FOREIGN INVESTORS COUNCIL IN LATVIA

Position paper No. 3

31 May, 2013

Position Paper on Proposals for Facilitating Efficiency of the Court System

1. Executive Summary

An efficient court system plays a crucial role in ensuring economic growth. Reliable, timely and enforceable court rulings are an essential component of an attractive business environment.[i]

A court system that guarantees security of investments and efficient protection and enforcement of rights is one of the fundamental criteria to a decision on investing in a specific country.

Although in the World Economic Forum's Global Competitiveness Report for year 2012-2013 Latvia has been ranked slightly higher than in its earlier reports, matters such as efficiency of legal framework in settling disputes, effectiveness of legal framework in challenging regulations, transparency of government policymaking and other aspects that describe the efficiency of Latvia's court system fall behind substantially when compared, for instance, to its Baltic neighbour states Lithuania and Estonia.[ii]

Consequently, with this position paper, the Foreign Investors Council in Latvia (hereinafter referred to as FICIL) offers its suggestions and emphasises the following aspects for facilitating efficiency of the court system:

1. Strengthening the authority of courts and court rulings:
    - 1.1. Solid, substantiated and justified court rulings;
    - 1.2. Promoting uniform court practice;
    - 1.3. Public availability of court practice;
    - 1.4. Evening out the workload of the courts;
    - 1.5. Facilitating involvement of *amicus curiae* in the court process.
2. Ensuring an adequate alternative to court proceedings:
    - 2.1. Draft Court of Arbitration Law;
    - 2.2. Draft Mediation Law;
    - 2.3. Increasing legal security of the business and investment environment.
3. Increasing the efficiency of enforcing foreign court rulings and foreign law.
4. Proposals for improving the Civil Procedure Law.

2. Recommendations and Substantiation

Having evaluated the current legal regulations in Latvia and their application in practice, FICIL has formulated the following proposals for facilitating the efficiency of the court system:

1. STRENGHTENING THE AUTHORITY OF COURTS AND COURT RULINGS

1.1. Solid, substantiated and justified court rulings

FICIL indicates that an important contribution to decreasing court workload can be made by encouraging public trust in the government and the judiciary. The authority of courts and court rulings has a direct impact on the efficiency and speed of the court process, i.e. a reliable and justified court ruling reduces the motivation of the parties to appeal it, and simplifies the work of the court of next instance in considering the case.

The convincing effect of each individual ruling plays a major role in establishing the authority of court rulings. Clear and comprehensive substantiation of rulings both increases the likelihood of convincing the parties of a specific case, thereby reducing the probability of an appeal, and promotes the establishment of clear and coherent court practice. The legal literature specifies that, from a practical standpoint, the motivation included in e.g. a cassation instance ruling is related to the need for a clear argumentation on violations of the law which have been committed by the appellate instance court (if the cassation claim is satisfied), so that the appellate instance court can understand and effectively remedy its error, precluding the possibility that review of a case might later return to the appellate instance court. If a cassation claim is rejected, the obligation to provide clear and intelligible arguments (due to which the claim is rejected) to participants of the proceedings is binding upon the court in that, for purposes of legal order, it requires to maintain its public authority, so that the public would trust to the court as a fair mean of dispute resolution instead of seeking other, less than fair means of resolving an issue.[iii]

We should emphasise that Civil Procedure Law Article 189 Paragraph Three already specifies that a ruling must be legal and justified. Furthermore, in accordance with Civil Procedure Law Article 193 Paragraph Five, the motive part of a ruling must specify the facts established in the case, evidence on which the conclusions of the court are based, and arguments for denying certain evidence. This part should also specify the legislation to which the court has referred, and a legal evaluation of the established circumstances of the case, as well as the court's conclusions regarding the admissibility or inadmissibility of a claim. Likewise, Civil Procedure Law Article 230 specifies that the court or judge indicates the motivation for a decision in this part. However, in order to promote the authority of court rulings, formal adherence to these regulations is insufficient – the legitimacy and authority of a ruling are dependent largely on the logic and the argumentation behind the ruling.

