

Amendments to the Civil Procedure Law

Saeima has approved extensive amendments to the Civil Procedure Act in the first reading, which improve debt collection under a warning procedure, reform the legal framework governing state fees, provide for a new chapter on appealing decisions of the Industrial Property Board of Appeal and compensation of damages for violations of the competition law and the Digital Market Act as well as includes changes on auctions and enforcement of the judgments on division of joint property.

The amendments are expected to be approved in the second reading at the end of January and to enter into force in spring already.

We provide a more detailed comment on modifications of the legal framework governing state duties in this overview, whereby a new procedure is established for calculating state fees in civil proceedings and a cap amount of state fees is set.

For business operators planning to bring new civil lawsuits, it is preferable to wait for the modifications to come into force, unless there are specific deadlines, such as a statute of limitations, to file a statement of claim.

At present, the law provides for a complex procedure for calculating state fees, where formulas are applied comprising a fixed amount and an interest of the portion of the claim exceeding the fixed amount. The new regulation includes references to specific amounts of state fees for a certain range of claim amounts and sets EUR 25,000 as the maximum state fee for claims exceeding EUR 750,000. The same amount of state fees will be payable for both submission of the statement of claim to the court of first instance and an appellate complaint.

Introduction of the new legal framework and a cap on the state fees will prevent errors in calculation of fees and reduce the amounts that litigants have to pay to initiate civil proceedings or submit the appellate complaint. It will guarantee the right to a fair trial and the payment of a large amount of state fee will not be an obstacle to initiating legal proceedings or especially – to an appeal of a judgment under the appellate procedure.

We will keep you posted on the said amendments to the Civil Procedure Act coming into effect in our subsequent editions of this newsletter.



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