant harm to competition), the [National Electronic Mass Media Council](#) (radio and TV advertising), the [Health Inspectorate](#) (in matters concerning medicines) and the [Food and Veterinary Service](#) (in matters concerning advertising of veterinary medicines, which are intended for providers of veterinary pharmaceutical and veterinary medical services) and courts.
- Directive **2005/29** (Unfair Commercial Practices) is implemented in the Unfair Commercial Practice Prohibition Law. The supervisory authority is the Centre, but in matters concerning

	<p>medicines – the Health Inspectorate.</p> <ul style="list-style-type: none"> • Directive 90/314 (Package Travel) is implemented in the Tourism Law and in the Cabinet of Ministers Regulation No. 353, dated 13 April 2010, “Regulations Regarding the Rights and Duties of Tourism Operators, Tourism Agents and Clients, the Procedures for the Preparation and Implementation of a Package Tourism Service, the Information to be Provided to a Client and the Procedures for Deposition of Security Guarantee of Money” (adopted pursuant to the Tourism Law). The supervisory authority is the Centre (according to Article 215.⁴ of the Latvian Administrative Violations Code). <p>Please find below the yearly reports of the supervisory authorities:</p> <p>Yearly reports of the Consumer Rights Protection Centre Yearly reports of the Health Inspectorate Yearly reports of the Food and Veterinary Service Yearly reports of the Competition Council Yearly reports of the National Electronic Mass Media Council</p>
<p>Who can file administrative complaints? Can investigations be initiated ex officio?</p>	<p>Administrative complaints addressed to the Centre or other supervisory authorities can be filed by:</p> <ol style="list-style-type: none"> 1) an association for consumer rights protection; 2) an institution responsible for controlling the relevant sector; 3) an EU institution listed in Article 4(3) of Directive 2009/22 (Injunctions Directive); 4) any other person. <p>The supervisory authority will investigate complaints on a priority basis. The supervisory authorities are also entitled to initiate administrative proceedings <i>ex officio</i>. Proceedings are always considered to be initiated <i>ex officio</i> when they are initiated on a basis of a complaint by <i>any other person</i> as listed above.</p>
<p>Do any specific procedural requirements apply to filing administrative complaints?</p>	<p>No specific procedural requirements apply. The application must comply with general document drafting requirements and provide at least the following - the name and address of the person who files it, registration number for legal entities, a description of the nature of the complaint and other information so that the competent authority may understand the action sought and activity complained about. The application must be signed. There are no standard complaint forms approved.</p>
<p>Do the administrative authorities have an obligation to investigate the complaint?</p>	<p>The Centre has an obligation to perform at least a preliminary assessment according to Article 25(8⁴) of the Consumer Law. If a violation and threat to the collective interests of consumers are found, it will adopt measures to end the violation. If a preliminary assessment of the complaint indicates a possible violation that has caused or could cause significant harm to the collective interests of consumers, the authority may initiate an administrative case and perform a thorough investigation. However, this is done in priority order. The Centre usually publishes its list of priorities on its website: www.ptac.gov.lv.</p> <p>If the Centre does not find a violation and a threat to the collective interests, it may not initiate an administrative case, but is obliged to inform the complaining person of its decision. The Centre, therefore, is obliged to respond to any application and make at least a preliminary assessment (as noted before), however, it is not always obliged to initiate administrative cases.</p>