Therefore, strengthening the authority of courts and individual court rulings would reduce the amount of court proceedings and appeals, as well as the workload of the courts, since nowadays decisions are often appealed not because of their legal deficiencies but because of a lack of authority of a given ruling.

A substantial proportion of cases could be resolved at the 1st instance, although the parties to a case often fail to devote sufficient attention to considering the case at the 1st instance (which shows that as far as the public is concerned 1st instance court rulings lack credibility), knowing full well that the ruling will eventually be appealed. Thus, the same cases have to be reconsidered through appeals and cassations once new evidence is submitted or arguments are made that were

not made previously.[iv]

Considering that, for instance, the weighted average duration of considering administrative cases during the first half-year of 2011 at the Riga Courthouse of the Administrative District Court was 19 months[v], this has a considerable effect on the duration of each individual court proceeding, as well as on the overall workload of the courts.

In FICIL's opinion, this goal may be achieved by analysing the substantive quality of court rulings by judges and courts themselves, by forums or general meetings of judges, as well as academic studies of rulings, seminars and conferences organised by the Ministry of Justice in order to evaluate topical aspects of the judicature and other activities that may improve the substantive quality of court rulings. One of the suggestions made in the study (year 2010) „Reserves for increasing and solidifying the independence and efficiency of the judiciary" also included the possibility of considering the necessity of drafting methodological guidelines for judges writing judgements, as well as conducting training on this matter. There is a possibility of using judge training to improve mastery of court session management principles, methods and conduct of a court session. [vi]

Considering that the information used in a judge's line of work is directly linked to continual amendments of laws, adoption of new laws, repealing of old laws, decisions of the Constitutional Court etc., the amount of information used in routine activities and the speed with which it becomes obsolete is much higher compared to other professions; particular attention should perhaps be paid not so much to increasing qualification as to maintaining qualification, also keeping in mind that the excessive workload that precludes maintenance of one's qualification has a deteriorating effect on work quality.[vii]

1.2. Uniform court practice

FICIL also indicates that the establishment of uniform court practice and its public availability would increase the authority of courts. Substantially divergent conclusions on similar matters, if a ruling is inadequately motivated, do not promote legal certainty and trust in the accuracy of a court ruling – but rather encourage doubts about the justifiability of a ruling and actions to appeal it. Because the wording of a legal regulation applicable to certain legal relations is the same for analogous cases (excluding, of course, if the relevant regulation is amended), so the consequences of implementing the law should be similar for similar cases as well. During a 2011 study evaluating the work of courts[viii], the largest proportion of negative evaluations from lawyers was received on two aspects: 61% perceived that uniform court practice was not observed, while 66% perceived that the overall duration of considering a case was unsatisfactory.

It should be noted that the judicature binds the judge both based on the principle of equality and in accordance with Civil Procedure Law Article 5 Paragraph Six, which specifies that the court considers the judicature in implementing a legal regulation. In turn, the interpretation technique and result, which are noted in writing in the motive part of court rulings, along with the conclusion included in a ruling, may provide considerable assistance in analogous cases which must be considered in the process of implementing laws. The court must ensure equality of parties before the law and before the court, but this also means uniform judicial process and judicature.[ix]

To promote the shaping of uniform court practice, it is essential to ensure the possibility of analysing the substantive quality of rulings (among persons implementing laws, as well as legal scholars and other stakeholders, increasing the availability of court rulings), as well as to ensure that conclusions established in court practice are publicised and explained.

1.3. Public availability of court practice

A major solution for increasing the authority of courts and court decisions is public availability of decisions of all instances, where each individual person may verify development of the court practice on a specific issue. The public availability of rulings improves understanding of the content of a legal regulation and the practice of its application both by persons implementing the laws and by parties to legal relations, which will also make the outcome of a dispute more predictable. There would be fewer appealed or revoked rulings and fewer court applications on matters already established in court practice. Problems with the application of court practice are holding back development of the legal sciences, precluding studies of the practice, comprehensive analysis, and suggestions for improving a legal regulation or its implementation in practice.

