

NATIONAL-LEVEL CORPORATE ANTI-ABUSE MEASURES RELEVANT TO THE EU COMPANY LAW PACKAGE

Expert Questionnaire

LATVIA

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1) Anti-abuse mechanisms - do any of the following mechanisms exist in this country? If so, how do they work?

a. Disqualified Directors

- i. Is there an official definition of “disqualified director”? If so, what are the grounds for disqualification? In which law can this be found? (link to legal text(s))
- ii. Is there an official list of (current) disqualified directors? If so, where can this be found? (name of organization maintaining it and link)
- iii. If there is an official list, who has access to this list (general public or restricted)?

Latvia currently does not have regulations regarding disqualified directors. At the same time, the Commercial law provides that restrictions on commercial activities for a natural person may be determined by a ruling made within criminal or administrative proceedings. Such a ruling may deprive the person of the right to perform commercial activities of all types or of a specific type, or by a ruling made within criminal proceedings or administrative violation proceeding, by which the person is deprived of the right to hold certain offices. If a natural person, on the basis of a ruling made within criminal proceedings, has been deprived of the right to perform commercial activities of all types or a specific type, he or she is prohibited (during the period of prohibition specified in the relevant ruling) from being a member of the board of directors or council of a capital company.¹

According to Criminal law, deprivation of the right to engage in entrepreneurial activity of a specific type or of all types or the right to take up a specific office can be applied for instance in case of: entrepreneurial activities without registration or a permit (licence), prohibited entrepreneurial activity, illegal use of trademarks or other distinguishing marks and designs, responsibility for insolvency, delay of insolvency proceedings, violation of legal protection proceedings regulations, or evasion of tax payments.²

The Enterprise Register of the Republic of Latvia ensures execution of the ruling taken in criminal or administrative proceedings by which a person has been deprived of the right to perform commercial activities of all types, as well as the ruling rendered in criminal proceedings or administrative offence proceedings by which a person has been deprived of the right to hold specific offices. Furthermore, it shall immediately notify the relevant authorities or officials, as

¹ The Commercial Law, adopted: 13.04.2000. Available: <https://likumi.lv/ta/en/en/id/5490-the-commercial-law>

² Criminal Law, adopted: 17.06.1998. Available: <https://likumi.lv/ta/en/en/id/88966-criminal-law>, article 206-208, 213, 215, 215.¹ 218.

well as the relevant company of violations and conditions for execution. The information on the rulings currently is not visible publicly.

On the basis of a ruling made in criminal proceedings or administrative offence proceedings by which a person has been deprived of the right to hold specific offices, the state notary of the Enterprise Register can decide to postpone or refuse to register the enterprise or refuse to make an entry in the Commercial Register or the Enterprise Register journal on the appointment of a member of the executive body or supervisory body. Finally, if a person who has been entered in the Commercial Register as a member of the executive body or supervisory body of a commercial company or European commercial company, or who has been entered in the Enterprise Register journal as a member of the executive body or supervisory body of a co-operative society or a European co-operative society, has been deprived of the right to hold specific offices, the state notary of the Enterprise Register makes an entry in the relevant register on the deletion of the person or the right of representation of such person from the register.³

b. Beneficial Owners

i. Where is the database of beneficial owners and which organisation maintains it (link)

A beneficial owner is a natural person who owns or in whose interests a specific legal person has been established or operates or who implements direct or indirect control over a legal person.⁴ The list beneficial owners of all companies is available in the online public register of companies - the Enterprise Register of the Republic of Latvia: <https://www.ur.gov.lv/en/get-information/>.⁵ There is no separate database, however, beneficial owners of every company are obligatory included in the information publicly visible on the company.

ii. Are there any checks on the authenticity of beneficial owners, or does the organisation depend on a “statutory declaration” or “affidavit” from the company directors?

The Enterprise Register has the right at the moment of registration of an enterprise or organization to request additional information about its beneficial owner and apply a procedure of liquidation of the company if beneficial owners are not disclosed. However, this right is not routinely used.

Upon submitting an application to the Enterprise Register for the registration (incorporation) of a legal person or changes in the composition of shareholders or members of the board of a capital company, information regarding the beneficial owner of the legal person must be indicated in the application.