	<p>However, only a consumer is entitled to submit a complaint about infringement of its <u>individual rights</u>. If in such a case the Centre or other supervisory authority is in doubt that the complaining person is a consumer, it is entitled to request evidence substantiating that the person is indeed a consumer. If no evidence is submitted, the authority may terminate the administrative proceedings (Article 25(3) of the Consumer Law).</p> <ul style="list-style-type: none"> • Violations of Directive 2005/29 (Unfair Commercial Practices) & Violations of Directive 2006/114 (Misleading and Comparative Advertising) <p>Supervisory authorities investigate the complaints according to their priorities. The Competition Council must investigate a violation, if it has caused or can potentially cause significant harm to competition</p> <p>The authorities do not investigate complaints, if a decision has been adopted in respect of that same activity, but concerning <u>the other type</u> of violation (i.e., either unfair commercial practice or a violation of advertising requirements).</p>
<p>Are there any specific requirements regarding the provision of evidence to the competent authorities?</p>	<p>Generally no specific requirements apply for provision of evidence by the complaining party. The obligation to perform investigation and gather evidence on which the decision is based lies with the authority. Nevertheless, the more information (evidence) is provided to the authority proving the correctness of the claim, the easier and faster the authority will be able to adopt its decision. The authorities are subject to limited financial and administrative resources; therefore not all investigations can be carried out to extent the applicant would desire.</p> <p>The Centre is entitled to visit producers and traders at any time without prior warning, and to request and receive all necessary information, which in turn would count as evidence during the administrative proceedings.</p> <ul style="list-style-type: none"> • Violations of Consumer Law (Directives 2011/83 (Consumer Rights), 93/13 (Unfair Contract Terms) and 1999/44 (Consumer Sales and Guarantees), 98/6 (Price Indication), 2008/122 (Timeshare), 90/314 (Package Travel)): <p>Any person can submit a complaint about infringement of consumer's collective rights, but only a consumer is entitled to submit a complaint about infringement of its <u>individual rights</u>. If in such a case the Centre or other supervisory authority is in doubt that the complaining person is a consumer, it is entitled to request evidence substantiating that the person is indeed a consumer. If no evidence is submitted, the authority may terminate the administrative proceedings.</p> <p>If the Centre has adopted a decision requiring a trader to perform specific actions in order to remedy a violation, the trader is obliged to inform the Centre within a given deadline about the performance of those actions. If no information is provided, the Centre will impose a fine on the trader.</p> <p>The Centre can also provide assistance (mediation) in a dispute between a consumer and a trader. In order to receive such assistance, a consumer must provide documents and other evidence substantiating his claim, as well as evidence of making prior attempts in solving the</p>

	<p>dispute through negotiation with the trader.</p> <ul style="list-style-type: none"> • Violations of Directive 2005/29 (Unfair Commercial Practices) & Violations of Directive 2006/114 (Misleading and Comparative Advertising) <p>The supervisory authority is entitled to request all necessary information from a trader and perform control purchases. If the trader does not provide the requested information or provides incomplete information, the authority is entitled to consider that the information utilized in commercial practice or advertising is imprecise or false.</p> <p>If a complaint about a violation of the Advertising Law is addressed to the Competition Council, it must be accompanied by evidence that the violation has caused or can potentially cause significant harm to competition.</p>
II. ENFORCEMENT THROUGH COURT ACTION	
<p>Which court actions are available to enforce the Directives?</p>	<p>The applicant, irrespective of proceedings initiated with the authority, may file a civil claim in court seeking damages or other remedies for consumer rights violations.</p> <p>When examining civil disputes related to violations of the Advertising Law (which implements provisions of Directive 2006/114 (Misleading and Comparative Advertising)), the court also has some of the rights conferred to the supervisory authorities (Article 17 of the Advertising Law).</p> <p>The legal obligations, fines and other sanctions imposed by an authority for administrative violations can be appealed in courts of general jurisdiction according to the procedure established in the Latvian Administrative Violations Code. The authority's decisions falling outside the scope of administrative violations must be appealed before the Administrative court according to the procedure laid down in the Administrative Procedure Law.</p>
<p>Who can start a court action?</p>	<ul style="list-style-type: none"> • Any person affected by the authority's decision or the trader's violation can bring an action in court. An applicant, however, must prove that it has been affected and therefore has a legitimate interest to initiate such a claim. • The Centre is entitled to bring a claim before the court when defending consumer rights and lawful interests (Article 25(6) of the Consumer Law). • Furthermore, associations for protection of consumer rights may also submit claims to court in order to protect consumer rights and interests (Article 23(3) of the Consumer Law).
<p>Can court actions be initiated by competitors?</p>	<p>Competitors can initiate a civil case if they have suffered an injury because of the defendant's unlawful actions.</p>
<p>Can the case be handled through an accelerated procedure?</p>	<p>There is an interim measures procedure, which may be considered as somewhat acceleratory. An authority may impose interim measures against the trader while it finishes the review of a case and adopts its</p>

