

## Latvia

### National Security Law (2000)

*Unofficial translation*

#### Note

The Investment Laws Navigator is based upon sources believed to be accurate and reliable and is intended to be up-to-date at the time it was generated. It is made available with the understanding that UNCTAD is not engaged in rendering legal or other professional services. To confirm that the information has not been affected or changed by recent developments, traditional legal research techniques should be used, including checking primary sources where appropriate. While every effort is made to ensure the accuracy and completeness of its content, UNCTAD assumes no responsibility for eventual errors or omissions in the data.

The year indicated in brackets after the title of the law refers to the year of publication in the Official Gazette or, when this is not available, the year of adoption of the law.

# Contents

- Chapter I General provisions
- Chapter II Competence of subjects of the national security system
- Chapter III Prohibition of exit from the Republic of Latvia
- Chapter IV National Security Council
- Chapter V Overcoming danger to the State
- Chapter VI Development and approval of concepts and plans for the prevention of danger to the State
- Chapter VII Prevention of Threat to Commercial Companies, Associations, and Foundations of Significance to National Security

# National Security Law

## Chapter I General provisions

### Article 1. National Security

(1) National security is a state achieved as a result of unified, purposeful measures implemented by the State and society, in which the independence of the State, its constitutional structure and territorial integrity, the perspective of free development of society, welfare and stability are guaranteed.

(2) Guaranteeing national security is the basic duty of the State.

### Article 2. Purpose of the Law

The Law prescribes the national security system and its tasks, the competence of the subjects of the national security system, the principles and procedures for co-ordinating, ensuring and controlling the activities thereof.

### Article 3. National security system and its tasks

(1) The national security system shall be formed by the institutions implementing State authority and administration and citizens of Latvia to whom the law delegates duties and rights in the field of national security within the scope of a specific competence.

(2) The national security system shall have the following tasks:

1) to forecast and prevent internal and external threats to the State in a timely manner, to guarantee State defence, public security and democratic development thereof;

2) to develop a single, systemic national security policy of the institutions implementing State authority and administration and to implement the legal, economic, social, military, security and other measures determined thereby in a co-ordinated and purposeful manner at all levels of State administration;

3) to ensure effective management for overcoming situations of danger to the State.

(3) The operation of the national security system shall be based on civil-military co-operation. Civil-military co-operation is the planned and co-ordinated activities of State administration institutions, the public, and the National Armed Forces for overcoming danger to the State. The basic principles of civil-military cooperation are effective coordination of mutual cooperation, a common understanding of common goals and shared responsibility for the results of achieving the goals.

(As amended by the Law of 15.05.2003, which comes into force on 11.06.2003.)

### Article 3.1. Ban on serving abroad

(1) A citizen of Latvia is prohibited from serving in the armed forces, internal troops, military organisation, intelligence or security service, police (militia), or service of judicial institutions (hereinafter - the service) established by a foreign state or other subject of international law or in the territory thereof, except for the case when:

1) a citizen of Latvia serves in the service of the European Union, the North Atlantic Treaty Organization, a Member State of the European Union, a Member State of the European Free Trade Association, a Member State of the North Atlantic Treaty Organization, the Union of Australia, the Federative Republic of Brazil, New Zealand, or Ukraine, or in the service of such state with which the Republic of Latvia has entered into an agreement on the recognition of dual citizenship;

2) a citizen of Latvia shall serve in such service which is not to be recognised as voluntary in the country of another citizenship (citizenship) of his or her citizenship with which dual citizenship has been established in accordance with the provisions of the Citizenship Law.

(2) A non-citizen of Latvia is prohibited from serving in the service of a foreign state.

(08.12.2016. in the version of the Law as amended by 28.02.2022. the law that comes into force on 01.03.2022. See Paragraph 20 of Transitional Provisions]

### **Article 3.2. Prohibition to organize, conduct and participate in training for the performance of military-tactical tasks**

It is prohibited to organize and conduct individual or collective training for the purpose of developing combat (performance of military-tactical tasks) abilities and skills for seizing persons, buildings and objects or occupying populated areas and territories, for the release of detained, arrested and convicted persons, for planning and implementing attack, defense and combat support operations, as well as to participate in such training, except for cases when they are organized and carried out for national defense, ensuring the performance of public order and safety or other functions provided for by law.

(04.10.2018. in the version of the Law that comes into force on 30.10.2018.)

## **Chapter II Competence of subjects of the national security system**

### **Article 4. Principles for the Division of Competence of the Subjects of the National Security System**

The division of competence of the subjects of national security is based on the state system laid down in the Constitution of the Republic of Latvia, parliamentary democracy and the principle of separation of state powers, as well as the principles according to which parliamentary and civil control over the National Armed Forces, systems of the Ministry of the Interior and State security institutions is exercised.

### **Article 5. Duty and rights of Latvian citizens**

It is the duty of every citizen of Latvia to defend the independence, freedom and democratic system of the State. Only citizens of Latvia are entitled to:

- 1) to participate in the development of the national security plan;
- 2) to perform military service;
- 3) hold offices in State security institutions.

(As amended by the Law of 15.05.2003, which comes into force on 11.06.2003.)

### **Article 6. Competence of the Saeima Saeima:**

- 1) adopt laws in the field of national security;
- 2) approve the National Security Concept and the State Defence Concept;
- 3) exercise parliamentary control over the National Armed Forces, the systems of the Ministry of the Interior, and State security institutions;
- 4) determine the basic structure and scope of the National Armed Forces, as well as the principles for the staffing of personnel;
- 5) determine the principles for the staffing of State security institutions;
- 6) accept and supervise the utilisation of the budget resources allocated for the needs of national security;
- 7) decide on the use of units of the National Armed Forces outside the territory of the State in accordance with the procedures laid down in law;
- 8) appoint to and remove from office officials of defence institutions and State security institutions specified in law;
- 9) decide on the declaration and commencement of war;
- 10) evaluate the justification of the declared emergency situation, exceptional state, or mobilisation;
- 11) examine the information provided by the Prime Minister regarding national security.

(As amended by the Laws of 07.04.2004 and 15.05.2014, which come into force on 14.06.2014.)

### **Article 7. Competence of the National Security Committee of the Saeima**

(1) Deputies elected to the National Security Commission of the Saeima shall require a first category special permit for access to official secrets for work in this commission. If a councillor elected to the Commission who does not have such a permit, he or she may participate in the meetings of the Commission only after receipt of the abovementioned special permit.

(2) The National Security Commission of the Saeima shall:

- 1) [7 June 2004];
- 2) evaluate and accept draft budgets of State security institutions;
- 3) perform parliamentary control over the activities of State security institutions and the utilisation of budget resources;
- 4) listen to the reports of the Cabinet and the heads of State security institutions on the activities of State security institutions, as well as examine the results of the examination of the activities of such institutions;
- 5) [7 June 2004];
- 6) [7 June 2004];
- 7) examine proposals regarding the appointment to office and removal from office of the Director of the

Constitution Protection Bureau.

(As amended by the Laws of 30.10.2003, 07.04.2004, 01.03.2007 and 29.03.2007, which come into force on 11.04.2007, see Transitional Provisions of the Act of 29.03.2007.)