A legal person, including a partnership which is registered in the public registers maintained by the Enterprise Register, shall, without delay, but not later than within 14 days from getting to know the relevant information, submit to the Enterprise Register the application for the registration of information regarding the beneficial owners or for the registration of changes in such information. Documentary justification of the exercised control, as well as a document

³ Law “On the Enterprise Register of the Republic of Latvia, adopted: 20.11.1990. Available: <https://likumi.lv/ta/en/en/id/72847-on-the-enterprise-register-of-the-republic-of-latvia>. Article 4.3¹, 4⁶.

⁴ The Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing (Law on the Prevention of Money Laundering), adopted: 17.07.2008. Available: <https://likumi.lv/ta/en/en/id/178987-law-on-the-prevention-of-money-laundering-and-terrorism-and-proliferation-financing>, article 1 (5), sub-clause a)

⁵ More: <https://www.ur.gov.lv/en/register/organization/association/changes/beneficial-owners/> and <https://www.ur.gov.lv/en/explanation-of-beneficial-owners/sia-limited-liability-company-and-as-stock-company/>.

certifying the compliance of the information identifying the beneficial owner (a notarially certified copy of the personal identification document, a statement from a foreign population register, or other documents equivalent to the abovementioned documents) and a document justifying the certification that it is not possible to determine the beneficial owner must be submitted upon request of the Enterprise Register so that it can ascertain the credibility of the information submitted. Information regarding the date, month, and year of birth, number of the personal identification document and the date of issue thereof, country and body issuing the document need not be indicated for the persons who have a personal identity number.⁶

If a natural person has grounds for believing that he or she has become the beneficial owner of a legal person or a foreign legal person or legal arrangement which registers a branch or representative office in the Republic of Latvia, they must immediately report this fact to the national or foreign legal person. The national and foreign legal person has to store at least the following information regarding its beneficial owners: given name, surname, personal identity number (if any) and the date, month, and year of birth, number of the personal identification document and date of issue thereof, country and body issuing the document, nationality, country of residence, as well as the manner of exercising control over the legal person or foreign subject, including by indicating the given name, surname, personal identity number (if the person has no personal identity number - date, month, year of birth) of a shareholder (stockholder), member or owner through which the control is exercised. If it is a legal person, the firm name, registration number, and registered address, as well as the documentary justification of the control exercised must be included.⁷

The Enterprise Register has an obligation to register beneficial owners of several Latvian legal persons established before 01.12.2017 based on their disclosure by default and an obligation to co-operate more actively with the private sector to gather information about and report to law enforcement institutions about possibly false data provided about beneficial owners.

Evaluation of actual circumstances remains within the competence of law enforcement institutions and the Enterprise Register does not conduct investigation activities, however it has the right to request the documentary justification of the control exercised by the beneficial owner, as well as the document that confirms conformity of the identification information of the beneficial owner (a notarially certified copy of the personal identification document, a statement from the foreign population register or equivalent documents).⁸

iii. How quickly must the company give notice when ownership has changed (updating of lists/databases)?

Immediately, but not later than within 14 days from getting to know the relevant information.

iv. Who has access to the beneficial ownership database? Does the general public have unrestricted access, restricted access or no access?

In order to efficiently limit money laundering and terrorism and proliferation financing risks, to promote confidence in transactions executed by legal persons and foreign subjects and the

⁶ Persons included in the Population Register which as of 28.06.2021 will be substituted by the Register of Natural Persons. More: Law on the Register of Natural Persons, adopted: 14.12.2017. Available: <https://likumi.lv/ta/en/en/id/296185-law-on-the-register-of-natural-persons>

⁷ Law on the Prevention of Money Laundering, article 18¹, 18².

⁸ More: <https://www.ur.gov.lv/en/news/information/new-rules-of-the-game-for-all-legal-persons/>; <https://www.ur.gov.lv/en/register/company-or-merchant/stock-company-as/changes/beneficial-owners/>.

financial system, and the business environment as a whole, to minimise the possibility to use legal persons and foreign subjects for unlawful activities (particularly, corrupt practices and tax evasion), to protect the rights of other persons, and to ensure the availability of information regarding the beneficial owners of the counterparties of the transaction - legal persons and foreign subjects -, any person has the right to receive information regarding beneficial owners from the State Revenue Service and online information from the Enterprise Register of the Republic of Latvia.⁹

c. Electronic identity (eID) scheme – is there a scheme registered with the European Commission, and if so, what eIDAS level of assurance does it have?

