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The International Comparative Legal Guide to:

International Arbitration 2006

A practical insight to cross-border International Arbitration work

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1 Arbitration Agreements

1.1 What, if any, are the legal requirements of an arbitration agreement under the laws of your country?

The law governing arbitration in Latvia is the Civil Procedure Law. Part D of the Civil Procedure Law (Articles 486-537) deals with arbitration. These rules are partially based on the UNCITRAL Model Law. They do not fully reflect the provisions of the UNCITRAL Model Law though. For example, the definition of an arbitration agreement does not provide that an arbitration agreement would be considered as concluded by an exchange of statements of claim and defence in which the existence of an agreement is alleged by one party and not denied by another. In practice this, however, would be sufficient for most arbitral tribunals to recognise that an arbitration agreement exists.

Under the Civil Procedure Law an arbitration agreement must be entered into in a written contract form. It may be included in any agreement as a separate clause or drawn up as a separate document. An arbitration agreement may be entered into "by exchange of letters, faxes or telegrams or using of other means of telecommunication, which provide that the intent of both parties to refer a dispute or a possible dispute to arbitration is recorded" (Article 492 (2)). Such an agreement should also be considered an agreement made in writing. An arbitration agreement may include a stipulation regarding the procedures for resolution of disputes in accordance with the regulations of an institutional arbitration court or in accordance with the agreement of the parties (Article 492 (3)).

The principle of autonomy of the arbitration agreement is clearly established by the law, namely, in case the arbitration agreement is included in a contract as a separate clause, the arbitration clause must not be affected by the validity of the agreement in which the arbitration clause is included.

As to the content, the Civil Procedure Law provides that the parties may agree to submit to arbitration the existing dispute or any future disputes (Article 490 (2)).

1.2 Are there any special requirements or formalities required if an individual person is a party to a commercial transaction which includes an arbitration agreement?

In Latvia there are no special requirements or formalities for an individual person to be a party to a commercial transaction, which includes an arbitration agreement, provided they have a general legal capacity to act.

1.3 What other elements ought to be incorporated in an arbitration agreement?

The Civil Procedure Law does not set out any specific requirements for an arbitration agreement. The level of detail regulated by the arbitration agreement depends upon whether the arbitration agreement envisages ad hoc or institutional arbitration. In any event, there are several issues that usually should be addressed by an arbitration agreement, including:

- description of the dispute that parties agree to arbitrate (scope of agreement);
- correct name of arbitration institution if it is institutional arbitration;
- designation of institutional rules, if any;
- number of arbitrators;
- in ad hoc arbitration, the method of appointment of arbitrators;
- designation of the place of arbitration;
- language of arbitration;
- substantive law applicable to the dispute; and
- law applicable to arbitration agreement.

1.4 What has been the approach of the national courts to the enforcement of arbitration agreements?

The Civil Procedure Law's approach to arbitration agreements is based on the party autonomy principle. Under Article 219 the courts must refer a dispute to arbitration if a valid arbitration agreement exists between parties. Under Article 223 the courts are obliged ex officio to terminate the proceedings if it is discovered during the proceedings that a valid arbitration agreement exists between the parties. Nevertheless, the court practice is not systematic as to what may constitute an arbitration agreement and how specific should the record of a party's intention to arbitrate be. Unfortunately the Civil Procedure Law provides for no default provisions that would help to use and enforce arbitration agreements in circumstances where arbitration clauses are ambiguous or unclear as to the intention to arbitrate.

The courts and also the legislation in Latvia take the position of non-intervention into arbitration process and proceedings. The court intervention takes place only when granting preliminary injunction, before an arbitration claim is filed and when enforcing an arbitral award.

2 Governing Legislation

2.1 What legislation governs the enforcement of arbitration agreements in your country?

The Civil Procedure Law governs the enforcement of arbitration agreements in Latvia. Part D of the Civil Procedure Law (Articles 486-537) regulates arbitration. Latvia is a party to the New York Convention of 1958 (Latvia ratified it in 1992 as well), which constitutes a part of the Latvian law without specific implementation. Article II (3) of the New York Convention requires courts of Latvia, when seized of an action in a matter in respect of which the parties have made an arbitration agreement, at the request of one of the parties, refer the parties to arbitration, unless the court finds that the said agreement is null and void, inoperative or incapable of being performed.

