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

18 June 1997 [shall come into force on 15 July 1997];

29 November 2012 [shall come into force on 1 January 2013];

23 May 2013 [shall come into force on 26 June 2013];

19 December 2013 [shall come into force on 4 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 Supreme Council of the Republic of Latvia has adopted a law:

**On the Time Period of Coming into Force and the Procedures for the Application of the Part on Obligation Rights of the Renewed Civil Law of 1937 of the Republic of Latvia**

[*29 November 2012*]

**Section 1.** It shall be determined that the part on obligation rights, Sections 19–21 of the introduction of the Civil Law, and this Law shall come into force on 1 March 1993.

Obligation legal relations which have arisen before 1 March 1993 on the grounds of a law or a transaction or from a wrongful act shall be adjudged in accordance with the laws which were in force until 28 February 1993 insofar as it has not been laid down otherwise in this Law.

**Section 2.** Obligations which are in contradiction with the Civil Law in terms of the content and continue after 1 March 1993 shall be amended or terminated within six months upon mutual agreement of the parties, but in cases of disputes by submitting a claim to a court within the indicated time period of six months.

A transaction which, in terms of form, does not conform to the requirements of the law which were in force until 1 March 1993 and which has not been executed yet on the indicated date shall be in effect if its form is not in contradiction with the provisions of the Civil Law. Disputes on such transactions shall be examined by a court.

**Section 3.** If the prescriptive period specified in the Civil Code of Latvia has not elapsed on the day when the obligation rights of the Civil Law come into force, but

1) a longer time period is specified in the Civil Law, the longer time period shall be applied, including the elapsed time;

2) a shorter time period is specified in the Civil Law, the new prescriptive period shall be applied, counting it from 1 March 1993. If according to such calculation the prescriptive period is longer than the current prescriptive period, the prescriptive period shall expire on the day when it would have elapsed in accordance with the current law.

If the current law does not subject any legal relations to a prescriptive period, the prescriptive period shall be counted from the day when the parts on obligation rights of the Civil Law come into force.

**Section 4.** The rights of parish courts indicated in the Civil Law (Section 1474) to certify transactions shall be executed by the local governments of rural territories and the local governments of such district cities where there are no notariate offices.

**Section 5.** In cases when the corroboration of rights of immovable property are provided for in the Civil Law (Sections 1477–1481 and other Sections), the existing regulations for the drawing up and registration of transactions performed with immovable property shall be applicable until restoration of the Land Register Law.

**Section 6.** The determination in the laws regarding credit institutions and joint stock companies of the rights of a credit institution or joint stock company to issue the bearer securities indicated in Sections 1524 and 1525 of the Civil Law, and also an authorisation issued by a competent State authority shall be considered as a national approval for such rights of a credit institution or a joint stock company.

**Section 7.** It shall be determined that, until restoration of *lats* as the means of payment, payments shall be made in money the use of which is permitted in the territory of the Republic of Latvia (Section 1833).

**Section 8.** The provisions provided for in the laws of the Republic of Latvia shall be applicable in the cases indicated in the notes of Sections 1833, 1851, 1867, 2004, 2112, 2191, and 2321 and in the cases indicated in Sections 2071, 2076, 2111, 2202, 2212, and 2286 of the Civil Law.

**Section 9.** Revocation of a gift provided for in Sections 1919–1924 of the Civil Law shall be attributed only to such gift contracts which have been entered into starting from 1 March 1993.

**Section 10.** It shall be determined that the liability of an innkeeper provided for in Section 1998, Paragraph two until restoration of *lats* as the means of payment shall be limited to the amount of 20 minimum monthly wages.

**Section 11.** It shall be determined that the right of first refusal to an immovable property which arises from the special laws regarding returning of houses and land to the former (lawful) owners and denationalisation are the advantages of realisation in comparison with the repurchase liabilities (Section 2054).