	<p>final decision. Among the interim measures that can be applied by authorities is a prohibition to a trader to conduct certain commercial practices. The affected trader may appeal the interim measure in the District Court of Administrative Cases within 10 days from their coming into effect and the court must review such an appeal within 14 days. Submission of an appeal does not render the interim measure ineffective and the decision of the District court is final and cannot be appealed.</p>
<p>Are there any specific requirements regarding the provision of evidence to the court?</p>	<p>In civil proceedings the claimant must support its claims in court with appropriate evidence. The claimant may ask the court to request evidence from other parties if the claimant does not possess them.</p> <p>In administrative proceedings the claimant must provide evidence, if such is available to the claimant. If not, the court may gather the necessary evidence itself.</p>
<p>Are there specific procedural reliefs for consumers or consumer associations?</p>	<p>There are no procedural reliefs intended specifically for consumers or consumer associations.</p>
<p>III. SANCTIONS</p>	
<p>What are the possible civil sanctions and remedies for the infringement of the provisions of the Directives?</p>	<p>Through civil proceedings the claimant may seek compensation for the harm suffered and request the court to order termination of the illegal activities. The compensation might include damages, contractual penalties, interest and compensation of moral harm. It is possible that the judgement will eventually be published in the database operated by the Court Administration, but such a decision is attributable to the administrative management of courts and is not related to sanctions.</p> <p>There are no specific civil remedies for breaches of the Directives.</p>
<p>What are the possible criminal sanctions for the infringement of the Directives' provisions?</p>	<p>The following sanctions are provided under the articles of the Criminal Law:</p> <p>Art. 211. For a person who commits unfair competition, misleading advertising or unfair commercial practices, if substantial harm has been caused thereby to the State or to the interests protected by law of another person, the applicable punishment is temporary deprivation of liberty or community service, or a fine from 3 to 100 minimum wages.</p> <p>Art. 202. For a person who knowingly commits producing and selling such goods, or providing to consumers such services, as fail to comply with quality requirements set out in regulatory enactments or technical standards documents or agreements, as a result of which substantial harm is caused to the health of the consumer, his or her property or the environment, the applicable punishment is deprivation of liberty for a term up to two years or temporary deprivation of liberty, or community service, or a fine from 5 to 1000 minimum wages.</p> <p>Art. 205. For a person who commits intentional violation of trading provisions issued by State institutions, if such has resulted in a substantial harm to the State or consumer interests protected by law, the applicable punishment is deprivation of liberty for a term up to one year or temporary deprivation of liberty, or community service, or a fine from 5 to 1000 minimum wages.</p> <p>The minimum wage in Latvia in 2017 is EUR 380.</p>

According to Article 23 of the law On the Procedures for the Coming into Force and Application of the Criminal Law “substantial harm” is understood as either:

- 1) material losses in the amount of at least 5 minimum wages and threat to other interests protected by the law;
- 2) material losses in the amount of at least 10 minimum wages;
- 3) significant threat to other interests protected by the law.

The sanctions listed above are applied to natural persons, but coercive measures may be applied to the legal person in whose interests the natural person had acted.

Punishments for natural persons:

When deciding on the type of punishment, taken into consideration is the nature of and harm caused by the criminal offence, as well as the personality of the offender (Article 46 of the Criminal Law).

When determining the extent of punishment, both mitigating (Article 47 of the Criminal Law) and aggravating circumstances (Article 48 of the Criminal Law) are taken into consideration. Among other mitigating circumstances is the fact that the offender has compensated or rectified the harm caused to the victims. The list of mitigating circumstances is not exhaustive – the court may find other circumstances to be mitigating as well. Among aggravating circumstances are repeated offences, greed, serious consequences (e.g., losses amounting to at least 50 minimum wages), etc. No direct link between the trader’s turnover and the amount of fine is provided.

Coercive measures for legal persons:

Coercive measures are: liquidation; limitation of rights; confiscation of property; and fine. For the criminal offences listed above a fine may be imposed on a legal person from 5 up to 50.000 minimum wages.