#### **Article 8. Competence of the President**

(1) The President shall:

- 1) perform the duties of the Supreme Leader of the National Armed Forces;
  - 2) chair the National Security Council;
  - 3) appoint a commander-in-chief for wartime;
  - 4) establish the Military Council of the President;
  - 5) recommend the Commander of the National Armed Forces to the Saeima for approval;
  - 6) propose to the Saeima for decision the issue of declaring and commencing war;
  - 7) if a military attack has occurred, immediately request the collective defence support of the North Atlantic Treaty Organisation and authorise the North Atlantic Treaty Organisation to take measures which it considers necessary, including the use of armed force, in order to preserve and restore the sovereignty and territorial integrity of the Republic of Latvia (within the scope of Article 5 of the North Atlantic Treaty of 4 April 1949);
  - 8) take a decision on the position of the Republic of Latvia, if another Member State of the North Atlantic Treaty Organisation requests to examine the issue regarding collective defence support of the North Atlantic Treaty Organisation (within the scope of Article 5 of the North Atlantic Treaty of 4 April 1949) and if the Cabinet is delayed in taking such decision;
- (2) The President has the right to receive the information at the disposal of State institutions and institutions upon his or her request, in conformity with the provisions for the use of information provided for in law.

(As amended by the Laws of 05.06.2014 and 25.02.2016, which come into force on 23.03.2016.)

#### **Article 9. Competence of the Prime Minister**

The Prime Minister shall:

- 1) manage measures for the prevention and suppression of situations of danger to the State;
- 2) annually provide a report on national security to the Saeima, including it in the annual report on the activities performed and planned by the Cabinet or by submitting a separate report;
- 3) co-ordinate the activities of ministers in the field of national security;
- 4) organise the development and execution of concepts and plans for national security, State defence, and mobilisation of the national economy;
- 5) take a decision to perform or not perform combat activities against an aircraft in the territory of the Republic of Latvia in case of extreme necessity in order to prevent harm to national security interests, and if there is a reason to believe that the aircraft is being used as a weapon for the destruction of people, and the Minister for Defence has been prevented from fulfilling his or her office;
- 6) decide on requesting consultations of the North Atlantic Treaty Organisation (within the scope of Article 4 of the North Atlantic Treaty of 4 April 1949) if the territorial integrity, political independence or security of the State is endangered;
- 7) in consultation with the Minister for Foreign Affairs and the Minister for Defence, decide on the position of the Republic of Latvia in the North Atlantic Treaty Organisation if an international peacekeeping operation of the North Atlantic Treaty Organisation is being prepared.

(29.03.2007. in the version of the Law as amended by 15.05.2014 and 05.06.2014. law, which comes into force on 26.06.2014.)

#### **Article 10. Competence of the Cabinet of Ministers**

(1) The Cabinet shall:

- 1) provide the State authorities with the necessary financing for the fulfilment of the tasks assigned to them in the field of national security;
- 2) appoint to and remove from office the officials of the defence authorities, the system of the Ministry of the Interior, and State security institutions specified in the Law;
- 3) approve the aggregate of critical infrastructure;
- 4) in the cases specified in law, announce an enhanced regime for the operation of the border guarding system, emergency situation, exceptional state, and mobilisation;
- 5) decide on the participation of units of the National Armed Forces in international rescue and humanitarian operations, as well as in military training (manoeuvres) outside the territory of Latvia;
- 6) decide on the necessity of support of the armed forces of the North Atlantic Treaty Organisation and European Union Member States during a state of emergency or exceptional state, as well as for the reinforcement of State security and defence capabilities in peacetime;
- 7) [17 June 2008];
- 8) take a decision on the position of the Republic of Latvia, if another Member State of the North

Atlantic Treaty Organisation requests to examine the issue regarding collective defence support of the North Atlantic Treaty Organisation (within the scope of Article 5 of the North Atlantic Treaty of 4 April 1949);

9) decide on the preservation of the influence of a person or a permit for the acquisition of influence in commercial companies and associations of significance to national security, as well as on a permit for the transfer of the critical infrastructure into possession or ownership of another person; 10) [24 June 2024] [27 June 2024]. See Paragraph 29 of Transitional Provisions].

(2) The Cabinet has the right to:

1) to request and receive the information at the disposal of State security institutions in conformity with the provisions for the use of information provided for in law;

2) to assign the performance of individual tasks to the State security institutions within the scope of their competence.

(As amended by the Laws of 06.12.2001, 02.12.2004, 21.04.2005, 15.06.2006, 17.04.2008, 29.04.2010, 05.06.2014, 23.03.2017, 20.05.2021, 20.10.2022 and 27.03.2024, which come into force on 24.04.2024. See Paragraph 29 of Transitional Provisions]

#### **Article 11. Competence of the Ministry of Defence**

(1) The Ministry of Defence shall:

1) develop and implement the State defence policy;

2) plan the resources necessary for State defence and submit proposals related thereto to the Cabinet; 3) ensure the administration and military education of the personnel involved in State defence.

(2) The Minister for Defence shall exercise civil control over the National Armed Forces and other institutions subordinate to the Ministry.

(3) The Minister for Defence shall, in case of extreme necessity, in order to prevent harm to the interests of national security, and if there is a reason to believe that an aircraft is being used as a weapon for the destruction of people, take a decision to perform or not perform combat activities against an aircraft in the territory of the Republic of Latvia.

(4) The Minister for Defence in the case specifically provided for in the law On Participation of the Latvian National Armed Forces in International Operations is entitled to take a decision on the participation of individual units of the National Armed Forces in international rescue and international humanitarian operations.

(5) The Minister for Defence, upon evaluating the State security and defence interests, shall take a decision on the implementation of special operations of the National Armed Forces in foreign states and the implementation of active cyber defence operations. The Minister for Defence shall co-ordinate the decision with the Prime Minister and the Minister for Foreign Affairs. The National Security Council shall be informed of the course and results of the special operation.

(As amended by the Laws of 28.04.2005, 01.12.2005, 29.03.2007 and 16.06.2022, which come into force on 23.06.2022.)

#### **Article 12. Competence of the Commander-in-Chief**

(1) The Commander-in-Chief or his or her authorised person shall participate in cabinet meetings in an advisory capacity.

(2) The Commander-in-Chief shall manage State defence in order to prevent threats to the independence of the State, its constitutional structure and territorial integrity, if the Cabinet is prevented from fulfilling the wartime tasks specified in this Law or other laws and regulations.

(25.02.2016. in the version of the Law that comes into force on 23.03.2016.)

#### **Article 13. Competence of the Ministry of the Interior**

(1) The Ministry of the Interior and the institutions subordinate thereto shall:

1) develop and implement the State internal affairs policy;

2) protect public order and safety;

3) protect the rights and lawful interests of persons;

4) register natural persons, as well as ensure and control the lawful residence of persons in the State;

5) implement fire safety, fire-fighting, rescue and civil protection measures;

6) to the extent of the competence specified in law, guard and control the State border of Latvia;

7) co-ordinate the activities of State and local government institutions and public organisations in matters related to the maintenance of public order; 8) forecast and prevent threats to the State and public security, as well as to the national economy.

(2) On the basis of the recommendation of the Chief of the State Security Service, the Minister for the Interior shall, in accordance with the procedures stipulated by the Cabinet, declare the level of terrorist threat.

(As amended by the Laws of 01.12.2005, 02.11.2006 and 27.03.2024, which come into force on 24.04.2024.)