The electronic identity (eID) scheme - Latvian eID scheme (eID)¹⁰ - is registered with the European Commission, and has high (substantial) eIDAS level of assurance.¹¹ In order to receive an ID card, which is a basis for an electronic signature, a person must appear in person at the Office of Citizenship and Migration Affairs.

2) Company registry – transparency, access, cost

a. Which organization maintains the company registry? (name and link)

The company registry (**The Commercial Register**) is maintained by **the Enterprise Register of the Republic of Latvia**. Since January 2020 general information is publicly accessible online and free of charge on the Enterprise Register's information website <https://info.ur.gov.lv>.

Some of the information on the Enterprise Register's website will be freely accessible in the Commercial Register without authentication, some other – freely available but with authentication, and other – only pursuant to a justified request.

The State revenue service (SRS) Public register provides information free of charge on companies (by entering name and registration number) on the company (e.g. legal address, economic activity registered (NACE)) taxes paid for the last three years, insolvencies and tax debts (https://www6.vid.gov.lv/?aspxerrorpath=/VID_PDB).

b. To what extent is the registry digitalized? Can company foundations/registrations and reporting be carried out fully online/digitally?

Company registration is fully digitalised. For several years now, all applications for making entries in the registers maintained by the Enterprise Register can be submitted electronically - an e-service has been created for most cases and is available on the portal www.latvija.lv. In turn, in the remaining cases (for example, reorganization), for which the e-service has not been established, the necessary information and documents can be sent by e-mail or official e-mail address.¹²

It is possible to register a company by submitting all the necessary documents through the State service portal (Via the e-service: www.latvija.lv, Registration in the register of enterprises

⁹ Law on the Prevention of Money Laundering, article 18.³

¹⁰ Latvian eID scheme (eID): eID karte, eParaksts karte, eParaksts karte+, eParaksts.

¹¹ Electronic identification schemes notified pursuant to Article 9(1) of Regulation (EU) No 910/2014 of the European Parliament and of the Council on electronic identification and trust services for electronic transactions in the internal market (2019/C 425/06) [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019XC1218\(01\)](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52019XC1218(01)).

More: https://www.eparaksts.lv/en/About_eSignature/What_is_an_eSignature.

¹² <http://titania.saeima.lv/LIVS13/SaeimaLIVS13.nsf/0/B5F89379F78BD75BC22585770027567C?OpenDocument#B>.

registers: <https://latvija.lv/Epakalpojumi/EP119/Apraksts>) by using one of the offered authentication possibilities (e.g. through internet banking or electronic signature).¹³ Documents can be signed by e-signature on a smart (eID or eSignature card) or by digital e-signature on website www.e-paraksts.lv. Documents can be submitted on the website www.latvija.lv and the reply is sent to the applicant through the website or by e-mail. No additional certification of signatures is required. This type of registration is promoted by granting a 10 % discount on the state fee for digital registration.

For particular services only the exchange of documents through emails is possible, for instance, when documents are signed by a secure digital signature issued abroad. No additional certification of signatures is required in this case.¹⁴ The Enterprise Register explains which services are only possible through email communication.¹⁵

Reporting (tax reporting, annual reporting) is done electronically by using safe e-signature or through the Electronic Declaration System of the State Revenue Service (SRS) <https://eds.vid.gov.lv/login/#>.

c. Are bulk downloads of the entire list of registered companies possible?

Bulk information as such is not possible, however, data selection is possible for additional payment. An information request form or free-format application is necessary for that. The request for information or the free-format application must be signed by the person requesting the information – a natural person or a representative of a legal entity. No power of attorney is required.¹⁶

d. Does the registry have search features beyond the name of the company or person (e.g. by sector or employee size)

The registry does not provide for such option.

e. What is the typical cost of downloading a document from the registry?

The public domain documents (articles of association, annual report, division of the shareholder register, contract (decision) of incorporation, regulations for reduction of share capital, regulations of increase of share capital and reorganization agreement, court ruling on dissolution of the company, certificate of a foreign merchant concerning registration of the company in the respective country or an equivalent document as well as the documents modifying the abovementioned documents) can be obtained online from the information website of the Register of Enterprises without proof of authenticity, free of charge and immediately.

