

**PROCEDURE ON RECOGNITION OF THE COURT AND ARBITRATION JUDGMENTS
ANNOUNCED IN OTHER JURISDICTIONS**

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Procedure of recognition of the foreign court and arbitration judgments in the Republic of Latvia is stipulated in the Civil Procedure Law. However, regarding the countries of European Union the Regulations adopted by the European Union must be applied.

1. Procedure of recognition of foreign court judgments according to the Civil Procedure Law

(1) The application for the recognition of a judgment of a foreign court must be submitted to a district (city) court on the basis of the place of execution of the judgment or place of residence (legal address) of the defendant.

The following documents must be attached to the application:

- 1) judgment of a foreign court (or a properly certified true copy) with a statement certifying that the judgment has come into legal effect;
- 2) a document issued by a foreign court which certifies that the defendant (if it has not participated in the proceedings) was timely and properly notified of the time and place of the proceedings;
- 3) in case the judgment of a foreign court is already partially executed - a document issued by a foreign court or a competent authority regarding the execution of the judgment;
- 4) provided the applicant requests also execution of the foreign court judgment - a document issued by a foreign court, which certifies that the foreign court judgment is executable.

The application as well as the above mentioned (sub-paragraphs 1-3) documents must be translated to Latvian.

A document certifying payment of the necessary state duty (in the amount of LVL 20,00) must be attached to the application.

(2) A decision regarding recognition of judgment of a foreign court is taken by a judge within a period of 10 days from the day of submission of the application, without inviting the parties.

The above mentioned court decision comes into force after the term for submission of ancillary complaint has expired. This period is 30 days counting from the day the parties have received copy of the decision, but in case a participant is not resident of the Republic of Latvia – the above mentioned period is 60 days. If a notice regarding delivery of the decision is not received by a party, the decision comes into force only after 6 months have passed as of its adoption by the court.

(3) The court may not recognize a judgment of a foreign court only on any of the following basis:

- 1) the foreign court, which made the adjudication, was not competent in accordance with Latvian law to adjudicate the dispute or such dispute is an exception jurisdiction of the Latvian courts;
- 2) the judgment of a foreign court has not come into legal effect;
- 3) the defendant was denied possibility of defending his rights, especially if the defendant not participating in the proceedings was not in a timely and proper manner notified regarding appearing in court, except if the defendant has not appealed such judgment even though had the possibility to do so;
- 4) the judgment of a foreign court is not compatible with a court judgment already made earlier and entered into legal effect in the Republic of Latvia in the same dispute between the same parties or with any court proceedings already commenced earlier between the same parties in a court of Latvia;
- 5) the judgment of a foreign court is not compatible with a foreign court judgment already made and entered into legal effect in the same dispute between the same parties, which may be recognized or is already recognized in the Republic of Latvia;
- 6) recognition of the judgment of the foreign court is in conflict with the public order of Republic of Latvia; or

7) in making the adjudication of the foreign court, the law of such state was not applied as should have been applied in conformity with Latvian international private law conflict of law norms.

Provided a judgment cannot be recognized in full the court may recognize it partially. This means that in case there are several claims satisfied in one judgment, the court may recognize any of the satisfied claims.

2. Procedure of legalization of foreign arbitration judgments

(1) The order of recognition of foreign arbitrary judgments is similar to recognition of foreign court judgments.

The following documents must be attached to the application submitted to the court:

- 1) judgment of a foreign arbitration (or a properly certified true copy);
- 2) a document certifying written agreement of the parties regarding the arbitration;
- 3) true copies of the application and the appended documents.

The application as well as the above mentioned (sub-paragraphs 1-2) documents must be translated to Latvian.

A document certifying payment of the necessary state duty (in the amount equalling 1% of the amount of claim (but not exceeding LVL 200,00) must be attached to the application.

(2) The application is reviewed in the court, by inviting the parties (however the case is heard even if the parties have not arrived). The court may ask additional information from the parties or from the arbitration that has adopted the judgment.

After consideration of the application the court decides whether to recognize and execute the respective judgment or to decline the application.

(3) The application can be declined only in the cases provided for in the international treaties binding to the Republic of Latvia - Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, on 10 June 1958).

3. Special provisions regarding member states of European Union

(1) The Regulations of the European Union have slightly different provisions than those stipulated in the Civil Procedure Law of Republic of Latvia. Therefore in case the judgment adopted in a country of European Union to which Regulations regarding legal matters are binding the person asking recognition of the judgment in the Republic of Latvia should first look in the respective Regulations and only after that – in the Civil Proceedings Law.

(2) In cases provided for in the:

- a) Regulation (EC) No.2201/2003 of 27 November 2003 (concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility, repealing Regulation (EC) No 1347/2000);
- b) Regulation (EC) No.805/2004 of 21 April 2004 (creating a European Enforcement Order for uncontested claims);
- c) Regulation (EC) No.861/2007 of 11 July 2007 (establishing a European Small Claims Procedure); and
- d) Regulation (EC) No.1896/2006 of 12 December 2006 (creating a European order for payment procedure)

a judgment of a foreign court is executed according to the execution procedures specified in the Civil Procedure Law, without requesting recognition or proclamation of execution of the judgment.

(3) In relation to the procedures for the proclamation of the execution of a judgment provided for in:

- a) Regulation No.44/2001 of 22 December, 2000 (on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters), 2000, and;

b) Regulation No.2201/2003 of 27 November 2003 concerning jurisdiction and the recognition and enforcement of judgments in matrimonial matters and the matters of parental responsibility, repealing Regulation (EC) No 1347/2000)

the provisions stipulated in the Civil Procedure Law (mentioned above - *in point 1 "Procedure of recognition of foreign court judgments according to the Civil Procedure Law"*) regarding the recognition of judgments of foreign courts shall be applied as far as they do not contradict the provisions stipulated in the regulations.

4. Special provisions provided for in the bilateral and international agreements concluded by the Republic of Latvia

Currently Republic of Latvia has concluded bilateral agreements on legal assistance and legal relations civil, family and/or labour matters with the following countries that are not member states of the European Union: Republic of Uzbekistan, Ukraine, Republic of Moldova, Russian Federation, Kyrgyz Republic and Republic of Belarus. Therefore regarding judgments adopted in those countries provisions of the relevant agreements must be applied.

Regarding the bilateral agreements with member states of the European Union the Regulations of the European Union must be applied first and the bilateral agreements can be applied only as far as they do not contradict the Regulations of the European Union. Currently Latvia has such agreements with Republic of Poland, Republic of Estonia and Republic of Lithuania.