The Group of States against Corruption of the Council of Europe (GRECO) Fourth Round Evaluation Report (approved at GRECO 58th Plenary Meeting on 3-7 December 2012)[x] maintained that even a system that is not precedent-based has an important role for publishing rulings and making them accessible, ensuring judicial stability and public trust in the court system, as well as uniformity and predictability of implementing laws. Although a ruling primarily resolves a dispute between specific parties of a case, its impact is rarely limited to an individual case. Publication of well-motivated, coherent and intelligible rulings can boost the ability of judges to self- supervise and improve the quality of rulings.

In this regard, it should be noted that court rulings should be not only publicly available but also easy to find using certain criteria. The Group of States against Corruption of the Council of Europe (GRECO) Fourth Round Evaluation Report notes that Latvia currently has available only the rulings of certain courts without the possibility to search the database according to specific criteria, although the courts themselves already have access to an electronic database of court rulings.

We understand that these matters are being resolved using the anonymous court ruling search tool developed as part of the „Modernisation of courts in Latvia" individual project within the framework of the Swiss-Latvian Cooperation Programme. FICIL supports the initiative and maintains that, in order that access to anonymous court rulings would be considered effective, adequate search and selection possibilities should be ensured, specifying selection criteria and ensuring the necessary level of protection of personal data in published decisions.

1.4. Evening out court workloads

A study of the functioning of court systems and the economic situation in European Union Member States[xi] shows that the efficiency of the Latvian court system is somewhere between adequate and inadequate. The most significant factor noted is the necessity of promoting court efficiency in civil court proceedings and commercial cases. With regard to reducing the duration of considering cases, it should be indicated that the results of a study on the functioning of court systems and the economic situation in European Union Member States[xii] indicate that insolvency and bankruptcy proceedings take three times longer in Latvia on average compared to other European Union Member States. It suggests a two-year target for finalising such procedures.

Considering that the duration of considering cases varies greatly across different courts, solutions should be sought for reducing case review duration at certain courts where the workload is currently high.

One solution is to increase the number of judges in courts where the workload is excessive, as well as to stimulate higher productivity from existing judges. Pooling resources, formation of

larger courthouses must be examined. Another way to even out workloads would be to encourage parties to agree to refer their disputes to less-overloaded courts, or to encourage them to agree on alternative avenues for dispute resolution – mediation, courts of arbitration, settlement agreements etc.

According to consultations with the Procurement Supervision Bureau, once cases were redirected for review to courthouses, the amount of time required for reviewing cases has reduced considerably (average for 1st instance – 6 months; 2nd instance – 1 year).

1.5. Involvement of *amicus curiae* in the court process

The 2010 study „Reserves for increasing and solidifying the independence and efficiency of the judiciary" highlighted the importance of a judge's knowledge and professionalism, noting that judges should represent the *legal elite*, otherwise the system fails to achieve its goal; it is therefore only logical to make high demands on judges and candidates for the position. It should also be considered that, in the current complicated environment of legal relations, a judge must be able to perform a critical evaluation of information provided by other highly qualified lawyers, setting aside biased information, and to make a decision that is grounded on a comprehensive evaluation of the information.[xiii]

FICIL notes that greater involvement of independent, recognised experts (so-called *amicus curiae*) could assist a court in making a ruling that best suits the substance of a legal regulation, particularly on complicated subjects: highly specific matters of a legal, economic nature or otherwise, are being encountered with increasing frequency. The purpose of this institution is to express a professional, knowledgeable opinion on specific proceedings which has not been expressed (or cannot be expressed) by parties to the proceedings but which may assist the court in making a "better", i.e. substantively more adequate decision.[xiv] FICIL suggests therefore that the need to ensure greater involvement of *amicus curiae* in court proceedings be actively considered.