#### **Article 14. Competence of the Ministry of Foreign Affairs Ministry of Foreign Affairs:**

1) implement the State foreign security policy;

1) implement the State foreign security policy;

2) co-ordinate the entering into of international agreements binding on Latvia in the field of national security; 3) analyse foreign foreign and domestic policy.

#### **Article 15. National security authorities**

(1) State security institutions are State authorities which, in the implementation of the tasks specified for the national security system, perform intelligence, counterintelligence activities, and operational activities measures.

(2) The aggregate of State security institutions shall consist of:

1) the Constitution Protection Bureau;

2) the Military Intelligence and Security Service; 3) the State Security Service.

(3) The competence of State security institutions shall be determined by special laws.

(29.03.2007. in the version of the Law as amended by 27.03.2024. law, which comes into force on 24.04.2024.)

#### **Article 15.1. Information Analysis Service**

(Deleted by law of 18.06.2009, which comes into force on 03.07.2009.)

#### **Article 15.2. Officials of the Information Analysis Service**

(Deleted by law of 18.06.2009, which comes into force on 03.07.2009.)

#### **Article 16. Competence of other ministries and state institutions**

Other ministries and State institutions in the field of national security shall fulfil the duties provided for in the law and Cabinet regulations in order to guarantee the implementation of concepts and plans related to national security and State defence, as well as operational security measures and measures for overcoming situations of danger to the State.

#### **Article 17. Competence of local governments**

Authorities:

1) ensure public order in the administrative territory of the relevant local government;

2) perform State administration functions the performance of which has been transferred to the relevant local government in accordance with the procedures laid down in law;

3) implement the measures specified in the Cabinet decision on the enhanced operation mode of the border guarding system, the decision on emergency situation and the decision on the state of emergency;

4) provide assistance to State security institutions and the National Armed Forces in the performance of national security measures.

(As amended by the Laws of 07.03.2013 and 27.03.2024, which come into force on 24.04.2024.)

#### **Article 18. Competence of public organisations**

(1) Public organisations and associations thereof may be involved in national security measures in accordance with the procedures and to the extent laid down in laws and regulations.

(2) It is prohibited to establish, train, and arm military voluntary public organisations or associations thereof.

## **Chapter II1 Prohibition of exit from the Republic of Latvia**

(Chapter in the version of the Law of 22.06.2017, which comes into force on 01.09.2017.)

#### **Article 18.1. Exit ban**

(1) A citizen, a non-citizen, a person to whom the status of a stateless person or alternative status has been granted in the Republic of Latvia, a refugee, as well as a national of such state which applies the conditions of the Schengen acquis regarding the free movement of persons, but to whom a residence permit has been issued in the Republic of Latvia, and a national of another state in respect of whom it is not possible to take a decision to refuse entry into the Republic of Latvia, is prohibited from leaving the Republic of Latvia, if the Minister for the Interior has taken a decision to prohibit him or her from leaving the Republic of Latvia.

(2) The Minister for the Interior may take a decision to prohibit the person referred to in Paragraph one of this Section from leaving the Republic of Latvia for a specified period of time up to one year, if the State security institution has provided information that the abovementioned person outside the Republic of Latvia intends to engage or there is a specific and obvious risk to the person due to his or her vulnerability without being informed to be involved in armed conflict, terrorist activities or other activities, as a result of which there are sufficient grounds to believe that a person after returning to the Republic of Latvia will endanger his or her national security.

(3) The head of the State security institution shall send an opinion on the existence of the conditions referred to in Paragraph two of this Section to the Minister for the Interior for taking a decision on prohibition of the person to exit from the Republic of Latvia.

(4) A decision to prohibit a person from leaving the Republic of Latvia shall enter into effect at the moment of taking thereof. Upon notifying a person of the decision to prohibit leaving the Republic of Latvia, he or she shall be provided with information regarding the facts and justification for the decision, insofar as it is permitted in the particular case by the requirements of the law On Official Secrets and

insofar as it is permitted in the particular case by the requirements of the law on Official Secrets and other laws and regulations governing the protection of information.

(5) The Minister for the Interior shall, within three working days after taking the decision to prohibit a person from leaving the Republic of Latvia, inform the Office of Citizenship and Migration Affairs thereof.

(6) The person referred to in Paragraph one of this Section regarding whom a decision has been taken in accordance with Paragraph two of this Section has the right to appeal to the Department of Administrative Cases of the Supreme Court within a month after notification of the decision. The submission of an application to a court shall not suspend the operation of the decision referred to in Paragraph two of this Section.

(7) The amount of information which shall be included in the Register of Prohibitions of Exit and Exit of Persons regarding a person in respect of whom a decision to prohibit exit from the Republic of Latvia has been taken, as well as the procedures for the inclusion of such information, the storage periods, the procedures for deletion, and the institutions to which access to the information included in the Register shall be granted, shall be determined by the Cabinet.

(22.06.2017. in the version of the Law as amended by 20.10.2022. law, which comes into force on 14.11.2022.)

#### **Article 18.2. Examination of the application for the decision of the Minister of the Interior on the prohibition of a person from leaving the Republic of Latvia in court**

(1) The Department of Administrative Cases of the Supreme Court shall examine a case initiated on the basis of an application regarding the decision referred to in Section 18.1, Paragraph two of this Law within two months from the day when the decision to accept the application and to initiate the case was taken.

(2) The court shall examine the case as a court of first instance. The case is heard in a collegiate composition.

(3) If for objective clarification of the circumstances of a case it is necessary for a court to examine information containing an official secret, only the court shall become acquainted with such information and evaluate it. In its ruling, the court shall indicate that this information has been evaluated.

(4) A court ruling shall be final and non-appealable and shall enter into effect upon the proclamation thereof.

(22.06.2017. in the version of the Law that comes into force on 01.09.2017.)

## **Chapter III National Security Council**

#### **Article 19. Composition of the National Security Council**

(1) Members of the National Security Council shall be:

- 1) the President;
- 2) the Chairperson of the Saeima;
- 3) the chairperson of the National Security Committee of the Saeima;
- 4) the chairperson of the Defence, Internal Affairs and Corruption Prevention Committee of the Saeima;
- 5) the Prime Minister;
- 6) the Minister for Defence;
- 7) the Minister for Foreign Affairs;
- 8) the Minister for the Interior; 9) [7 June 2004].

(2) The Attorney General has the right to participate in meetings of the National Security Council.

(21) In an advisory capacity, the heads of state security institutions may be invited to a meeting of the National Security Council.

(3) The operation of the National Security Council and its Secretariat shall be ensured by the Chancery of the President.

(As amended by the Laws of 07.04.2004, 09.11.2006 and 18.06.2009, which come into force on 03.07.2009.)

#### **Article 20. Competence of the National Security Council**

(1) The National Security Council shall:

- 1) co-ordinate a unified State policy in the field of national security implemented by the highest State authorities and officials and examine the course of improvement thereof and problems;
- 2) examine the plans and concepts related to national security laid down in law.

(2) The National Security Council shall submit proposals to the Saeima regarding the appointment to office and removal from office of the Director of the Constitution Protection Bureau.

(3) A decision of the National Security Council, except for the cases referred to in Paragraph two of this Section, shall be recommendatory and shall not release the responsible officials from liability for the decisions taken thereby.

(4) The National Security Council has the right to request from State security institutions all the information at their disposal which affects national security interests.