2.2 Does the same arbitration law govern both domestic and international arbitration proceedings? If not, how do the laws differ?

The Civil Procedure Law does not distinguish between domestic and international arbitration proceedings and applies equally to both.

2.3 Is the law governing international arbitration based on the UNCITRAL Model Law? Are there significant differences between the governing law and the Model Law?

There are no special legal norms in Latvia addressing specifically international arbitration. Part D of the Civil Procedure Law regulates arbitration in general and does not distinguish between local and international arbitration. Therefore it is only partially based on the UNCITRAL Model Law. Most of the legal norms of the Model Law that deal with the international features of arbitration are not reflected in the Civil Procedure Law. Some significant provisions of the Model Law have not been incorporated in the Civil Procedure Law, namely:

- regulation on the default of a party;
- regulation on court assistance in taking of evidence;
- power of arbitral tribunal to order interim measures; and
- possibility to file application for setting aside an arbitral award.

3 Jurisdiction

3.1 Are there any subject matters that may not be referred to arbitration under the governing law of your country? What is the general approach used in determining whether or not a dispute is "arbitrable"?

The Civil Procedure Law contains an exclusive list of disputes, which may not be referred to arbitration. According to Article 487 the following disputes are not "arbitrable":

1) a dispute the adjudication of which may infringe the legal rights or interests of such a person that is not a party to the arbitration agreement;
2) a dispute in which a party is a state or a municipal institution or a dispute where an award could affect the rights of state of municipal institutions;
3) a dispute, which is related to changes in the Civil Records Registry;
4) a dispute, which is related to the rights and obligations of persons under guardianship or trusteeship or to their interests protected by law;
5) a dispute regarding establishment, alteration or termination of property rights in regard to immovable property, if among the parties to the dispute there is a person whose rights to acquire immovable property in ownership, possession or use are restricted by law;
6) a dispute concerning the eviction of a person from their living premises;
7) individual employment disputes; and
8) a dispute concerning the rights and obligations of those persons who are declared insolvent before the adoption of the arbitral award.

3.2 Is an arbitrator permitted to rule on the question of his or her own jurisdiction?

Article 495 of the Civil Procedure Law entitles an arbitral tribunal to decide upon its own jurisdiction, inter alia when one of the parties disputes the existence or effect of the arbitration agreement. A party may submit objections as to the fact that a dispute is not subject to arbitration until the day when the time period for submission of a response expires. An arbitral tribunal may decide a matter regarding determination of jurisdiction over a dispute at any stage of the procedure.

3.3 Under what circumstances can a court address the issue of the jurisdiction and competence of the national arbitral tribunal?

There is no possibility under Latvian law to request that the court determine questions as to the substantive jurisdiction of the tribunal. Only at the enforcement stage a party can challenge the arbitral award by addressing the issue of jurisdiction and competence of the national arbitral tribunal.

3.4 Under what, if any, circumstances does the national law of your country allow an arbitral tribunal to assume jurisdiction over individuals or entities which are not themselves party to an agreement to arbitrate?

The law does not explicitly address the issues of binding a non-signatory party to an arbitration agreement or regulate how an arbitral tribunal can assume jurisdiction over an individual or entity, which is not party to an agreement to arbitrate.

It has been established by court practice that assignment (cession) of a claim or obligation does not automatically transfer the arbitration agreement to the assignee.