According to Article 70.⁸ of the Criminal Law, when deciding on the type of coercive measure the nature of the criminal offence and the harm caused must be taken into consideration. When determining the extent of a coercive measure, the following circumstances are taken into consideration:

- 1) the actual conduct of a legal person;
- 2) the nature and consequences of the acts of a legal person;
- 3) measures which a legal person has performed in order to prevent the committing of a criminal offence;
- 4) the size, type of activities, and financial circumstances of a legal person;
- 5) measures which a legal person has performed in order to compensate for the losses caused or prevent the damage caused;
- 6) whether a legal person has reached a settlement with the victim.

The sanctions listed above (both for natural and legal persons) can be imposed by either a court or in some cases by a prosecutor (e.g., if the prosecutor decides on a simplified procedure that does not involve the court (not applicable to deprivation of liberty)). None of the fines described above are directly linked to trader’s turnover, however, it might be taken into account as a “financial circumstance” when determining the extent of a coercive measure for a legal person. The Latvian legislation does not decide on the purpose to which the profits from fines are dedicated.

What are the possible

Administrative sanctions for infringements of Directives **2011/83**

administrative sanctions for the infringement of the Directives' provisions?

(Consumer Rights), [93/13](#) (Unfair Contract Terms), [1999/44](#) (Consumer Sales and Guarantees), [2008/122](#) (Timeshare), [98/6](#) (Price Indication) and [90/314](#) (Package Travel) are all provided in the Latvian Administrative Violations Code. Sanctions for infringements of Directives [2005/29](#) (Unfair Commercial Practices) and [2006/114](#) (Misleading and Comparative Advertising) are provided in the law that implements the particular Directive (namely the Unfair Commercial Practice Prohibition Law and the Advertising Law).

Sanctions according to the Latvian Administrative Violations Code:

166.¹¹

In the case of offering a goods and service guarantee not complying with the requirements specified in the regulatory enactments – a fine shall be imposed on natural persons in an amount up to EUR 140, but for legal persons – from EUR 140 to EUR 700.

If the same violations are recommitted within a year after the imposition of an administrative sanction – a fine shall be imposed on natural persons in an amount up to EUR 350, but for legal persons – from EUR 430 up to EUR 1400.

(Penalties are imposed by the Centre.)

166.¹²

(1) For failure to provide written information set out in the laws and regulations regarding a product, service, manufacturer, seller or service provider or for placement of the goods, offering thereof or selling without labelling established by laws and regulations, or with labelling where the provided information or execution thereof does not conform to the requirements of the laws and regulations, or packaging units, or outer packaging, which does not conform to the requirements of the laws and regulations, –

a fine shall be imposed on natural persons in an amount from EUR 7 to EUR 350, but for legal persons – from EUR 30 up to EUR 700.

(Penalties are imposed by the Centre, Health Inspectorate and the Food and Veterinary Service – each according to its competence.)

175.⁹

In the case of the non-provision of information at the disposal of a person to an advertisement or consumer rights protection supervisory institution after a request therefrom within a specified time period and in the specified amount or of the provision of false information, as well as of the non-fulfilment of the lawful requests or decisions of the supervisory institution – a fine shall be imposed on natural persons in an amount up to EUR 700, but for legal persons – from EUR 70 up to EUR 14.000.

(Penalties are imposed by the Centre, Health Inspectorate, [National Electronic Mass Media Council](#) and the Food and Veterinary Service – each according to its competence.)

155.

(5) For failure to state a price for goods or service in accordance with the requirements specified in the regulatory enactments – a fine shall be imposed on natural persons in an amount from EUR 15 to EUR 210, but for legal persons – from EUR 30 up to EUR 700.

(Penalties are imposed by the Centre, the municipalities' administrative commissions and the municipal police.)

155.¹¹

For offering or selling package tourism services without providing guarantee of safety of the funds paid by the customer, — a fine is imposed on legal entities from EUR 280 to EUR 4300. If committed repeatedly within one year after imposition of the administrative penalty, — a fine is imposed on a board member from EUR 140 to EUR 700, depriving of the right to hold certain positions in business companies, or without the latter.