2. IMPROVEMENT OF THE DRAFT COURT OF ARBITRATION LAW AND DRAFT MEDIATION LAW AND WIDER USE OF THESE PROCESSES

Considering that the duration of court proceedings is dependent on a court's workload, i.e. on the number of cases being considered and the duration of each individual proceeding, this process may be shortened by reducing the number of claims and applications, ensuring a dependable alternative to court proceedings such as (mediation) or to proceedings in courts of general jurisdiction (court of arbitration).

Alternative dispute resolution methods may be an effective means of avoiding and resolving disputes, which may also reduce the burden on the court system. Because a court does not seek a compromise but always decides in favour of one party even though a compromise is possible in a given case, alternative methods might lead to more efficient resolution of a dispute from both a legal and a psychological standpoint.[xv] The need to rely more on alternative methods for resolving cases (e.g. mediation) has also been indicated by the European Commission, noting that this may reduce court workloads and should be used more extensively in order to reduce delays in reviewing cases.[xvi]

Alternative means of dispute resolution as a potential way to reduce court workloads was also specified in the Guidelines for developing the judiciary in 2009-2015[xvii].

Likewise, FICIL notes that efficient use of these opportunities is, obviously, possible only in cases where the parties to a case are interested in resolving their dispute as quickly as possible. Currently, parties may often go to court not to resolve their dispute but to delay enforcement of legal consequences or to harm the other party in some way.

2.1. Draft Court of Arbitration Law

In its 2005 judgement, the Constitutional Court noted, that „*resolution of disputes by courts of arbitration is not only acceptable but also desirable*"[xviii]. If the activity and proceedings of courts of arbitration will be improved, public trust for arbitration court proceedings would increase; increased reliance on arbitration court proceedings would reduce the burden on courts of general jurisdiction.

An advantage of the dispute resolution process that is noted traditionally is quicker case review, possible reduction of court expenses, confidentiality, the parties' access to determining the procedure for reviewing their case, the location, language and type of proceedings (written or verbal), to involving highly qualified and competent experts as arbiters to review their disputes.[xix]

In a meeting of state secretaries on 31 January 2013 was announced the draft Court of Arbitration Law. Although FICIL believes that major discussions are expected on this matter regarding the best legal regulation in respect to a number of matters, such as:

a) **Requirements for founders of an arbitration court**. Civil Procedure Law Section 486 stipulates that a permanent court of arbitration may be founded by one or several legal entities without specifying any additional requirements regarding the legal entity founding the court of arbitration. Considering deficiencies that have been established so far in the operation of arbitration courts in Latvia, in order to ensure an authoritative and legal arbitration court process, we support a provision restricting the possibility of founding an arbitration court.

b) **Rights of a public legal entity to choose the arbitration court process.** Civil Procedure Law Section 487 currently specifies that a dispute cannot be referred for resolution in a court of arbitration if „at least one of the parties is a state or municipal government institution, or if the rights of a state or municipal government institutions may be infringed". The draft Court of Arbitration Law Section 11 stipulates, that „*A court of arbitration agreement may be concluded by any capable natural person, private legal entity or a public legal entity in matters of private law."*

c) **Training and certification of arbiters**. The draft law stipulates that one may be appointed as an arbiter only after attending a training course, passing a qualification examination and receiving the relevant certificate. The law proposes that these matters should be regulated in greater detail by Regulations of the Cabinet of Ministers.

   In the opinion of FICIL, the requirement for mandatory training would require exceptions – e.g. for a person having a doctoral degree in law, work experience as a lawyer, advocate or prosecutor etc. – provided that their current knowledge of law is sufficient to pass the examination without hearing a training course.