4 Selection of Arbitral Tribunal

4.1 Are there any limits to the parties' autonomy to select arbitrators?

Any person having capacity to act may be appointed as an arbitrator, irrespective of his or her citizenship and place of residence, if such a person has agreed in writing to be an arbitrator (Article 497 (2)). Parties are free to agree on the number of arbitrators, the arbitrators' qualification and the method or order for appointment of an arbitrator (Article 499(1)). The parties may entrust the appointment of arbitrators to any natural or legal person having capacity to act. If a party has appointed an arbitrator and has notified the other party thereof, the first party may not dismiss such an arbitrator without the consent of the other party (Article 500). As a general rule under the Civil Procedure Law the number of arbitrators shall be comprised of an odd number. If the parties have not agreed on the number of arbitrators, the arbitration court shall consist of three arbitrators. An arbitration tribunal may consist of one arbitrator only if the parties have expressis verbis agreed so (Article 498).

4.2 If the parties' chosen method for selecting arbitrators fails, is there a default procedure?

Lack of an elaborate default procedure, in case the parties' chosen method for selecting arbitrators fails, could be regarded as one of the disadvantages of the Civil Procedure Law.

Article 499 (3) provides that "if it is stipulated in an arbitration agreement that a dispute is to be resolved by a permanent arbitration court, the arbitrators shall be appointed in accordance with the regulations of the arbitration court".

Further, the Civil Procedure Law provides that if the parties have not agreed to refer a dispute to a permanent arbitration court or - in other words - the parties have agreed upon ad hoc arbitration and have not agreed upon the procedure for appointment of arbitrators, each party must appoint one arbitrator who would appoint the third arbitrator. The third arbitrator would also be the chairperson of the arbitration panel (Article 499 (4)). The law does not remedy a situation where the two arbitrators cannot agree upon the third arbitrator and the parties have not indicated an appointing authority.

4.3 Can a court intervene in the selection of arbitrators? If so, how?

It is not provided that a court can intervene in the appointment procedures at any time or under any circumstances. It is not possible to apply for setting aside the appointment. It is also not possible to apply to the courts for assistance in making appointments in the event the appointment procedure has failed.

4.4 What are the requirements (if any) as to arbitrator independence, neutrality and/or impartiality?

Article 497 of the Civil Procedure Law requires arbitrators to be objective and independent and perform their duties in good faith, without being subject to any influence. As a general rule, a person who is requested to consent to being appointed as an arbitrator, must disclose to the parties any facts, which could cause well-founded doubt as to the objectivity and independence of that person. If such facts become known to the arbitrator before the end of the arbitration proceedings, he or she shall without delay disclose them to the parties (Article 501 (1)). Furthermore, an arbitrator may be removed, if any facts exist which cause well-founded doubt as to his or her objectivity and independence, as well as if his or her qualifications do not conform to those agreed by the parties (Article 501 (2)). However, a party may remove an arbitrator whom it has appointed or in whose appointment it has participated, only where the grounds for removal have become known to the party after the appointment of the arbitrator.

Parties may agree on the procedures regarding removal of an arbitrator. Where a dispute is being resolved by a permanent arbitration court and the parties have not agreed on the procedures regarding removal of an arbitrator, such proceedings must be determined in accordance with the regulations of the arbitration court.

Where a dispute is being resolved by an ad hoc arbitration and the parties have not agreed on the procedures regarding removal of an arbitrator, the party which intends to remove an arbitrator, within 15 days from the day the party is informed of the appointment of such arbitrator or becomes informed of a condition mentioned in Article 501 (1) and 501 (2) of the Civil Procedure Law, must send to the arbitrators a notice, indicating the arbitrator the party wishes to remove and the grounds for the removal. If the arbitrator to whom the removal has been declared does not withdraw himself, the issue regarding the removal should be decided by the other arbitrators. If the dispute is being resolved by a single arbitrator, the issue regarding the removal shall be decided by the sole arbitrator. It is not possible to apply to the court for the removal of an arbitrator on the basis that circumstances exist that give rise to justifiable doubts as to that arbitrator's impartiality.

5 Procedural Rules

5.1 Are there laws or rules governing the procedure of arbitration in your country? If so, do those laws or rules apply to all arbitral proceedings sited in your country?

Part D of the Civil Procedure Law contains a number of

general rules governing the procedure of arbitration in Latvia. The provisions of the Civil Procedure Law apply to all proceedings sited in Latvia. Parties are free to determine the seat of the arbitral tribunal. If parties have not determined the seat of the arbitral tribunal, the arbitral tribunal should determine the place of the seat itself.