(Penalties are imposed by the Centre.)

For failure to enter into a written contract of package tourism services in the cases set out by the laws and regulations — a fine is imposed on legal entities from EUR 70 to EUR 1400. If committed repeatedly within one year after imposition of the administrative penalty, — a fine is imposed on legal entities from EUR 210 to EUR 4300.

(Penalties are imposed by the Centre.)

According to Article 32(2) of the Latvian Administrative Violations Code, when determining administrative sanctions the nature of the committed infringement, the personality of the infringer, the degree of his or her culpability, his or her financial situation, as well as the circumstances mitigating and aggravating the infringer's liability should be taken into account.

Article 33 of the Administrative Violations Code holds a non-exhaustive list of mitigating circumstances, among them the fact that the infringer has voluntarily rectified the caused harm. Article 34, on the other hand, holds an exhaustive list of aggravating circumstances, such as prior similar infringements, non-compliance with an authorised person's request to cease the infringement, etc.

None of the fines described above are directly linked to the trader's turnover, however, the turnover might be taken into account as "infringer's financial situation" when determining the amount of the sanction. The fines are paid in either the state or municipality budget without further specification.

NB! Currently the Latvian legislator is deciding on a reform project of the administrative violations system. This would entail adopting a new Administrative Violations Procedure Law and abolishing the current Latvian Administrative Violations Code. The punitive provisions from the Code would be transferred to the legal acts where the corresponding duties are currently stipulated (so that a duty and a corresponding penalty for an infringement would be indicated in the same legal act). As a result, the numbering and wording of the above listed provisions, the associated penalties, as well as other features, may be subject to change.

Currently the project has passed two out of three legislative stages with the Latvian Parliament. At this point it is unclear when these changes may come into effect.

Regarding unfair commercial practices:

The supervisory authority is the Centre, but in matters concerning medicines – the Health Inspectorate. The supervisory authority is entitled to impose on a trader a fine in the amount of up to 10% of trader's last financial year's net revenue, but in any case not more than

EUR 100.000. If the trader does not perform other obligations ordered to him by the authority (e.g. provision of corrected information to consumers, refraining from unfair commercial practice), the authority may impose a fine of up to EUR 10.000. It may also suspend the operation of trader's website or seal trader's premises and thus halt the trader's operation until it complies with the orders. The amount of a fine must be proportionate to the infringement, taking into consideration the trader's attempts to rectify the infringement and compensate the losses.

According to Article 15.²(2) of the Unfair Commercial Practice Prohibition Law, the supervisory authority, upon passing a decision on imposition of a fine and amount thereof, shall take into account the following aspects, as well as evaluate whether the following conditions exist:

- 1) Nature and duration of the perpetrated infringement, effect caused (losses to the consumers), circumstances surrounding the infringement, role of the perpetrator in the infringement, and scope of the infringement;
- 2) By the date the decision is taken the trader has indemnified or commenced indemnification of the consumers for the losses incurred;
- 3) The infringement is discontinued at the initiative of the trader;
- 4) The trader has perpetrated infringement of the prohibition of unfair commercial practices repeatedly within a period of the last two years, and it is established by a decision of the supervisory authority or a written undertaking;
- 5) The trader has not complied with the written undertaking;
- 6) The trader has stalled review of the matter or concealed the perpetrated infringement.

The amount of the fine is not dependent on whether the trader is a natural or a legal person. The profits from fines are transferred to the general budget of the state, without further specification as to their purpose.

Regarding infringements of advertising requirements:

The supervisory authorities, each within their field of supervision, are the Centre, the [Competition Council](#) (if a violation has caused or can potentially cause significant harm to competition), the [National Electronic Mass Media Council](#) (radio and TV advertising), the [Health Inspectorate](#) (in matters concerning medicines) and the [Food and Veterinary Service](#) (in matters concerning advertising of veterinary medicines that are intended for providers of veterinary pharmaceutical and veterinary medical services).