   Similarly, in accordance with the principle of freedom of agreement between parties, it should be stipulated that parties may agree on deviations from requirements for arbitration courts as set out in the applicable legislation (at least in the case of *ad hoc* arbitration courts), provided that the parties wish to involve e.g. an internationally recognised

specialist that fails to meet some of the requirements (e.g. is not willing to pass an examination in Latvia in order to receive a certificate just to resolve a single dispute) – particularly considering that the parties' option of choosing an authoritative specialist as an arbiter to review their case is generally treated as an advantage of arbitration courts, as opposed to reviewing disputes at courts of general jurisdiction.

2.2. Draft Mediation Law

The draft Mediation Law submitted to the Saeima was reviewed by the parliament in the 1st reading on 17 January 2013; the final wording of the draft law is expected to include substantial amendments.

It should also be considered that, although the process of mediation as such is laudable, a considerable period of time is expected to elapse following adoption of the draft law by the Saeima before this instrument becomes used extensively. FICIL believes that it must be ensured that the mediation process is used specifically to make the process more efficient rather than to draw it out (for instance, by suspending the period of limitations during review of a mediation for application, as specified in Section 8 of the draft law).

Likewise, FICIL believes that, during consideration of the draft law, it is essential to preserve the principle that mediation may be conducted by an uncertified mediator with the parties' consent. Thus, only if mediation is initiated following initiation of court proceedings (i.e. is suggested by the judge) would the judge suggest that the parties select a mediator from a list of certified mediators.

It is expected that mediation of civil cases would be preferred initially by a small number of parties; therefore, the FICIL emphasises the need to invest efforts both in explaining the possibilities of this process and in educating people about the content and procedure of mediation.

2.3. Increasing legal security of the business and investment environment

In FICIL's opinion, the legal security of the business and investment environment should be improved, by establishing and promoting wider use of legal instruments that would give foreign investors greater assurance about the legal and appropriate handling of their transactions and investments. The application of such instruments would reduce the likelihood that disputes of a legal nature arise between parties to legal business relations that require court involvement.

FICIL believes that the matter may also be resolved by involving a sworn notary in performing legal activities of a certain kind and scope. It is specified in the Republic of Latvia that a sworn notary is part of the court system, independent, subject solely to the law, and fulfilling their duties as an independent, neutral facilitator of the civil rights and legal interests of natural persons and legal entities. It should be noted that, in accordance with 20 December 2007 amendments to the Notariate Law, sworn notaries are also supposed to undergo scheduled and unscheduled qualification testing.

The possibility of promoting involvement of sworn notaries to increase the security of legal and commercial operations is also confirmed by amendments to the Commercial Law and the Law on the Register of Enterprises of the Republic of Latvia, adopted by the Republic of Latvia Saeima during the third and final hearing on 3 May 2013 , which allow the possibility of specifying in articles of association of the company that the course of a meeting of shareholders is to be certified by a sworn notary.

The aforementioned procedure ensures that a capital company and its participants (shareholders) have no doubts that the information specified in meeting minutes corresponds to the actual circumstances of the meeting and the decisions made. The amendments envisage that, in reviewing submitted documents, a state notary of the Register of Enterprises verifies whether the format of a document being registered (appended to a file) – on the basis of which an entry is being made in the commercial register – corresponds to the provisions of the applicable legislation and the articles of association, provided that the applicable legislation allows the option of specifying the document format in the articles of association.

In the opinion of FICIL, it should be considered whether the applicable legislation should envisage the option of specifying a certain document format for other types of transactions as well – particularly if the amount of a transaction is substantial – considering that, in this case, prior to registering the changes, the Register of Enterprises would be obliged to verify consistency with the specified format, thereby ensuring greater protection of the interests of the foreign investor.

3. INCREASING THE EFFICIENCY OF ENFORCING FOREIGN COURT RULINGS AND FOREIGN LAW

Nowadays, cross-border cooperation and trade are becoming increasingly prevalent, creating the necessity for cooperation with partners from other countries. However, to make such cooperation efficient, an effective mechanism for dispute resolution and enforcement of adopted rulings must be ensured. Recognition and enforcement of court rulings is the basis of international cooperation in civil proceedings, which is essential for protecting rights and encouraging commercial and legal cooperation.