(As amended by the Laws of 07.04.2004, 01.12.2005 and 18.06.2009, which come into force on

03.07.2009.)

#### **Article 21. Convening of meetings of the National Security Council**

Meetings of the National Security Council shall be convened by the President of Latvia.

## **Chapter IV Overcoming danger to the State**

#### **Article 22. Danger to the state**

(1) Depending on the type of danger to the State, the intensity and nature thereof, as well as the size of the endangered territory, an appropriate terrorism threat level shall be determined, as well as an enhanced operation regime of the border guarding system, an emergency situation or an exceptional state may be declared in accordance with the procedures laid down in law.

(2) [17 June 2008]

(3) [7 June 2013]

(4) [7 June 2013]

(5) In the case of an emergency situation and exceptional state, mobilisation may be declared in order to solve tasks related to national security and State defence, as well as to liquidate emergency situations and the consequences thereof.

(6) Wartime shall occur if an external enemy has committed a military invasion or otherwise turned against the independence of the State, its constitutional structure or territorial integrity.

(21.04.2005. in the version of the Law as amended by 02.11.2006, 17.04.2008, 07.03.2013, 25.02.2016 and 27.03.2024. law, which comes into force on 24.04.2024.)

#### **Article 22.1. Terrorist threat levels**

(1) Depending on the possibility of terrorist threats and the negative impact of the potential consequences, the following terrorism threat levels shall be promulgated:

- 1) a low level of terrorist threat (colour code - blue), if there is a terrorist threat of general nature;
- 2) an increased level of terrorist threat (colour code - yellow) if there is an increasing terrorist threat;
- 3) a high level of terrorism threat (colour code - orange), if the threat of terrorism to a specific object, sector of the national economy or region of the State has been confirmed;
- 4) a particularly high level of terrorist threat (colour code - red) if a terrorist act has occurred or a terrorist act is no longer preventable.

(2) Terrorist threat levels may be declared:

- 1) the entire territory of the State;
- 2) an endangered region of the State;
- 3) an endangered sector of the national economy;
- 4) an endangered object.

(3) The institutions involved in counterterrorism activities shall plan measures for the prevention and suppression of the threat of terrorism according to the terrorism threat levels.

(02.11.2006. in the version of the Law that comes into force on 23.11.2006.)

#### **Article 22.2. Critical infrastructure**

(1) Critical infrastructure is objects, systems or parts thereof and services located in the Republic of Latvia which are essential for ensuring the implementation of important public functions, as well as human health protection, safety, economic or social welfare and destruction or disruption of operation of which would significantly affect the implementation of the basic functions of the State and society, except for Section 22.3 of this Law, the critical financial services referred to in Section and the related financial market infrastructures, including payment and financial instrument settlement systems within the meaning of the Law On Settlement Finality in Payment and Financial Instrument Settlement Systems.

(2) Critical infrastructure shall be classified as follows:

- 1) critical infrastructure of paramount importance at the State level (Category A critical infrastructure), destruction or reduction of operational capabilities of which significantly endangers State administration and security;
- 2) important critical infrastructure of the State level (Category B critical infrastructure), destruction or reduction of operational capabilities of which hinders State administration and endangers public and State security;
- 3) the critical infrastructure of local governments and sectors (Category C critical infrastructure) the destruction or reduction of operational abilities of which hinders the management of local government activities or sectors, as well as endangers public safety;
- 4) sectoral critical infrastructure (Category D critical infrastructure) the destruction of which, reduction of operational capabilities or discontinuation of the provision of critical services during a declared state of emergency or during wartime significantly endangers public and State security.

(3) An individual critical infrastructure the destruction or disruption of operation of which would significantly affect at least two European Union Member States may be determined as a European critical infrastructure.

(4) The owner or legal possessor of critical infrastructure, including European critical infrastructure.



shall ensure the planning and implementation of security measures and business continuity. In case of danger to the State, the owner or legal possessor of the critical infrastructure, including European critical infrastructure, shall ensure the implementation of security measures and business continuity at least to the minimum extent.

(5) The owner or legal possessor of critical infrastructure, including European critical infrastructure, shall determine the status of restricted access information for documents regulating internal security measures.

(6) The Cabinet shall determine the procedures for the identification of critical infrastructure, including European critical infrastructure, the procedures for planning and implementation of security measures and business continuity.

(7) A permit of the Cabinet shall be required for the transfer of the critical infrastructure referred to in Paragraph two, Clause 1 or 2 or Paragraph three of this Section into possession or ownership of another person.

(29.04.2010. in the version of the Law as amended by 23.03.2017 and 20.05.2021. law, which comes into force on 15.06.2021.)

#### **Article 22.3. Critical financial services**

(1) Critical financial services are cash and non-cash payments which are provided in the Republic of Latvia by a credit institution licensed in the Republic of Latvia or a credit institution licensed (registered) in another European Union Member State (hereinafter - credit institution).

(2) In order to ensure the availability of critical financial services in case of danger to the State, a credit institution shall develop a business continuity plan in which the obligations of those providers of external services which the credit institution has attracted for the provision of critical financial services shall be indicated, and shall submit such plan to the Bank of Latvia. A credit institution shall, at least once a year, review and update the business continuity plan and test it.

(3) The Bank of Latvia shall determine:

- 1) the criteria for the determination of those credit institutions which develop a business continuity plan and ensure the availability of critical financial services in case of danger to the State;
- 2) the (minimum) amount of critical financial services in case of danger to the State;
- 3) the requirements for the development of business continuity plans of credit institutions.

(4) The Bank of Latvia shall:

- 1) supervise and control the development and implementation of business continuity plans of credit institutions in case of danger to the State;
- 2) evaluate the results of testing of business continuity plans of credit institutions.

(5) Latvijas Banka shall perform the tasks referred to in this Section in conformity with the provisions of Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank in relation to policies relating to the prudential supervision of credit institutions.

[20.05.2021 in the version of the Law as amended by 06.10.2022 the Law that comes into force on 03.11.2022. Amendments to the second, third and fifth paragraphs regarding the replacement of the words "Financial and Capital Market Commission" (in the relevant fold) with the words "Latvijas Banka" and in the fourth paragraph regarding the replacement of the words "Financial and Capital Market Commission in consultation with the Bank of Latvia" with the words "Latvijas Banka" shall come into force on 01.01.2023. See Paragraph 24 of Transitional Provisions]

#### **Article 22.4. Protection of information regarding immovable property objects important for national security and national defence**

(1) In order to prevent potential threats to State security, the availability of information important to national security and State defence (geospatial information, technical documentation and data, as well as other information characterising the object) in State information systems regarding the following immovable property objects may be restricted:

- 1) objects of critical infrastructure, including European critical infrastructure;
- 2) objects of the Ministry of Defence, the Ministry of the Interior, the Ministry of Justice and their subordinate institutions.

(2) The Cabinet shall determine:

- 1) the procedures for determining the data sets of information regarding immovable property objects of significance to national security and State defence, the free availability of which may cause a potential threat to State security;
- 2) the amount of restriction of the availability of information regarding immovable property objects of significance to national security and State defence;
- 3) institutions and persons who have the right to access information important to national security and State defence regarding immovable property objects;
- 4) the procedures for the circulation of information regarding immovable property objects of significance to national security and State defence.