The supervisory authority is entitled to impose on a trader a fine of up to EUR 14.000 for providing and distributing advertisements non-complying with the requirements for advertising. If the trader does not perform other obligations order to him by the authority (e.g. to withdraw advertising, exclusion of specific elements from advertisements, etc.), the authority may impose a fine of up to EUR 1400.

According to Article 20(3) of the of the Advertising Law, the supervisory authority, upon passing a decision on imposition of a fine and amount thereof, shall consider the following circumstances:

- 1) Nature and duration of the perpetrated infringement, circumstances surrounding the infringement, role of the perpetrator in the infringement,

	<p>and scope of the infringement;</p> <p>2) The addressee of the decision has indemnified or commenced indemnification of the damages incurred by the date the decision is taken;</p> <p>3) The infringement has been discontinued at the initiative of the advertiser or the distributor of advertising;</p> <p>4) The addressee of the decision has perpetrated the infringement in advertising sector repeatedly within a period of two years (and it is established by a decision of the supervisory authority or a written undertaking);</p> <p>5) The addressee of the decision has not carried out the actions set out in the written undertaking;</p> <p>6) The addressee of the decision has stalled review of the matter or conceals the perpetrated infringement.</p> <p>The amount of the fine is not dependent on whether the trader is a natural or a legal person. No link between the trader's turnover and the amount of fine is provided. The profits from fines are transferred to the general budget of the state without further specification as to their purpose.</p>
What are the contractual consequences of an administrative order or a judgment on an individual transaction under the Directives?	The supervisory authority may order a trader to rectify the committed violation, which might include obligation to amend existing contractual terms or to refrain from using them in the future. As a general rule, however, a decision by supervisory authority does not solve individual contractual relations.
Can authorities order the trader to compensate consumers who have suffered harm as a result of the infringement?	<p>According to Article 32 of the Consumer Law claims for damages and recovery of contractual penalties are to be solved in court according to the Civil Procedures Law.</p> <p>According to the Latvian Administrative Violations Code, if due to an administrative violation a person has incurred losses, the court is entitled (but has no obligation) to decide whether to order the infringer to pay damages. However, the applicability of this provision to consumer disputes is disputable. Furthermore, this provision is explicitly excluded from the draft Administrative Violations Procedure Law, which is supposed to replace the Latvian Administrative Violations Code.</p>
Can the administrative authorities or the courts require the publication of their decisions?	<p>The Centre routinely publishes all its decisions on its website and it is also entitled to publish written commitments of traders to rectify their violations. The Centre also publishes information regarding traders that have not complied with the Commission's for Solving Consumer Disputes (see Part IV below) decisions.</p> <p>Regarding unfair commercial practices: Where the supervisory authority has found a commercial practice to be unfair, it may order a trader to publish corrected information, which is needed to ensure compliance with the requirements of fair commercial practice. The authority is also entitled to publish (at the trader's expense) a written commitment by the trader to rectify the unfair commercial practice.</p> <p>Regarding advertising violations: The supervisory authority is entitled to publish (at the trader's expense) a written commitment by the trader to rectify his violations.</p>
IV. OTHER TYPES OF ENFORCEMENT	
Are there any self-regulatory enforcement systems in your	Some self-regulatory enforcement systems exist with respect to advertising practices. For example, Pharmaceuticals advertising ethics committee has been set up within the trade association of the