However, ambiguities still often surface on matters such as the procedure for acknowledging and enforcing a foreign court's ruling[xx], and whether (and how) foreign laws or EU regulations are to be implemented in the courts of Latvia.

Nowadays, a creditor is faced with considerable difficulty in enforcing a debt in a different Member State. It is particularly complicated, time-consuming and expensive to achieve enforcement of temporary measures to seize a debtor's assets, which are located abroad. At the same time, debtors can easily dodge enforcement measures by quickly relocating their funds from a bank account in one Member State to a bank account in another Member State. Conversely, a creditor has little opportunity to block the debtor's accounts abroad in order to ensure satisfaction of its claim. As a result, many creditors are unable to recover debts from other countries successfully.

To simplify and streamline enforcement of court rulings in civil and commercial cases referring to cross-border disputes (which would mitigate risks involved in international business relations), these matters are to be regulated by a European Parliament and Council Regulation establishing an order to seize European bank accounts, in order to simplify collection of debts in civil and commercial cases.[xxi] FICIL advocates the necessity for such a regulation. The government of Latvia in general has also expressed support for further work on the proposed Regulation, emphasising that, in the opinion of the Latvian state, the Regulation should clearly specify the obligation of a creditor to provide the court with sufficient evidence for issuing an order to seize European bank accounts, as well as the debtor's right to request annulment or revision of such decision by the court. [xxii]

4. PROPOSALS FOR IMPROVING THE CIVIL PROCEDURE LAW

Company disputes in Latvia are primarily reserved in accordance with the procedure specified in the Civil Procedure Law at a court of general jurisdiction or a court of arbitration. Thus, in the interest of FICIL, in order to implement the core principles and aims of the Civil Procedure Law in a better way – thereby improving the business environment in Latvia – the present regulation would calls for constant improvement according to of established issues in the practice of application of legal provisions, as well as changes in the actual situation.

In its previous position paper, FICIL already specified proposals for improving the regulations of the Civil Procedure Law, and most of them have been implemented as amendments to the applicable legislation.

At the same time, the FICIL underscores the need to continue the work on improving normative regulations, for example, regarding **circulation of electronic documents.**

In its previous position paper on proposals for facilitating efficiency of justice, the FICIL proposed amendments to the Civil Procedure Law Article 111 Paragraph Two, envisaging that written evidence may be submitted electronically if all participants of the case have expressed consent to electronic submission, similarly to the provisions of the Republic of Estonia Code of Civil Procedure Article 274[xxiii].

In this statement of opinion, FICIL wishes to stress the need to use effectively possibilities already provided in the Civil Procedure Law and legal practice. For instance, although a party to a case may submit documents to the court electronically, currently the party still must provide the same documents in paper format for appending to the case. The court notes[xxiv] that "*Civil Procedure Law regulations currently do not envisage electronic civil cases; cases are initiated and processed in paper format*" and "*the obligation to prepare and submit to court the necessary copy of a claim application, and the specified number of copies – as specified in the current wording of the Civil Procedure Law – is unambiguously imposed upon the applicant rather than the court*". At the claim application and case initiation stage, when the defendant has not yet expressed willingness and consent to receiving court documents by electronic mail, the regulation of Civil Procedure Law Article 56 Part 6.[1] currently cannot be applied.

It is also the opinion of the FICIL that the normative regulation of **immediate enforcement of a court judgement** should be improved.