A paid service is a copy of a document with proof of authenticity – in person, by mail or email. The pricing:

- fee for a copy of 1 document from the registration file – 3 business days - 9,00 EUR;

¹³ More: <https://www.ur.gov.lv/en/contacts/how-to-submit-documents-electronically/e-service/application-for-registration/summary/>; <https://www.ur.gov.lv/en/contacts/how-to-submit-documents-electronically/>.

¹⁴ More: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/registration-with-the-enterprise-register/submitting-the-documents/>.

¹⁵ https://www.ur.gov.lv/media/1530/elektronisko_pieteikumu_iesniegšanas_kanali.pdf.

¹⁶ More: <https://www.ur.gov.lv/en/get-information/paid-services/data-selection/summary/>.

- fee for a copy of 1 document from the record-keeping file of the Register of Enterprises – 5 business days - 4,50 EUR.¹⁷

f. Is there information on employment levels beyond what is contained in annual accounts?

No, annual report which is available for free includes only the number of employees employed by the enterprise.

g. Information on European company forms and EU reorganizations (CBM) - is a search possible for companies with the SE legal form or companies reorganized through a CBM?

The search is possible the Enterprise Register of the Republic of Latvia, however, only by only by the name of the company.¹⁸

3) Firm foundations

a. What authority or organization is responsible for registering new companies (with link)?

The Register of Enterprises of the Republic of Latvia registers companies, traders, their branches and representative offices and changes in their founding documents, and carries out other activities provided for in legislation (<https://www.ur.gov.lv/en/register/>).

b. What are the steps needed to found and register a new company? To what extent can these happen digitally?

The necessary steps in order to register a new company depend on the type of the company.

The process can be both in person and fully digitalised (see point 2.b. of this report). For instance, in order to register a limited liability company (LLC; minimum equity is 2800 EUR):

- (1) the company has to open a temporary current bank account before registering in the Enterprise Register in order to make a contribution to the company's share capital. Banks offer the possibility to perform this activity remotely, for example, by signing an application with a secure electronic signature (e-signature).
- (2) a state fee must be paid before applying for registration. Registration is performed only after the Enterprise Register can verify that the state fee has been credited to the Treasury account.
- (3) further documents must be submitted to the Enterprise Register, which will be reviewed within 1-3 days:
 - application form KR4 (the application form KR4 must be signed by all founders or the application is signed by any other person appointed by the founders. In such case the application must be accompanied by a power of attorney certified by a notary public;
 - Memorandum of Association;
 - Articles of Association;
 - bank statement or other document on the payment of the equity (if the equity is paid up by cash);
 - appraisal report (if the equity is paid up by property contribution);

¹⁷ More: <https://www.ur.gov.lv/en/get-information/paid-services/copies-of-document/summary/>.

¹⁸ <https://www.ur.gov.lv/en/register/company-or-merchant/european-company-se/>.

- folio of the shareholders' register (signatures must be certified);
- consent of each member of the council to hold the office (if a council is established);
- consent of each member of the board to hold the office (signatures must be certified);
- announcement of the board regarding legal address;
- consent of the real property owner to the registration of legal address of the company (not required if the owner is among the signatories of the application);
- a receipt or its copy, or a printout of the payment order from an online bank or the information on the payment of the state fee.¹⁹

c. What checks (if any) are done on the authenticity of documents, identity of founders, record of founders (e.g. disqualification as directors) and beneficial owners

i. By registration authority

The preliminary check of documents is an initial verification of the draft application and the supporting documents before the submission for registration. During the preliminary check the state notary of the Enterprise Register checks the documents and the data in accordance with the legislation regulating the activity of the relevant entity, and notifies the client of any faults identified.²⁰

When documents are submitted in paper form, the signatures on the following documents must be certified: application form KR4, the folio of the shareholders' register, the consent of members of the board to hold the office (unless the consent is included in the application). Signatures may be certified by public notaries and in addition, the Orphan's Court according to declared place of residence (if the person has the Identity number of the Republic of Latvia) if there is no notary public in your county, town or parish can certify signature.