**Section 12.** Until restoration of the Land Register Law and corroboration of the property rights in Land Registers, immovable property rental and lease contracts, except for the contracts regarding lease of residential premises, may be entered into for a time period not exceeding five years unless other time periods are provided for in laws.

**Section 13.** Until restoration of the Land Register Law, registration of the rental or lease contracts already entered into in the State and local government institutions in accordance with the requirements of the current laws shall be considered equivalent to an entry in Land Registers in terms of legal effect (Sections 2126, 2174).

**Section 14.** The provisions of Section 1481 of the Civil Law in relation to examination of a matter in a court according to the notification procedure, the provisions of Section 1837 in relation to the storage of the subject-matter of an obligation in a court, the provisions of Sections 2037, 2075, and 2238 regarding sale by way of auction by judicial process shall not be applicable until adoption of the relevant civil-procedural laws.

**Section 15.** A power of attorney which has been issued before 1 March 1993 without the indication of a time period shall expire (cease to be valid) after one year has elapsed, counting from the day when the power of attorney was issued.

**Section 16.** The provisions of Chapter XIX of the Civil Law regarding valuation of losses shall be applicable not only in cases when harm (losses) has been caused starting from 1 March 1993, but also in cases when harm (losses) has been caused until 1 March 1993, but the claim has been brought after such date.

The provisions of Chapter XIX of the Civil Law regarding valuation of the caused losses in claims against the State shall be applicable in case when harm (losses) has been caused after 4 May 1990, unless it has been laid down otherwise in other laws governing the reimbursement of harm (losses).

[*18 June 1997*]

**Section 17.** The preamble, Sections 1–8, 23–91 of Division One, Division Three of the Civil Code of Latvia are repealed.

**Section 18.** Section III.1 “Future Authorisation” of Part Four, Chapter 18, Sub-chapter One of the Civil Law shall come into force on 1 July 2013 concurrently with amendments to Section 11, Paragraph one, Clause 4.2, Section 251, Clause 3.1, and Chapter 34.1 of the Civil Procedure Law, Section 45, Paragraph four, Section 45.1, Section 87.4, and Section 230, Clauses 10 and 11 of the Notariate Law, and Section 53.2 of the Medical Treatment Law in relation to future authorisation.

[*29 November 2012*]

**Section 19.** Section IV “Default in Respect of Contracts Regarding the Supply of Goods, Purchase or Provision of Services” of Part Four, Chapter Three, Sub-chapter Two of the Civil Law shall come into force on 1 July 2013. The provisions of Section IV “Default in Respect of Contracts Regarding the Supply of Goods, Purchase or Provision of Services” of Part Four, Chapter Three, Sub-chapter Two of the Civil Law shall not be applicable to the contracts which have been entered into until 1 July 2013 and to the contracts which have been entered into as a result of a procurement or concession procedure if it has been announced until 1 July 2013. The contracting parties may agree on the application of Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions to the contracts regarding the supply of goods, purchase or provision of services from 16 March 2013.

[*23 May 2013*]

**Section 20.** After introduction of the euro in the Republic of Latvia, the debt recovery costs indicated in Section 1668.9 of the Civil Law in accordance with Directive 2011/7/EU of the European Parliament and of the Council of 16 February 2011 on combating late payment in commercial transactions are determined in the amount of EUR 40.

[*23 May 2013; 19 December 2013*]

**Section 21.** For contracts which have been entered into until 31 December 2013 and in which the obligation to pay a contractual penalty has been included if such contracts continue to be valid after 1 January 2014 and a claim in a court regarding them has not been brought by 31 December 2014, amendments to Sections 1716, 1717, and 1722 of the Civil Law regarding the provisions of a contractual penalty and amendments to Section 1843 of the Civil Law regarding the procedures for the payment of a debt shall be applicable from 1 January 2015.

[*19 December 2013*]

Chairperson of the Supreme Council of the Republic of Latvia A. Gorbunovs

Secretary of the Supreme Council of the Republic of Latvia I. Daudišs

Rīga, 22 December 1992