(20.05.2021. in the version of the Law that comes into force on 15.06.2021. Article comes into force on

(20.05.2021. in the version of the Law that comes into force on 15.06.2021. Article comes into force on 01.01.2022, see Annex III. (See Paragraph 19 of Transitional Provisions)

### **Article 23. Responsibility of the Cabinet of Ministers and duties of ministries**

(1) The Cabinet shall be responsible for overcoming danger to the State and liquidation of the consequences thereof.

(2) Ministries shall forecast threats to the sectors within their competence and plan the prevention, suppression of threats and liquidation of the possible consequences. Ministries shall submit plans for the prevention, suppression and liquidation of possible consequences of sectoral threats to the relevant members of the Cabinet for approval. Prior to approval, ministries shall submit draft plans for evaluation to the Crisis Management Council. Ministries shall submit the approved plans to the Crisis Management Council for use in the work of the Council.

(3) In case of danger to the State, measures for the suppression of threats shall be managed by the ministry responsible for the relevant sector.

(4) [21 June 2005]

(5) In case of danger to the State, the Cabinet is entitled to take a decision on the involvement of the National Armed Forces in the maintenance of public order and liquidation of the consequences caused by the threat.

(6) [17 June 2008]

(7) In order to overcome a hidden military threat in peacetime, if military means are used, the Cabinet may assign the Ministry of Defence, in accordance with the State Defence Plan, to manage measures for the suppression of threats in a limited territory. If the Cabinet is prevented from performing its functions, the Prime Minister shall decide thereon. If the Prime Minister is prevented from performing his or her office, the Minister for Defence shall decide thereon.

(8) In order to commence the fulfilment of the tasks of the State Defence Plan and the State Defence Operational Plan in case of increased military threat, the Cabinet is entitled to take a decision to mobilise national guardsmen and reserve soldiers for not more than 72 hours, informing the Saeima thereof without delay. The Cabinet is entitled to take a decision on partial mobilisation of national guardsmen by subjecting other national guardsmen to the regime of increased readiness.

(As amended by the Laws of 15.05.2003, 21.04.2005, 02.11.2006, 17.04.2008, 18.05.2017, 04.10.2019 and 06.10.2022, which come into force on 03.11.2022.)

#### **Article 23.1. Crisis Management Board**

(1) In case of danger to the State, the Crisis Management Council shall co-ordinate civil-military co-operation and operational measures of State administration institutions for overcoming danger to the State.

(2) The by-laws of the Crisis Management Council shall be approved by the Cabinet.

(21.04.2005. in the version of the Law that comes into force on 25.05.2005.)

#### **Article 23.2. Composition of the Crisis Management Board**

(1) The Prime Minister shall chair the Crisis Management Council.

(2) Members of the Crisis Management Council shall be:

1) the Minister for Defence;

2) the Minister for Foreign Affairs;

3) the Minister for Economics;

4) the Minister for Finance;

5) the Minister for the Interior;

6) the Minister for Justice;

7) the Minister for Health;

8) the Minister for Transport;

9) the Minister for Environmental Protection and Regional Development.

(3) Heads of State security institutions and other State officials may be invited to a meeting of the Crisis Management Council in an advisory capacity.

(21.04.2005. in the version of the Law as amended by 07.03.2013. law, which comes into force on 10.04.2013.)

#### **Article 23.3. Competence of the Crisis Management Board**

The Crisis Management Board shall:

1) co-ordinate the operational management of overcoming danger to the State;

2) co-ordinate the development of plans for the prevention of danger to the State by State administration institutions;

3) [17 June 2008];

4) in case of danger to the State, co-ordinate uniform and timely execution of political decisions in State administration institutions;

5) [29 June 2010].

(21.04.2005. in the version of the Law as amended by 02.11.2006, 17.04.2008 and 29.04.2010. law, which comes into force on 28.05.2010.)

#### **Article 23.4. Crisis Management Board Secretariat**

(1) The work of the Crisis Management Council shall be ensured by the Secretariat of the Crisis Management Council.

(2) The Secretariat of the Crisis Management Council shall ensure purposeful and continuous co-operation of the responsible authorities and provision of support to the Crisis Management Council within the scope of its competence in the following matters:

- 1) preparation of proposals to the Crisis Management Council regarding the development of crisis management;
- 2) the co-ordination and examination of sectoral threat forecasts prepared by ministries, plans for the prevention, suppression thereof, and liquidation of possible consequences;
- 3) the co-ordination and operational planning of the prevention of threats to the State, analysis of the implementation thereof;
- 4) conducting or participating in training exercises at national and international level.

(21.04.2005. in the version of the Law as amended on 02.11.2006. a law that comes into force on 23.11.2006.)

#### **Article 23.5. Comprehensive national defense**

In order to implement comprehensive State defence in the event of war, military invasion or occupation until the moment when the lawful institutions exercising State power and administration are fully restored, the National Armed Forces, State administration and local government institutions, as well as natural and legal persons shall take measures for the military and civil protection of the State and implement armed resistance, civil disobedience and noncooperation with illegal administrative institutions.

(04.10.2018. in the version of the Law that comes into force on 30.10.2018.)

#### **Article 23.6. Prevention of situations threatening the country as a result of military actions**

(1) A situation endangering the State caused as a result of military activities is an illegal military activity of a foreign state implemented against the Republic of Latvia, including:

- 1) unlawful entry into or presence of a military aviation aircraft, military unmanned aircraft or other type of aircraft, warship, military submarine or other means of movement of military submarines, military vehicle or other, including remotely controlled, unmanned military mechanical device in the territory of the Republic of Latvia;
- 2) intelligence or unlawful access to information systems, electronic communications networks, interference with the operation thereof or electromagnetic interference in the operation of objects important for the national security of the Republic of Latvia, significant commercial companies or objects in the ownership, possession, or holding of the State, and in the operation of military aviation aircraft and warships and other non-kinetic military activities;
- 3) illegal entry or presence of military formations or military formations without identification marks in the territory of the Republic of Latvia.

(2) The activities referred to in Paragraph one of this Section which, using the territory of the Republic of Latvia, are unlawfully performed by a foreign state against another Member State of the North Atlantic Treaty Organisation or the European Union, shall also be considered as a situation endangering the State caused as a result of military activities.

(3) The National Armed Forces in co-operation with the competent law enforcement institutions and State security institutions shall, in accordance with the procedures laid down in the State Defence Plan and the State Defence Operational Plan, immediately take measures which are considered proportionate and necessary in order to prevent a situation endangering the State caused as a result of military activities, including the use of armed force.

(20.05.2021. in the version of the Law that comes into force on 15.06.2021.)

#### **Article 24. Powers of the President in the event of war or military invasion**

(1) In the event of a war or military invasion declared to the State, the President shall without delay:

- 1) act in accordance with the provisions of the State Defence Plan, issue orders and orders to the National Armed Forces, State, local government institutions, and State residents;
- 2) convene the Saeima for taking a decision on the declaration and commencement of war;
- 3) [25 June 2016].

(2) [25 June 2016]

(As amended by the Laws of 21.04.2005 and 25.02.2016, which come into force on 23.03.2016.)