At the same time, if documents are signed by a secure digital signature and a time stamp additional certification of signatures is not necessary. However, if the document is signed by several persons, it may only be submitted electronically if all signatories have a digital signature.²¹

For the purpose of identification of the requesters of electronic services the Enterprise Register stores the identifying data and contact details of the requesters of such services and the users of electronic services, as well as verifies the accuracy of the data of the users of electronic services in the system for the recording of inhabitants under the management of the Office of Citizenship and Migration Affairs.²²

Beneficial owners

The Enterprise Register has the right to request the documentary justification of the control exercised by the beneficial owner, as well as the document that confirms conformity of the identification information of the beneficial owner (a notarially certified copy of the personal identification document, a statement from the foreign population register or equivalent documents) and a document that justifies the acknowledgment that it is impossible to determine of the beneficial owner.

¹⁹ Registration of a LLC (SIA) in the Commercial Register: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/registration-with-the-enterprise-register/>.

²⁰ See here regarding submission of documents in foreign languages <https://www.ur.gov.lv/en/documents-in-foreign-languages/legalisation-of-public-documents/>.

²¹ More: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/registration-with-the-enterprise-register/certifying-the-signatures/>.

²² Law "On the Enterprise Register of the Republic of Latvia", article 5¹²).

Preliminary check of documents

At the Enterprise Register, the state notary carries out the following documentary check:

- whether a person has submitted all documents required by the legislation for registration;
- a document has a legal effect;
- whether the form of a document complies with the requirements of the legislation or the articles of association, if the legislation provides for a possibility to determine a specific form of document in the articles of association;
- whether the amount and the content of the information and the conditions contained in the document comply with the legislation and other documents added to the registration file;
- whether a security is entered in the register.

The Enterprise Register does not verify the actual circumstances of taking a decision of a company, as well as a private-legal agreement of the shareholders (stockholders) of a capital company included in the articles of association.²³

ii. By notaries

Public notaries certify the signatures on the requested documents. When submitting documents signed with an e-signature, notary services are not required to certify the signature.

iii. By “facilitator” companies (foundation agents)

There is no regulation regarding facilitator companies’ obligation to check authenticity of documents, identity of founders, record of founders and beneficial owners. At the same time, since the facilitator companies prepare documentation to be submitted to the Register, it can be presumed that they perform check of the documents to prevent refusal of registration by the Register.

4) Cross-border Mergers (CBMs)

a. Which authority is responsible for the pre-merger certificate (outbound CBMs), which authority is responsible for approving the merger (inbound CBMs)? (name and link)

The Register of Enterprises of the Republic of Latvia (the Enterprise Register) is responsible for both the pre-merger certificate (outbound CBMs) and approving the merger (inbound CBMs).

If it is intended to register the acquiring capital company in another Member State, the acquired capital company registered in Latvia submits an application to the Enterprise Register (the Commercial Register) for the receipt of an attestation that the acquired capital company has performed all the necessary activities for the completion of cross-border merger. If the acquiring capital company is registered in Latvia, a document issued by the Commercial Register Office of another Member State not later than six months before, which attests that the acquired capital

²³ Law “On the Enterprise Register of the Republic of Latvia” article 8, 14.

More: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/preliminary-check-of-documents/checking-documents/>; <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/registration-with-the-enterprise-register/beneficial-owners/>.

company has performed all the necessary actions for the completion of the cross-border merger, has to be submitted to the Enterprise Register.²⁴

Link to The Register of Enterprises of the Republic of Latvia:

<https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/reorganisation/cross-border-merger/stage-1/> .

b. What personnel capacity/qualifications does the authority/ies listed above (organization(s) granting the pre-merger certificate + approving merger) have?

47 employees are employed in the function related to registration, reorganisation, liquidation of enterprises.

c. What (if any) anti-abuse checks are made?

