Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

7 April 2004 [shall come into force on 1 May 2004];

12 September 2013 [shall come into force on 1 January 2014].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**On Liability for Defects of Goods and Services**

**Section 1.** This Law regulates liability for harm that has been caused to human life or health, or to the property of a person, due to defects of goods or services, and also determines the obligation to compensate for losses.

**Section 2.** The provisions of this Law do not affect the rights of the injured person to claim compensation for losses in accordance with other laws.

**Section 3.** (1) This Law applies to any movable tangible property, also if it is a component part of another movable or immovable property, and also to electricity and gas (hereinafter – the goods).

(2) This Law applies to services as a result of which the service provider manufactures a new tangible property, improves or alters an existing tangible property or its properties, and also to services which have a direct or indirect effect upon human life or health.

**Section 4.** This Law does not apply to compensation for losses if harm is caused to human life or health or to the property of a person as a result of a nuclear accident.

**Section 5.** (1) If harm is caused to human life or health or to the property of a person due to defects of goods or services, it is the obligation of the manufacturer of the goods or the service provider to compensate for the losses caused to the injured person.

(2) It is the obligation of the manufacturer of the goods or the service provider to compensate for losses also in the case where a person has purchased the goods from a distributor.

(3) It is prohibited to reduce or exempt in advance the liability of the manufacturer or the service provider for the harm that has been caused to human life or health or to the property of a person due to defects of goods or services.

(4) Agreements which are contrary to the provisions of this Section are void.

**Section 6.** (1) The manufacturer is a natural or legal person who manufactures goods or their component parts or identifies itself as the manufacturer by indicating (labelling) on the goods or the packaging thereof, or in the technical documentation or the technical registration of the goods, its name (firm name) or the given name, surname, trademark or other distinguishing mark.

(2) A person who imports goods within the scope of its economic activity in order to put them into circulation in the European Union (hereinafter – the importer) shall be considered, with respect to liability, as the equivalent of the manufacturer.

(3) If it is not possible to identify the manufacturer of the goods or the importer thereof (if the goods have been imported), the liability for losses caused shall lie with the distributor of the goods or any other person who has sold or otherwise distributed the goods, except for the case when such person, taking into account the circumstances, has provided information in a timely manner regarding the manufacturer of the goods, the importer thereof, or the person who has supplied the goods.

[*7 April 2004*]

**Section 7.** (1) It shall be considered that the goods have defects if the safety that a person is entitled to expect of the goods has not been guaranteed, taking into account all the circumstances, including:

1) the description of the goods – their structure and packaging;

2) the instructions (manuals) for installation or utilisation;

3) the use of the goods under normal or expected circumstances;

4) the time when the goods were put into circulation.

(2) It shall be considered that services have defects if the safety of such services that a person is entitled to expect has not been guaranteed, taking into account all circumstances, including:

1) the means of providing the services, the structure and composition of the property;

2) the information that has been provided regarding the services;

3) the time when the services were provided.

(3) It shall not be considered that goods or services have defects for the sole reason that better goods have been put into circulation or better services have been provided.

**Section 8.** (1) A manufacturer or a service provider shall be held liable also for the loss that has resulted both from the defects of goods or provided services, and also from actions of a third person.

(2) In the case referred to in Paragraph one of this Section, the manufacturer or the service provider has the right to bring a subrogation action against such third person, insofar as his or her action has caused or increased the loss.

**Section 9.** If two or more persons are liable for the same loss, they shall be jointly and severally liable.

**Section 10.** If harm has been caused to human life or health, compensation for losses shall be determined in accordance with the Civil Law.

**Section 11.** (1) If harm has been caused to the property of a person, the injured person has the right to claim compensation for losses, but only if all the following conditions have been observed:

1) the goods or property that has been damaged or destroyed is other than the goods or property which has defects;

2) the damaged or destroyed goods or property is such as intended for personal use or consumption, and it was utilised by the injured person for such purpose;

3) at the moment of causing the harm, the amount of losses has exceeded EUR 500.

(2) The injured person has a duty to prove the loss, the defect of goods or services and the causal relationship between the defect of goods or services and losses.

[*7 April 2004; 12 September 2013*]

**Section 12.** A manufacturer or a service provider may be exempted from liability fully or partly if, taking into account all circumstances, it is established that the cause of the loss is both a defect of goods or services and the fault of the injured person or another person for whom the injured person is responsible.

**Section 13.** (1) A manufacturer shall not be liable if it proves that:

1) it has not put the goods into circulation;

2) taking into account the relevant circumstances, there is a reason to believe that the defect which caused the loss appeared after the goods were put into circulation;

3) the goods were not manufactured for putting into circulation or for other forms of distribution for the purpose of making a profit, nor were they manufactured or distributed within the scope of economic activities;

4) the level of scientific and technological development at the time when the goods were put into circulation was not so high as to enable the defect or flaw to be discovered;

5) the defect of goods resulted from the fact that the manufacturer complied with requirements set by the State or a local government.

(2) A service provider shall not be liable if it proves that:

1) taking into account the relevant circumstances, there is a reason to believe that the defect which caused the loss appeared after provision of the service;

2) the level of scientific and technological development at the time when the services were provided was not so high as to enable the defect to be discovered;

3) the defect of services resulted from the fact that the service provider complied with requirements set by the State or a local government.

(3) The manufacturer of a component shall not be liable if it proves that the defect of goods or services is related to the structure of the goods or the property in which the component has been placed (fitted), or to the instructions (manuals) given by the manufacturer of the goods or the service provider.

[*7 April 2004*]

**Section 14.** (1) An action for compensation for losses may be brought within three years from the day when the injured person became aware, or taking into account the circumstances, there is a reason to believe that he or she should have become aware of the defect of goods or services, of the losses and the person to compensate for the losses.

(2) An action for compensation for losses may not be brought if ten years have passed from the day when the manufacturer put the goods into circulation or the provider of the services provided the service that caused the loss for the injured person.

(3) The running of the prescription period and interruption of the prescription period shall be subject to the provisions of the Civil Law.

[*7 April 2004*]

**Transitional Provision**

Section 11, Clause 3 of this Law shall come into force on 1 January 2003.

**Informative Reference to European Union Directives**

[*7 April 2004*]

The Law contains legal norms arising from Directives 85/374/EEC and 1999/34/EC.

The Law has been adopted by the *Saeima* on 20 June 2000.

President V. Vīķe-Freiberga

Rīga, 5 July 2000