5.2 In arbitration proceedings conducted in your country, are there any particular procedural steps that are required by law?

The law does not prescribe any particular procedural steps for arbitration proceedings. The parties are free to agree how their disputes are resolved. By virtue of Article 518 of the Civil Procedure Law an arbitral tribunal should hold sittings to hear the explanations and objections of the parties and to examine evidence (oral procedure) or it should resolve a dispute on the basis of written evidence and submitted materials only (written procedure). The arbitral tribunal should also organise oral procedures where the parties have agreed on written procedures but one of the parties, until the making of the decision, requests oral procedures.

5.3 Are there any rules that govern the conduct of an arbitration hearing?

The arbitral tribunal must notify the parties about the hearing in good time. Notice about the hearing shall be sent not later than 15 days in advance unless the parties have agreed upon a shorter term (Article 518 (2)). The Arbitration tribunal is under a general obligation to introduce to the parties any submissions, documents and other information, which it has obtained, as well as expert opinions and other evidence (Article 518 (3)). There are no further elaborate rules as to arbitration hearing.

In the event one of the parties is at default, for example, if a defendant does not submit a response to a claim, an arbitral tribunal should continue the procedure without considering such default as admission of the claim, unless provided otherwise by the arbitration agreement (Article 520 (1)). If one or both parties, without justified cause, fail to attend a hearing or fail to submit written evidence, the arbitral tribunal should continue the procedure and resolve the dispute on the basis of the evidence at its disposal (Article 520 (2)).

5.4 Do the national courts have jurisdiction to deal with procedural issues arising during an arbitration?

Courts do not have jurisdiction to act in support of arbitral proceedings and deal with procedural issues arising during arbitration. The law does not provide for any intervention of the courts during the arbitration proceedings, except on two occasions. Under the Civil Procedure Law the courts act in support of arbitration only in two instances: (a) granting interim injunction before filing of a claim to arbitration; and (b) enforcing the award. The same court that has granted interim relief may revoke it or change it upon the request of the party or arbitral tribunal (Article 496 (1)).

5.5 Are there any special considerations for conducting multiparty arbitrations in your country (including in the appointment of arbitrators)? Under what circumstances, if any, can multiple arbitrations (either arising under the same agreement or different agreements) be consolidated in one proceeding? Under what circumstances, if any, can third parties intervene in or join an arbitration proceeding?

There are no special rules of law addressing multiparty arbitrations in Latvia. The law does not foresee a possibility to consolidate in one proceeding multiple arbitrations. These issues can be dealt with by the rules of institutional arbitrations.

Similarly, the issue of third party intervention in arbitration proceedings is not regulated by the law. If intervention by a third party becomes an issue during arbitration (for example, requested by one of the parties), it is usually decided by the arbitral tribunal. If one of the parties objects to third party intervention, most likely the arbitral tribunal would refuse to admit a third party in the arbitration proceedings. There is no well-established practice in Latvia on this matter and due to the confidentiality of arbitral awards and proceedings it is not possible to ascertain whether there are conditions established in practice when a third party could be admitted to join arbitration proceedings, if at all.

6 Preliminary Relief and Interim Measures

6.1 Under the governing law, is an arbitrator permitted to award preliminary or interim relief? If so, what types of relief? Must an arbitrator seek the assistance of a court to do so?

The arbitration tribunal is not permitted to award preliminary or interim relief under Latvian law. Until 2005 there was such a possibility, but it was abolished recently.

6.2 Is a court entitled to grant preliminary or interim relief in proceedings subject to arbitration? In what circumstances? Can a party's request to a court for relief have any effect on the jurisdiction of the arbitration tribunal?

Under Article 496 of the Civil Procedure Law a court is entitled upon an application by a potential plaintiff, to secure a claim prior to it being filed to arbitration. Such a request for interim relief should be filed to the court, which is determined according to the location of the debtor or the location of the property of the debtor. The same court may, upon a request by a party or an arbitration tribunal, decide on revoking or changing the interim relief.