#### **Article 25. Powers of other institutions and officials in the event of war or military invasion**

(1) In the event of an unexpected military invasion, if a state of emergency has not previously been declared in a state or a part thereof:

- 1) the commander of each unit of the National Armed Forces shall, in accordance with the State Defence Operational Plan, commence military defence measures without waiting for a separate decision

thereon;

2) the Commander of the National Armed Forces shall, in accordance with the State Defence Operational Plan, immediately commence organised military defence activities and inform the Minister for Defence thereof;

3) the Minister for Defence shall, in accordance with the State Defence Plan, immediately commence organised State defence activities and inform the President, the Presidium of the Saeima, and the Prime Minister thereof.

(2) During war, military invasion, or occupation, it may not be prohibited to show armed resistance.

(3) If the lawful institutions exercising State authority and administration have been liquidated in an undemocratic manner or as a result of a military invasion of another state, then in the interests of preserving or restoring independence:

1) the National Armed Forces, as well as other State authorities shall act in accordance with special procedures specified in the National Security Plan and the State Defence Plan appropriate to the situation;

2) the Ambassador Plenipotentiary of Latvia to the United Nations has the authority to represent the lawful State power. The national defence plan may provide for procedures for the transfer of powers to represent the legitimate state authority;

3) the State authorities and officials of Latvia located in foreign states shall, without delay, take measures for the restoration of the independence of the State, using the assistance of international organisations; 4) [4 June 2018].

(4) The National Armed Forces may, on a voluntary basis and on the basis of mutual trust, involve inhabitants in supporting the preparation and implementation of the measures included in the National Security Plan and the State Defence Plan.

(As amended by the Laws of 05.06.2014, 25.02.2016 and 04.10.2018, which come into force on 30.10.2018.)

#### **Article 25.1. Duties and rights of the population in the event of war or military invasion**

(1) When implementing comprehensive State defence, inhabitants have the following obligations:

1) to perform the tasks provided by the National Armed Forces and the units of the armed forces of the North Atlantic Treaty Organisation or European Union Member States providing support in the performance of their tasks which implement the military defence of the State of Latvia, as well as other State administration and local government authorities responsible for overcoming danger to the State;

2) not to co-operate with illegal administrative bodies and armed units of the aggressor, except for the cases when refusal to cooperate endangers the life or freedom of a person or his or her family members.

(2) When implementing comprehensive State defence, inhabitants, in conformity with the norms of national and international law, have the following rights:

1) to implement civil disobedience by opposing illegal administrative institutions and armed units of the aggressor;

2) to show armed resistance;

3) to provide all types of support to the participants of civil disobedience and armed resistance, as well as to the National Armed Forces and units of the armed forces of the North Atlantic Treaty Organisation or European Union Member States providing support in the performance of their tasks which implement the military defence of the State of Latvia.

(04.10.2018. in the version of the Law that comes into force on 30.10.2018.)

## **Chapter V Development and approval of concepts and plans for the prevention of danger to the State**

#### **Article 26. Analysis of danger to the State**

(1) The analysis of danger to the State is a comprehensive assessment as a result of which the existing and potential specific threats to national security or risk factors are determined.

(2) The analysis of danger to the State shall be:

1) developed by the Constitution Protection Bureau in co-operation with the State Security Service and the Military Intelligence and Security Service at least once every four years;

2) co-ordinated by the Council of State Security Institutions;

3) examined by the Cabinet and the National Security Council.

(As amended by the Laws of 07.04.2004, 18.06.2009, 15.05.2014 and 27.03.2024, which come into force on 24.04.2024.)

#### **Article 27. National Security Concept**

(1) The National Security Concept is a document prepared on the basis of the analysis of danger to the State, in which the basic strategic principles and priorities for the prevention of danger to the State are determined.

(2) The National Security Concept shall be

(2) The National Security Concept shall be:

- 1) prepared by the Cabinet;
- 2) examined by the National Security Council;
- 3) approved by the Saeima not less than once in each parliamentary term until 1 October of its first year of operation.

(As amended by the Law of 15.05.2014, which comes into force on 14.06.2014.)

#### **Article 28. Analysis of military threats**

(1) The analysis of military threats is an assessment of the possibility of a military invasion directed against Latvia, in which the existing and potential threats and risk factors, as well as the possible manifestation and impact thereof are determined.

(2) Analysis of military threats:

- 1) each year prepared by the Military Intelligence and Security Service;
- 2) examined by the National Security Council and the Cabinet.

(18.05.2017. in the version of the Law that comes into force on 14.06.2017.)

#### **Article 29. The concept of national defense**

(1) The State Defence Concept is a document prepared on the basis of the Analysis of Military Threats, in which the basic strategic principles, priorities and measures of the State military defence during peace, danger to the State, and war are determined.

(2) The State Defence Concept shall be:

- 1) prepared by the Ministry of Defence; 2) examined by the Cabinet;
- 3) approved by the Saeima not less than once in each parliamentary term until 1 October of its second year of operation.

(As amended by the Law of 01.12.2005, which comes into force on 05.01.2006.)

#### **Article 30. National Security Plan**

(1) The National Security Plan shall be based on the strategy and principles laid down in the National Security Concept. It shall include specific measures for the neutralisation and prevention of danger to the State.

(2) The National Security Plan shall be developed and approved by the Cabinet within a year after approval of the National Security Concept.

(3) The Prime Minister shall acquaint the National Security Council and the National Security Commission of the Saeima with the National Security Plan approved by the Cabinet.

(As amended by the Law of 15.05.2014, which comes into force on 14.06.2014.)

#### **Article 31. National Defence Plan**

(1) The State Defence Plan shall be developed on the basis of the Analysis of Military Threats and the principles laid down in the State Defence Concept. It shall determine specific State defence measures, priorities and necessary resources, as well as the necessary readiness and activities of the National Armed Forces, institutions implementing State power and administration, local governments, natural and legal persons in State defence.

(2) The State Defence Plan shall:

- 1) developed by the Ministry of Defence in co-operation with other ministries; 2) approved by the Cabinet.

(3) The Minister for Defence shall acquaint the Defence, Internal Affairs and Corruption Prevention Commission of the Saeima with the State Defence Plan.

(4) After co-ordination with the Constitution Protection Bureau, the Minister for Defence may involve specialists from foreign states, international organisations and institutions thereof with which a contract on the protection of classified information has been entered into in the development of the State defence plan.

(As amended by laws of 15.05.2003 and 09.11.2006, which come into force on 16.11.2006.)

#### **Article 32. Development Plan of the National Armed Forces**

(Deleted by law of 06.12.2001, which comes into force on 01.01.2002.)

#### **Article 33. National Defence Operational Plan**

(1) The State Defence Operational Plan shall include an assessment of the operational situation, an assessment of the operational combat readiness of the National Armed Forces, and an operational plan. It determines the management of the operational situation, tasks, responsibilities, the procedure for their execution, the expected support, possible communications and material and technical provision.

(2) The State Defence Operational Plan shall be:

- 1) developed by the Commander of the National Armed Forces; 2) approved by the Minister for Defence.

(3) The implementation of the State Defence Operational Plan shall be ensured by the Commander of the National Armed Forces.

(As amended by the Law of 25.02.2016, which comes into force on 23.03.2016.)

#### **Article 34. Mobilization Plan of the National Armed Forces**

(Deleted by law of 06.12.2001, which comes into force on 01.01.2002.)

#### **Article 35. Economic mobilisation plan**

(1) The plan for the mobilisation of the national economy shall include the preparation and use of state material reserves and objects of national economy during a state of war or exceptional state.