In accordance with the Civil Procedure Law, the matter of immediate enforcement of a judgement is decided by a court, based on a motivated request of a party to the case; immediate enforcement of the court judgement must be specified in the resolution part of the judgement (Civil Procedure Law Article 538). The Civil Procedure Law does not envisage any other court rulings on immediate enforcement of a judgement, unlike the Code of Civil Procedure of Latvia. Therefore, parties to a case may contest the specification of immediate enforcement of a judgement (or refusal to specify such) solely through appeals procedure, as submission of an ancillary complaint regarding immediate enforcement of a judgement is not stipulated.[xxv]

In accordance with Civil Procedure Law Article 204, a judgement is enforced following its coming into legal force, excluding cases where the judgement is to be enforced immediately. In the case of a judgement that is to be enforced immediately, the court does not specify a term for voluntary enforcement of the judgement. The court cannot defer enforcement of a judgement that is enforceable immediately, and therefore does not allow the debtor in such cases any time for

voluntary enforcement of the judgement. During enforcement of a judgement that is enforceable immediately, the bailiff may only defer certain enforcement actions if there is justification to do so as specified in the law (Civil Procedure Law Article 559) and, in accordance with Civil Procedure Law Article 555, if a judgement is to be enforced immediately, the bailiff, upon notifying about the obligation to enforce the judgement, specifies a term of execution of no less than three days.[xxvi]

Considering the aforementioned, FICIL notes that the option of specifying the right of separate contestation of a court decision regarding immediate enforcement of a judgement using an ancillary claim should be evaluated, in view of the fact that, currently, the only option of achieving revision of this matter is through appeals – however, considering the importance of the issue and its potential impact on the financial and legal standing of parties to a case, a possibility of evaluating this matter sooner should be allowed also. Similarly, situations may arise where the party to a case consents to the judgement but objects to its immediate enforcement only, i.e. where the appellate proceedings might have no further basis. Thus, the possibility of separately contesting only the matter of immediate enforcement of a judgement would be consistent with the principle of procedural economy.

FICIL also reiterates that any amendments to the normative regulations should be evaluated carefully, assessing their potential consequences, gains and harms. Thus, for instance, with regard to amendments to the Civil Procedure Law which have already been adopted, Aldis Laviņš, the senator of the Department of Civil Cases of the Senate of the Supreme court, has noted regarding jurisdiction in cases where the validity of the decisions of shareholders is contested that „*assurance must be obtained that the regulation of the draft law – which specifies the Jelgava city court as the only applicable court of first jurisdiction – is valid. Knowing the capacity of one district (city) court, it should be reviewed whether a case category where 200 cases are expected per year, is to be provided for review to just one court, which will be obliged to review all other case categories as well*".[xxvii]

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[i] The EU Justice Scoreboard, retrieved from: http://ec.europa.eu/justice/effective-justice/files/justice_scoreboard_communication_en.pdf

[ii] The Global competitiveness report 2012-2013, retrieved from: http://reports.weforum.org/global-competitiveness-report-2012-2013/

[iii] Lasmanis D., Vaivods K. Sprieduma pārsūdzēšana kasācijas kārtībā. [Contesting a judgment through cassation proceedings]. From the book Administratīvais process tiesā [Administrative procedure in court]. Riga: Latvijas Vēstnesis, 2008, pg. 586.

[iv] This may be one of the reasons for the Supreme Court's high workload, even considering that, compared to other European states, Latvia has one of the highest relative proportions of supreme court judges. See also: „Bosnia and Herzegovina, Greece, Latvia and Republic of Moldova are states which have the highest proportion of judges of supreme courts, approaching 10%." Evaluation report on European judicial systems, P.152., retrieved from: http://www.coe.int/t/dghl/cooperation/cepej/evaluation/

[v] Informative report „Par tiesu praksi attiecībā uz termiņiem, kādos tiek izskatītas lietas" [On court practice regarding the duration of considering cases], 8 November 2011, retrieved from: *polsis.mk.gov.lv/LoadAtt/file17904.doc*

[vii] Tiesu varas neatkarības un efektivitātes palielināšanas un nostiprināšanas rezerves [Reserves for increasing and solidifying the independence and efficiency of the judiciary]. Authored by S.Osipova, A.Strupišs, A.Rieba, retrieved from: http://www.at.gov.lv/resources/research/