Article 496 (2) explicitly provides that an application for interim relief or an application for changing interim relief should not be considered as failure to observe the arbitration agreement and should not impede the resolution of a dispute by an arbitral tribunal.

The Civil Procedure Law provide for certain conditions to be satisfied in order to permit an application of interim relief before filing a claim to arbitration. A potential plaintiff may file a request for preliminary relief prior to bringing a claim to an arbitration, and even before an obligation has become due, if the debtor, with the purpose of avoiding performance

of its obligation: (a) removes or alienates his or her property; (b) leaves his or her place of residence without informing the creditor; or (c) performs other actions which evidence that the debtor is not acting in good faith or is otherwise contrary to the law (Article 138). When submitting an application, the potential plaintiff should submit evidence proving the necessity of securing the claim. A court decides the issue of interim relief ex parte.

If the interim relief is granted, the judge will determine the time when the claim must be filed. If the claim is not filed within the prescribed period of time, the judge must revoke interim relief upon the request of the potential defendant.

A judge may require that the potential plaintiff secure losses, which the defendant may suffer because of the interim relief, by depositing a certain sum of money in the bailiff's deposit account.

6.3 In practice, what is the approach of the national courts to requests for interim relief by parties to arbitration agreements?

In the event of lack of clear and certain evidence that the debtor, with the purpose of avoiding performance of their obligation: (a) removes or alienates his or her property; (b) leaves his or her place of residence without informing the creditor; or (c) performs other actions which evidence that the debtor is not acting in good faith or is otherwise contrary to the law, the courts will be reluctant to provide interim relief before filing a claim to arbitration.

7 Evidentiary Matters

7.1 What rules of evidence (if any) apply to arbitral proceedings in your country?

Only four types of evidence are admissible under Latvian law in arbitration:

- explanations of the parties;
- written evidence (documents);
- real evidence (physical items); and
- expert opinions.

Witnesses and witness statements are not permitted. Evidence must be submitted by the parties. Each party must prove the facts to which they refer as a basis for their claims and objections. The arbitration tribunal determines the admissibility and validity of evidence.

Documentary evidence must be submitted in the form of an original or of a certified copy. If a party submits a true copy of a document, an arbitral tribunal may itself, or pursuant to the request of the other party, require that the original document be submitted. The arbitral tribunal must return an original document, pursuant to the request of the person who has submitted such a document, leaving a certified true copy of it in the materials of the case file.

7.2 Are there limits on the scope of an arbitrator's authority to order the disclosure of documents and other disclosure of discovery (including third party disclosure)?

An arbitral tribunal has some authority to order the disclosure of documents but the authority is not unlimited. A tribunal may require the parties to submit supplementary documents or other evidence but it has no power to order production of documents by a third party.

7.3 Under what circumstances, if any, is a court able to intervene in matters of disclosure/discovery?

It is not possible to invoke a court in matters of disclosure and discovery during arbitration proceedings. Courts may not secure evidence during arbitration proceedings or prior to arbitration.

7.4 What is the general practice for disclosure / discovery in international arbitration proceedings?

There are no special rules or practices for international arbitration proceedings.

7.5 What, if any, laws, regulations or professional rules apply to the production of written and/or oral witness testimony? For example, must witnesses be sworn in before the tribunal? Is cross-examination allowed?

Witnesses and witness testimony are not allowed in arbitrations. If an arbitral tribunal has ordered expert opinion or invited expert upon the request of one party, the expert may be invited to give explanations about his written opinion upon request of one of the parties and may be cross-examined by the parties.

7.6 Under what circumstances does the law of your country treat documents in an arbitral proceeding as being subject to privilege? In what circumstances is privilege deemed to have been waived?

There is no specific regulation under Latvian law pertinent to the privilege of documents in arbitral proceedings. There are no specific rules as to the circumstances when the privilege is deemed to have been waived.