Regulations for the protection of Latvian creditors and smaller participants must be observed. It is necessary to receive opinions of the tax administration and other competent institutions (for example, the Financial and Capital Market Commission, financial and financial market participants, etc.) that the obligations towards Latvia have been fulfilled.²⁵

i. Purpose of reorganization

The purpose of reorganisation is not additionally checked.

ii. Background check on directors

The Enterprise Register registers the decisions and orders of competent authorities or officials by which means of security has been applied and ensures execution of the ruling taken in criminal proceedings by which a person has been deprived of the right to perform commercial activities of all types, as well as the ruling rendered in criminal proceedings or administrative offence proceedings by which a person has been deprived of the right to hold specific offices, and immediately notifies the relevant authorities or officials, as well as the relevant merchant of violations of conditions for execution.²⁶

iii. Identity of beneficial owners

The Identity of beneficial owners is checked. For persons having personal identification documents issued by Latvian authorities, the identity is checked in the Population register.²⁷ Foreign persons have to submit certified copies of identification documents which can be checked by contacting foreign authorities.

iv. Worker I/C/P arrangements

Commercial law provides that the provisions regarding the merger of capital companies shall be applied to cross-border merger. If the acquiring capital company is registered in another

²⁴ Commercial law, article 383, 384; Law "On the Enterprise Register of the Republic of Latvia" article 4.³

²⁵ More: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/reorganisation/cross-border-merger/stage-2/>.

²⁶ Law "On the Enterprise Register of the Republic of Latvia" article 4 3) and 3¹)

²⁷ See: Population register. <https://www.pmlp.gov.lv/en/services/population-register>.

Member State, the capital company registered in Latvia, upon involving in the cross-border merger, shall observe the provisions regarding merging of capital companies in respect of the procedures for taking of decisions in relation to merging and protection of creditors, shareholders (stockholders), debenture holders, **as well as employees of the capital company**.²⁸ This implies that the company has to respect the provisions of Commercial Law regarding information of employees prior to merger and the provisions of Labour Law²⁹ regarding transfer of undertaking.

According to Commercial Law, not less than one month before the day when the meeting of shareholders (stockholders) regarding approval of the agreement is intended, the employees of a capital company or representatives have the right to get acquainted with the reorganisation prospectus.³⁰

At the same time, according to Labour Law, both the transferor of an undertaking and the acquirer of an undertaking have the obligation to inform the representatives of their employees, but if such do not exist, their employees of the date of transfer of the undertaking or the expected date of transfer, the reasons for the transfer of the undertaking, the legal, economic and social consequences of the transfer, as well as of the measures that will be implemented with respect to employees. The deadlines for this obligation are:

- one month before the transfer of the undertaking for the transferor of an undertaking and
- one month before the transfer of the undertaking starts to directly affect the working conditions employees for the acquirer of an undertaking.

Consultations with the employees' representatives have to be commenced not later than three weeks in advance in order to reach an agreement regarding taking organisational, technological or social measures in the undertaking.

In addition, if an undertaking or a part of it retains its independence after transfer of the undertaking, the status and functions of the representatives of employees affected by such transfer shall be retained with the same provisions that were applicable up to the moment of transfer of the undertaking. Such provisions shall not apply if the preconditions required for the re-election of the representatives of employees or for the reestablishment of representation of employees have been satisfied.

Finally, after transfer of an undertaking the acquirer of the undertaking has to continue to comply with the provisions of the collective agreement entered into previously and applicable at the moment of the transfer of the undertaking up to the moment of termination of such collective agreement, or until the moment a new collective agreement enters into effect, or until the moment of application of the provisions of another collective agreement. Within a one-year period from the transfer of the undertaking, the provisions of the collective agreement cannot be amended to the detriment of employees.³¹

According to the Law "On the Enterprise Register of the Republic of Latvia", if after the cross-border merger it is intended to register the acquiring capital company in another Member State, the Enterprise Register examines, whether the acquiring capital company registered in Latvia has implemented all the activities, which are required for the completion of the cross-border

²⁸ Commercial Law, article 335¹.

²⁹ Labour Law, adopted 20.06.2001. Available: <https://likumi.lv/ta/en/en/id/26019-labour-law>.

³⁰ Commercial Law, article 381 (2).

³¹ Labour Law, article 118 (4), 120, 121.

merger, and shall issue a pre-merger certificate, if the activities specified in this Law have been implemented.

The last condition presumes that the Enterprise register has to at least check whether information and consultation has taken place, including according to the provisions of Labour Law. The company submitting the documents in the cross-border merger process has to confirm that information and consultation of employees has taken place. However, since the register of Enterprises has no function to control the factual performance, but rather the fact that it took place, this is more a formal check.