[viii] Tiesu darba novērtējuma pētījums [Study evaluating the operation of courts]. Latvian Judicial Training Centre study. Retrieved from: http://www.at.gov.lv/resources/research/

[ix] Tiesu varas neatkarības un efektivitātes palielināšanas un nostiprināšanas rezerves [Reserves for increasing and solidifying the independence and efficiency of the judiciary]. Authored by S.Osipova, A.Strupišs, A.Rieba, retrieved from: http://www.at.gov.lv/resources/research/

[x] Retrieved from: http://www.knab.gov.lv/uploads/free/grecoeval420123_latvia_en.pdf

[xi] The functioning of judicial systems and the situation of the economy in the European Union Member States P.322. Retrieved from: http://ec.europa.eu/justice/effective-justice/files/cepej_study_justice_scoreboard_en.pdf

[xii] The functioning of judicial systems and the situation of the economy in the European Union Member States P.322. Retrieved from: http://ec.europa.eu/justice/effective-justice/files/cepej_study_justice_scoreboard_en.pdf

[xiii] Tiesu varas neatkarības un efektivitātes palielināšanas un nostiprināšanas rezerves [Reserves for increasing and solidifying the independence and efficiency of the judiciary]. Authored by S.Osipova, A.Strupišs, A.Rieba, retrieved from: http://www.at.gov.lv/resources/research/

[xiv] Levits E. Par *amicus curiae* institūtu administratīvajā procesā [On the *amicus curiae* institution in administrative procedure], Jurista Vārds periodical, 16 December 2003, No. 45.

[xv] Litvins G. Administratīvo tiesu efektivitāte Latvijā un Lietuvā [Efficiency of administrative courts in Latvia and Lithuania], Jurista Vārds periodical, 19 May 2009, No. 20

[xvi] EU Justice Scoreboard, retrieved from: http://europa.eu/rapid/press-release_IP-13-285_lv.htm

[xvii] Upheld by Cabinet decision No. 685 „Par Tiesu iekārtas attīstības pamatnostādnēm 2009.-2015.gadam" [On Guidelines for developing the judiciary in 2009-2015], Retrieved from: http://www.likumi.lv/doc.php?id=198914

[xviii] Satversme Court 17 January judgement on case No. 2004-10-01.

[xix] Miķelsone A. Par izmaiņām šķīrējtiesas procesā [On changes in the arbitration court process]. 5.03.2005. Jurista Vārds periodical No. 10 (365)

[xx] Vai un kā izpildāms ārvalsts tiesas nolēmums. Ekspertu viedokļi par Uzņēmumu reģistra kompetenci [Is a foreign court ruling enforceable and how? Expert opinions on the competence of the Register of Enterprises]. 2 August 2011, Jurista Vārds periodical No. 31.

[xxi] Retrieved from: http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?lang=en&reference=2011/0204%28COD%29

[xxii] Informatīvais ziņojums par Eiropas Savienības Tieslietu un iekšlietu ministru padomes 2012. gada 6.-7. decembra sanāksmē izskatāmajiem jautājumiem [Informative report on matters considered at the the European Union Council of Ministers of Justice and Internal Affairs meeting on 6-7 December 2012], retrieved from: *www.mk.gov.lv/doc/2005/TMzin_031212_JHAC.2815.docx*

[xxiii] Code of Civil Procedure, passed on 20 April, 2005, retrieved from: http://www.legaltext.ee/en/andmebaas/ava.asp?m=022

[xxiv] Civil Court Collegium of the Riga Regional Court 10 December 2012 decision on case No. 3-11/257, unpublished.

[xxv] Rozenbergs J. , Torgāns K. Civilprocesa likuma komentāri [Comments on the Civil Procedure Law]. Chapter I (Sections 1-28), pg. 449

[xxvi] Ibid., pg. 451

[xxvii] Laviņš A. Pārdomas par Senāta darbības efektivitāti [Considerations on the Efficiency of the Senate]. 7 May 2013 Jurista Vārds periodical No. 18