8 Making an Award

8.1 What, if any, are the legal requirements of an arbitral award?

All awards (decisions and judgments) of an arbitral tribunal, if the tribunal consists of more than one arbitrator, must be made by a majority vote (Article 528 (1)). An arbitral award must be made in writing. The law stipulates which issues an arbitral award must cover. The law does not prescribe a time limit for the announcement of an award or for the preparation of the full text of the award. The law states that in case of written proceedings the award must be sent to the parties within three days after it is written.

9 Appeal of an Award

9.1 On what bases, if any, are parties entitled to appeal an arbitral award?

An award of an arbitral tribunal comes into effect on the day it is made. It is final and may not be appealed (Article 528 (2)). There are no setting aside procedures under Latvian law.

9.2 Can parties agree to exclude any basis of appeal or challenge against an arbitral award that would otherwise apply as a matter of law?

The grounds under which enforcement of an arbitral award may be refused are exclusive and may not be contracted out.

9.3 Can parties agree to expand the scope of appeal of an arbitral award beyond the grounds available in relevant national laws?

The finality of an arbitral award under Latvian law may not be contracted out and parties may not agree that the arbitral award is subject to an appeal on any grounds.

10 Enforcement of an Award

10.1 Has your country signed and/or ratified the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards? What is the relevant national legislation?

Latvia is a party to the New York Convention, which it signed and ratified in 1992 and which has become part of Latvian law without specific implementation. Part F of the Civil Procedure Law regulates international civil procedure, which, among other issues, regulates recognition and enforcement of foreign arbitral awards (Article 645-651).

10.2 What is the approach of the national courts in your country towards the enforcement of arbitration awards in practice?

Enforcement of a foreign arbitral award may only be refused on the grounds of the New York Convention. Latvian courts take a rather broad view on arbitrability and appear to be reluctant to refuse the enforcement of foreign arbitral awards on the grounds under the New York Convention.

10.3 What is the effect of an arbitration award in terms of res judicata in your country? Does the fact that certain issues have been finally determined by an arbitral tribunal preclude those issues from being re-heard in a national court and, if so, in what circumstances?

An arbitral award becomes res judicata and issues decided by the tribunal may under no circumstances be re-heard in a national court.

11 Confidentiality

11.1 Are arbitral proceedings sited in your country confidential? What, if any, law governs confidentiality?

Arbitration hearings are closed. Persons who are not parties in a matter, may be present at an arbitration court hearing only with the consent of the parties (Article 512). An arbitral tribunal is prohibited to disclose to third parties or publish information concerning the arbitration procedure. This provision applies also to the documentation contained in a case file, which an institutional arbitration court must keep for 10 years pursuant to the general archiving requirements. Confidentiality issues between the parties with regard to arbitration proceedings are subject to the parties' agreement. There is no implied duty of confidentiality in arbitration agreements.

11.2 Can information disclosed in arbitral proceedings be referred to and/or relied on in subsequent proceedings?

The law in principle does not prohibit parties to disclose the information or refer to it in subsequent proceedings. Parties may be restricted to disclose such information if they have undertaken certain confidentiality obligations, which usually is the case.

11.3 In what circumstances, if any, are proceedings not protected by confidentiality?

There are no exceptions to the general rules of confidentiality of arbitration proceedings. However, the parties may agree to such an exception.

12 Damages / Interests / Costs

12.1 Are there limits on the types of damages that are available in arbitration (e.g., punitive damages)?

In general parties are free to agree upon the scope of the arbitral tribunal's power to grant remedies subject to applicable substantive law. It would be the applicable law to the subject matter of a dispute according to which the arbitral tribunal would decide upon the application of certain remedies (damages, contractual penalties, etc.). Rules pertinent to arbitration do not regulate applicable remedies in Latvia.

12.2 What, if any, interest is available?

In the absence of the parties' agreement, the arbitral tribunal will be entitled to award such interest as prescribed by the applicable law. Interest is usually awarded from the date of the award until the payment of the amount of the award or until the enforcement of the award.

12.3 Are parties entitled to recover fees and/or costs and, if so, on what basis? What is the general practice with regard to shifting fees and costs between the parties?