(2) The plan for the mobilisation of the national economy shall be developed and approved by the Cabinet.

(As amended by the Law of 25.02.2016, which comes into force on 23.03.2016.)

#### **Article 36. National Civil Protection Plan**

(1) The State civil protection plan shall include measures for ensuring the State civil protection system, as well as preventive, preparedness, and response measures intended for emergency situations and measures for the liquidation of the consequences of such situations, as well as determine the operation of the civil protection system in case of military invasion or war.

(2) The State Civil Protection Plan shall:

1) developed by the Ministry of the Interior in co-operation with other ministries; 2) approved by the Cabinet.

## **Chapter VI Prevention of Threat to Commercial Companies, Associations, and Foundations of Significance to National Security**

(Chapter in the version of the Law of 23.03.2017; title of the chapter in the version of the Law of 20.10.2022, which comes into force on 14.11.2022.)

#### **Article 37. Commercial companies, associations and foundations of significance to national security**

The restrictions specified in this Chapter shall apply to a commercial company, foundation and association registered in the Republic of Latvia if the critical infrastructure is in the ownership or possession thereof or it conforms to at least one of the following conditions:

1) is an electronic communications merchant with a significant market power for which tariff regulation and cost calculation obligations have been determined in accordance with the procedures laid down in the Electronic Communications Law;

2) is an audible electronic mass medium the coverage area of the programme of which, using technical means for terrestrial broadcasting, according to the broadcasting permit issued by the National Electronic Mass Media Council is Latvia or at least 60 per cent of its territory, or is an audiovisual electronic mass medium the coverage area of the programme of which, using technical means of terrestrial broadcasting, according to the one issued by the National Electronic Mass Media Council the broadcasting authorisation is in Latvia or at least 95 per cent of its territory;

3) has received a licence in the Republic of Latvia for the transmission, distribution, storage of natural gas or it owns a liquefied natural gas facility which is connected to the transmission or distribution system;

4) is an electricity or thermal energy producer the installed actual capacity of which exceeds 50 megawatts;

5) is a thermal energy transmission and distribution operator which owns heating networks with a length of at least 100 kilometres;

6) has received a licence for the transmission of electricity in the Republic of Latvia;

7) is the owner of forest land in the area of at least 10 000 hectares existing in the Republic of Latvia;

8) is the owner of agricultural land located in the Republic of Latvia in the area of at least 4000 hectares;

9) has received a special permit (licence) issued by the Ministry of Defence for commercial activities with goods of strategic significance or a certificate of military manufacturer, and it has a valid strategic partnership contract with the Ministry of Defence;

10) during the last two years, has been a manufacturer and developer of such dual-use items exported to foreign countries, except for the Member States of the European Union, the United States of America of such dual-use items, has been a producer and developer of goods referred to in Annex I to Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items; Canada, Australia, New Zealand, Norway, Switzerland, Japan, the United Kingdom, Iceland and Liechtenstein;

11) there is access to the personal data of voters, as well as to the personal data of candidates for deputies which are not to be published in accordance with the law;

12) process the data sets included in the State critical infrastructure systems, except for the cases when it is performed by financial market participants;

13) is a commercial company which manufactures or develops goods referred to in Annex I to Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a

Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items or manufactures or develops technologies such as artificial intelligence, robotics, smart and autonomous mobility, cybersecurity, energy storage, quantum technologies; in the field of nuclear technology, nanotechnology, biotechnology and which the Cabinet, on the basis of an opinion of the State security institution, has determined as a commercial company of significance to national security. (23.03.2017. in the version of the Law as amended by 20.05.2021 and 20.10.2022. law, which comes into force on 14.11.2022.)

#### **Article 38. Impact assessment and limitation mechanisms**

(1) In order to prevent an impact endangering or potentially endangering national security in a commercial company, association or foundation of significance to national security, the Cabinet shall determine the obligations referred to in this Chapter for commercial companies, associations or foundations of significance to national security and decide on a permit for the following activities:

1) in relation to capital companies:

(a) acquisition of qualifying holdings;

(b) the acquisition of decisive influence;

(c) transfer of an undertaking;

d) preservation of the status of a shareholder or participant or preservation of the right to use indirect holding if the beneficial owner changes or, if it is not possible to ascertain the true beneficiary and all possible means of clarification have been used, as well as doubts are excluded that the legal person has another beneficial owner - the last legal person in the control chain for whom influence in a capital company of significance to national security may be determined (hereinafter - the acquirer of indirect influence);

(e) obtaining a loan;

2) in relation to partnerships and associations:

a) the accession of a new member,

b) retention of the status of a member if the beneficial owner changes or if it is not possible to find out the true beneficiary and all possible means of clarification have been used, as well as doubts are excluded that the legal entity has another beneficial owner - the last legal person in the control chain to whom influence in a partnership or association of significance to national security may be determined (hereinafter - the acquirer of indirect influence);

(c) obtaining a loan;

3) in relation to foundations - receipt of a loan.

(2) The Russian Federation or the Republic of Belarus, its citizens or legal persons who are registered in the Russian Federation or the Republic of Belarus (hereinafter - the persons belonging to Russia or Belarus) may not acquire a qualifying holding or decisive influence in a capital company of significance to national security or become a member of a partnership of significance to national security, as well as be the beneficial owner of a commercial company of significance to national security.

(3) For the purposes of this Law, the concept of qualifying holding shall conform to the concept of qualifying holding within the meaning of the Financial Instrument Market Law, unless a smaller proportion of holding or other additional conditions have been laid down in another law. The concept of "decisive influence" corresponds to the concept of decisive influence within the meaning of the Group of Companies Law. The concept of "beneficial owner" corresponds to the concept of the beneficial owner within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing, taking into account the amount of participation specified in this Law.

(4) Upon determining the true beneficiary or the acquirer of indirect influence, the laws and regulations issued on the basis of Section 4.2 of the Financial Instrument Market Law shall also be applied.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

#### **Article 39. Legal consequences of acquiring the status of a commercial company, association or foundation of significance to national security**

(1) A commercial company, association or foundation shall, within five working days from the day when it conforms to any of the conditions referred to in Section 37 of this Law:

1) submit a notification to the Enterprise Register of the Republic of Latvia (hereinafter - the Enterprise Register) regarding its conformity with the conditions of a commercial company, association or foundation of significance to national security;

2) make an entry in the register of shareholders or members regarding the status of a capital company;

3) inform the shareholders or stockholders of the relevant capital company and persons who use indirect holding, or members of a partnership and association regarding conformity with the conditions of a commercial company or association of significance to national security;

4) inform the institution stipulated by the Cabinet:

a) a capital company - regarding its founders, members, shareholders, and beneficial owners or, if it is not possible to ascertain the true beneficiary and all possible means of clarification have been used, as well as doubts are excluded that the legal person has another beneficial owner regarding the acquirers

well as doubts are excluded that the legal person has another beneficial owner regarding the acquirers of indirect influence;

b) partnership and association - regarding its founders and members, as well as beneficial owners or, if it is not possible to find out the true beneficiary and all possible means of clarification have been used, as well as doubts are excluded that the legal arrangement has another beneficial owner - regarding the beneficiaries of indirect influence;

c) foundation - for the beneficial owners and loans received.