jurisdiction that deal with aspects of the Directives?	<p>pharmaceuticals manufacturers. It can impose fines and publish its decisions regarding violation.</p> <p>Similarly, the Latvian Advertising association has set up an ethics committee, which frequently reviews various forms of advertising. It can issue a warning to advertising professionals infringing its code of conduct or send recommendations to mass media not to publish the infringing advertisements. The committee also publishes its decisions on its website.</p> <p>However, irrespective of the decisions of these committees, the competent authorities are still free to decide on these cases if the self-regulatory system has not ensured the termination of the violation.</p> <p>The operators of mobile communications networks have adopted a code of conduct that limits the use of telemarketing and allows telemarketing calls to clients of other operators only if a prior agreement has been received. Non-compliance with the code would be considered unfair commercial practice (according to Article 9(1)(3) of the Unfair Commercial Practice Prohibition Law) and accordingly punished by the supervisory institution.</p>
Are there any out-of-court dispute settlement bodies available that deal with aspects of the Directives (e.g. mediation, conciliation or arbitration schemes ombudsmen)?	<p>The parties are free to reach settlement through any means they find appropriate, including mediation and arbitration. Nevertheless, there is a legal instrument intended specifically for consumer disputes: out-of-court consumer dispute settlement body (hereinafter – DSB). The requirements for DSBs are set out in the Law On Out-Of-Court Consumer Dispute Resolution Bodies (hereinafter – Law), which implements provisions of Directive 2013/11/EU (Alternative Dispute Resolution). DSBs are persons/institutions that examine disputes between consumers and traders and are included in a list of DSBs. DSBs exist in the fields of banking, financial services, insurance, public utilities, etc. A database of all Latvian DSBs is available on the Centre's website: http://www.ptac.gov.lv/lv/content/arpustiesas-pateretaju-stridu-risinataju-datubaze</p> <p>A DSB may reconcile the parties or adopt a decision, which may serve either as a recommendation or as a binding decision. However, the decision may only be binding to the parties if they have been informed about it beforehand and have agreed to it. Nevertheless, even such “binding” decision cannot be enforced by a state bailiff like in regular civil cases – it would still have to be brought before a court for examination. As such, a trader is more likely to comply with DSB's decision, if a DSB is able to exert some kind of pressure on the trader – for example, if the trader is a member of an association that is managing the particular DSB.</p> <p>According to Article 19.¹ of the Consumer Law a trader is obliged to indicate in his website or contract the DSB that examines disputes in the respective field. A trader is obliged to participate in the out-of-court dispute settlement (Article 4 of the Law). A DSB must adopt a decision within 90 days after it has received all the necessary evidence (also electronically). The Law does not prohibit a DSB from ordering compensation or imposing sanctions.</p> <p>Unless specified otherwise in other legal acts regulating out-of-court dispute settlement, a DSB shall refuse to examine a dispute if it is already being examined or has been examined in the past by another DSB or the court (Article 5(3)(2) of the Law).</p>

A special type of DSB maintained by the Centre should be mentioned – the Commission for Solving Consumer Disputes (hereinafter – **Commission**). Unlike other DSBs, the operation of the Commission is regulated in the Consumer Law. Its competence is limited - it will not examine disputes, if:

- 1) the consumer has not turned to the trader or service provider in order to solve the dispute by negotiation;
- 2) the dispute is insignificant or vexatious;
- 3) the dispute is examined or has been examined by another out-of-court solver of disputes or the court, as well as if solving of the dispute is within the competence of another out-of-court solver of disputes;
- 4) the dispute is regarding goods or service, the price of which does not exceed 20 euros, or regarding goods or service, the price of which exceeds 14 000 euros;
- 5) solving of the dispute would cause serious disturbances in efficient operation of the Commission;
- 6) the dispute concerns health care services;
- 7) the dispute concerns legal services;
- 8) the dispute concerns services related to use of residential premises;
- 9) the dispute concerns damages, payment documents or debt recovery;
- 10) insolvency of the trader or service provider has been declared;
- 11) the dispute concerns the insurance service of civil legal liability of vehicle owners of motor vehicles;
- 12) more than a year has passed since the day when the complaint or submission was submitted to the trader or service provider.

Furthermore, the Commission may be unable to gather experts from the relevant commercial field in order to examine a dispute, and therefore may refuse to examine a dispute. List of fields in which the Commission currently can review disputes are available here:

<http://www.ptac.gov.lv/lv/content/pateretaju-stridu-risinasanas-komisijas-sastavs>

The Commission issues its decision in the form of a recommendation – it is not binding to the parties and does not prohibit the parties from seeking a dispute settlement in court. The Commission is entitled to publish information about traders that do not comply with the Commission's decisions on the Centre's website.

The legal framework for DSBs came into force only in the second half of 2015 and is not yet commonly used by parties to a dispute. Commission's annual report for 2016 states that one of the reasons to this is the fact that consumers and traders are not fully informed about the Commission's work.