As a rule, an arbitral award should always address the division of costs between the parties. It is entirely up to the arbitration tribunal to determine the issues of recovery of arbitration costs and fees. The law prescribes that this is one of the mandatory issues that an arbitral award must address but it does not provide for any detailed rules on shifting fees and costs between the parties. Arbitral tribunals enjoy wide discretion in shifting the fees and costs between the parties. There are instances when the losing party is ordered to pay all the costs of the winning party. There are also cases where attorney fees of the winning party are ordered to be paid by the losing party only partially.

When making the decision on the enforcement of the award, the court has to decide the issue whether to recover from the defendant the state fee paid for the issuance of the enforcement order. The law does not foresee the recovery of legal costs associated with attorney fees incurred during the process of recognition and enforcement in the court. All the costs that are payable in the course of the execution of the arbitral award, namely fees to the bailiff, are usually recovered from the defendant when the actual enforcement is performed.

12.4 Is an award subject to tax? If so, in what circumstances and on what basis?

The laws pertinent to arbitration do not regulate tax issues. Any sum awarded by an arbitral award is a personal tax issue of that entity or individual. In general if a person has received any interest, punitive damages or penalties under an award, it would be subject to income tax. Damages intended to cover lost profit or income are also taxed.

13 Investor State Arbitrations

13.1 Has your country signed and ratified the Washington Convention on the Settlement of Investment Disputes Between States and Nationals of Other States (1965)?

Latvia has signed and ratified the Washington Convention on the Settlement of Investment Disputes Between States and Nationals of Other States.

13.2 Is your country party to a significant number of Bilateral Investment Treaties (BITs) or Multilateral Investment treaties (such as the Energy Charter Treaty) that allow for recourse to arbitration under the auspices of the International Centre for the Settlement of Investment Disputes ('ICSID')?

Latvia has signed a significant number of Bilateral Investment Treaties with most of the European countries, as well as many Asian, North and Latin American countries.

13.3 Does your country have standard terms or model language that it uses in its investment treaties and, if so, what is the intended significance of that language?

Latvia does not have any standard terms or model language that it uses in its investment treaties.

13.4 In practice, have disputes involving your country been resolved by means of ICSID arbitration and, if so, what has the approach of national courts in your country been to the enforcement of ICSID awards?

Latvia has been involved in a few arbitrations and there has been no instance where the Latvian courts would have refused enforcement of the award.

14 General

14.1 Are there noteworthy trends in the use of arbitration or arbitration institutions in your country? Are certain disputes commonly being referred to arbitration?

There are a big number of institutional arbitrations in Latvia that hear local disputes. Only 3 or 4 institutional arbitrations have the capacity and experience in handling international arbitration cases. Therefore before agreeing to bring future or existing disputes to any Latvian institutional arbitration court it is important to consult a local attorney and obtain some prior information about a specific institutional arbitration court.

14.2 Are there any other noteworthy current issues affecting the use of arbitration in your country?

It is noteworthy to mention the fact that most of the institutional arbitrations have a closed list of arbitrators, whereby the parties are bound to choose arbitrators from this list only. Due to this reason the trustworthiness of most of the institutional arbitral courts may be questioned. Currently there is only one institutional arbitration in Latvia that has no list of arbitrators and does not limit the parties in choosing the arbitrators.

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As might be expected from a law firm with offices throughout the whole Baltic Region and serving clients from many jurisdictions, our litigation and arbitration practice has a sizable international component.

Our litigation and arbitration practice concentrates on the areas in which our clients mainly require assistance, including:

- commercial contract disputes;
- disputes involving distributors, lenders, or partners;
- corporate disputes;
- disputes related to international trade and transport, and maritime law;
- shareholder disputes;
- employee or employer disputes;
- debt collections;
- real estate disputes;
- trademark and patent diputes;
- disputes with govenremnt regulatory institutions and tax authorities; and
- enforcement of foreign court judgments and decisions or arbitral awards.

Our team of lawyers is able to provide legal advice in such languages as English, Finnish, German, Swedish, Russian, Estonian, Latvian and Lithuanian.