The *Saeima* 1 has adopted and

the President has proclaimed the following law:

**Law on Assistance for Mitigating the Economic Consequences Caused by the Sanctions and Countermeasures Imposed due to the Military Aggression of Russia against Ukraine**

**Section 1. Purpose and Scope of Application of the Law**

(1) The purpose of the Law is to provide assistance to performers of economic activity who have been affected by the economic consequences caused by the sanctions and countermeasures imposed due to the military aggression of Russia against Ukraine (hereinafter – the consequences of the military aggression).

(2) The Law determines the range of persons who may apply for assistance, the types of, conditions and procedures for the provision of such assistance, the financing of assistance measures, and also the conditions for the implementation of assistance measures.

**Section 2. Recipients of Assistance and Types of Assistance**

(1) The performers of economic activity who have been affected by the consequences of the military aggression in the form of decrease in demand and turnover, discontinuation of the operation of current contracts, disturbances in supply chains, increase in prices, and restriction of further investments may apply for assistance.

(2) The performers of economic activity referred to in Paragraph one of this Section may apply for assistance in the form of loans, guarantees, or own funds investments.

(3) Within the scope of this Law, assistance shall not be granted to the performers of economic activity on whom international or national sanctions are being imposed.

**Section 3. Alternative Investment Fund**

(1) *Akciju sabiedrība “Attīstības finanšu institūcija Altum”* [joint-stock company Development Financial Institution Altum] which has been registered with the Financial and Capital Market Commission as the alternative investment fund manager and, in accordance with the Law on the Suppression of Consequences of the Spread of COVID-19 Infection, is managing the alternative investment fund founded for the suppression of the consequences of the spread of COVID-19 infection shall, within the scope of the management thereof, also implement activities for mitigating the consequences of the military aggression, adjusting the model of operation of undertakings, improving the export capacity, and optimising processes. In managing the abovementioned alternative investment fund, the manager shall operate in accordance with the Law on Alternative Investment Funds and Managers Thereof, except for Section 5, Paragraph six and Section 6, Paragraphs three and six thereof. The explanation of the term “alternative investment fund manager” used in Section 1, Clause 3 of the Law on Alternative Investment Funds and Managers Thereof shall not be applied to the abovementioned manager.

(2) The registered alternative investment fund manager referred to in Paragraph one of this Section shall provide the information and documents specified in the Law on Alternative Investment Funds and Managers Thereof to the Financial and Capital Market Commission and make payments for financing the operation of the Financial and Capital Market Commission, and also fulfil other obligations specified in the Law on Alternative Investment Funds and Managers Thereof.

(3) The fund referred to in Paragraph one of this Section shall be liquidated in accordance with the procedures laid down in the Law on Alternative Investment Funds and Managers Thereof.

(4) In relation to the alternative investment fund referred to in Paragraph one of this Section, the limits specified in the second and third sentence of Section 12, Paragraph two, Clause 7.1 and in Section 14 of the Law on State Funded Pensions shall not be applied to the fund managers of the State funded pension schemes from the beginning of the operation of the fund until its liquidation.

(5) The requirement of Section 12.1, Paragraph three of the Law on State Funded Pensions shall not be applied to investments which are made by the fund manager of the State funded pension scheme into the abovementioned fund within the time period from the beginning of its operation until its liquidation.

(6) If, in relation to the activity of an alternative investment fund referred to in Paragraph one of this Section, amendments need to be made to the prospectus of the investment plan in accordance with the laws and regulations, the Financial and Capital Market Commission shall examine the abovementioned amendments within five working days after the day of their receipt and send a notification to the State Social Insurance Agency on the registration of such amendments or refusal to register them. Amendments to the prospectus of the investment plan shall enter into effect on the day following their registration. The State Social Insurance Agency shall, within three working days from the day of receipt of the notification of the Financial and Capital Market Commission, decide whether to enter into an agreement with the fund manager of the State funded pension scheme on amendments to the contract for the management of such funds. Section 11, Paragraph 4.1 of the Law on State Funded Pensions and the legal norms included in the laws and regulations issued on the basis of this Law regarding the procedures for amending such contracts which have been entered into to by and between the State Social Insurance Agency and the fund manager of the State funded pension scheme shall not be applied to such amendments to the contract.

**Section 4. Conditions and Procedures for the Granting and Administration of Assistance**

The Cabinet shall determine the conditions and procedures for the granting and administration of assistance specified in this Law.

**Section 5. Financing of Assistance**

(1) The following shall be used for the implementation of the assistance measures specified in this Law:

1) the funding from the State budget which has been allocated to the joint-stock company Development Financial Institution Altum in accordance with the Law on the Suppression of Consequences of the Spread of COVID-19 Infection if the Cabinet has taken a relevant decision and the Budget and Finance (Taxation) Committee of the *Saeima* has, within five working days from receipt of the relevant information, examined it and has not objected against it;

2) the funding repaid within the scope of the crisis loan programme for the suppression of consequences of the spread of COVID-19 infection;

3) the funding repaid within the scope of the short-term export credit guarantee programme.

(2) In order to ensure the implementation of assistance measures within the scope of the alternative investment fund, the Minister for Finance has the right to increase the appropriation specified in the law On the State Budget for 2022 in the programme 02.00.00 “Funds for Unforeseen Events” of the budget unit “74. Funding to be Reallocated in the Process of Implementation of the Annual State Budget” by an amount which does not exceed EUR 25 000 000, and also to make, within the scope of the appropriation specified in the law to a ministry or another central State institution, the necessary reallocation of the appropriation between programmes, sub-programmes, and codes of expenditures according to economic categories.

(3) Appropriation for the abovementioned purpose may be increased if the Cabinet has taken a decision and the Budget and Finance (Taxation) Committee of the *Saeima* has, within five working days from receipt of the relevant information, examined it and has not objected against increase in appropriation.

(4) The funding provided for within the scope of this Law shall be used until the end of the time period for the implementation of assistance measures.

**Section 6. Conditions for the Provision of Assistance**

In implementing the assistance measures referred to in this Law which conform to the features specified in Section 5 of the Law on Control of Aid for Commercial Activity, the requirements for the regulation of control of aid for commercial activity shall be conformed to.

The Law shall come into force on the day following its proclamation.

The Law has been adopted by the *Saeima* on 2 June 2022.

President E. Levits

Rīga, 8 June 2022