(2) The Enterprise Register shall publish information on the conformity of a commercial company, association, or foundation with the conditions of a commercial company, association, or foundation of significance to national security on the website of the Enterprise Register. If the commercial company, association or foundation has not fulfilled the requirements referred to in Paragraph one, Clause 1 of this Section, the authority indicated in Paragraph nine of this Section shall send information to the Enterprise Register for registration and publication regarding the conformity of the commercial company, association or foundation with the conditions of a commercial company, association or foundation of significance to national security.

(3) If the beneficial owners are:

1) a financial institution, an investment fund, an alternative investment fund, and investors of foundations equivalent thereto supervised by the competent financial market supervisory authority of the relevant state - information on the true beneficiaries may include only information regarding the relevant financial institution and the operational policy thereof;

2) association or foundation - information regarding the true beneficiary shall include information regarding the relevant association or foundation and the purpose of its activities;

3) shareholders of such joint stock company the shares of which are admitted to trading on a regulated market - information shall be provided only regarding those shareholders who exceed 10 per cent of the total number of shares with voting rights of the relevant joint stock company.

(4) If persons belonging to Russia or Belarus have a qualifying holding or decisive influence in the capital company referred to in Paragraph one of this Section or such persons are the true beneficiaries, then from the day when the capital company acquires the status of a commercial company of significance to national security, the following participants or shareholders are not entitled to exercise their voting rights:

1) persons belonging to Russia or Belarus;

2) persons who have transferred the exercise of the rights of their participant or shareholder in whole or in part to persons belonging to Russia or Belarus;

3) persons through whom persons belonging to Russia or Belarus have become the true beneficiaries.

(5) If a member of the partnership referred to in Paragraph one of this Section or the beneficial owner of such member is a person belonging to Russia or Belarus, then such member is not entitled to represent the partnership and maintain record-keeping thereof from the day when the partnership acquires the status of a commercial company of significance to national security.

(6) If a person belonging to Russia or Belarus through a capital company registered in the Republic of Latvia as a participant or shareholder thereof has acquired a qualifying holding or decisive influence in the capital company referred to in Paragraph one of this Section, then such person is not entitled to exercise the voting rights in the capital company from the day when the capital company in which it has an indirect qualifying holding or decisive influence acquires the status of a commercial company of significance to national security, through which participation in a commercial company of significance to national security is realized.

(7) The restrictions specified in Paragraphs four, five, and six of this Section shall be applied until the day when the conditions referred to in Section 38, Paragraph two of this Law are fulfilled.

(8) In determining the norm of representation in capital companies, shares and capital shares in respect of which the restrictions specified in Paragraphs four and six of this Section are applicable shall not be taken into account.

(9) The Cabinet shall determine the institution to which the information referred to in Paragraph one, Clause 4 of this Section shall be submitted, the amount of information to be submitted and the procedures for the submission thereof.

(10) If a commercial company, association or foundation has not submitted information in accordance with laws and regulations, the authority referred to in Paragraph nine of this Section has the right to take a decision by which it instructs the commercial company, association or foundation to submit the information indicated in the decision within a month from the day of entering into effect of the decision.

(11) The decision referred to in Paragraph ten of this Section may be contested and appealed in accordance with the procedures laid down in the Administrative Procedure Law. Contesting or appeal of the decision shall not suspend the operation thereof.

(20.10.2022. in the version of the Law as amended by 06.10.2022. the law that comes into force on 03.11.2022. The amendment to point 1 of the third paragraph on the exclusion of the words "and



capital" shall come into force on 01.01.2023. See Paragraph 24 of Transitional Provisions]

#### **Article 40. Authorisation to acquire a qualifying holding or a decisive influence**

(1) A permit of the Cabinet shall be necessary before a person or several persons who act in a co-ordinated manner acquire a qualifying holding or decisive influence in a capital company of significance to national security or become a member of a partnership or association of significance to national security, or acquire influence in a capital company registered in the Republic of Latvia which is a member of a partnership or association of significance to national security.

(2) If another law provides for a direct prohibition for specific legal subjects to acquire a specific type of participation in any of the commercial companies or associations of significance to national security, this prohibition shall be applicable regardless of the permit of the Cabinet.

(3) An application for the receipt of a permit shall be submitted by a person who wishes to acquire a qualifying holding or decisive influence in a capital company of significance to national security or to become a member of a partnership or association of significance to national security.

(4) Upon issuing a permit, the Cabinet is entitled to impose restrictions on the implementation of a qualifying holding or decisive influence, or participation in order to prevent risks to national security. (20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

#### **Article 41. Change of beneficial owner and acquirer of indirect effects**

(1) A shareholder, shareholder, person who uses indirect holding, member of a partnership or association of a capital company of significance to national security must receive a permit to retain the holding or to remain a member in a partnership or association if the beneficial owner thereof or the acquirer of indirect influence changes.

(2) An application for the receipt of a permit shall be submitted by the relevant shareholder, stockholder of a capital company of significance to national security, or a person who uses indirect holding, or a member of a partnership or association within five working days from the day when the change of the beneficial owner or acquirer of indirect influence has taken place.

(3) The Cabinet is entitled to take a decision by which an obligation is imposed on the person referred to in Paragraph two of this Section to alienate the shares or stocks of the equity capital accordingly or to terminate the indirect holding, or to withdraw from the partnership or association within a specified time period.

(4) If a person has not performed the activities specified in the decision referred to in Paragraph three of this Section, he or she is not entitled to:

1) to exercise the right to vote, as well as to receive information from the board regarding the activities of the company and to become acquainted with all the documents of the company in the relevant capital company;

2) to exercise the right to vote, as well as to receive from the board information and documents relating to the activities of the association;

3) represent the partnership and keep its records.

(5) If a person belonging to Russia or Belarus becomes the beneficial owner of a capital company of significance to national security, then a shareholder or participant of such company through which the person belonging to Russia or Belarus has become the true beneficiary is not entitled to exercise the voting rights in the capital company. In determining the norm of representation in a capital company of significance to national security, the relevant shares or capital shares shall not be taken into account. (20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

#### **Article 42. Company transition**

(1) A permit from the Cabinet shall be required for each transfer of an undertaking as a result of which another person acquires in ownership such undertaking from a capital company of significance to national security which includes assets which are used for the performance of the activity referred to in Section 37 of this Law.

(2) In accordance with the procedures stipulated by the Cabinet, an application for the receipt of a permit shall be submitted by a commercial company of significance to national security.

(23.03.2017. in the version of the Law that comes into force on 29.03.2017.)

##### **Article 42.1. Loan**

(1) A commercial company, association, or foundation of significance to national security shall require a permit from the Cabinet for the receipt of a loan if the total amount thereof exceeds 10 per cent of the assets and it is received from a natural person who is a foreign national, except for a Member State of the European Union, the European Free Trade Association, the North Atlantic Treaty Organisation, or the Organisation for Economic Co-operation and Development, or from a legal person, the beneficial owner of which is a foreign national, with the exception of a Member State of the European Union, the European Free Trade Association, the North Atlantic Treaty Organisation or the Organisation for Economic Co-operation and Development.

(2) For the fulfilment of the requirements referred to in Paragraph one of this Section, a commercial company, association, or foundation of significance to national security shall, prior to entering into a

loan contract, obtain information regarding the true beneficiary from a legal person issuing the loan.  
(3) In order to obtain a permit for the receipt of a loan, a commercial company, association or foundation of significance to national security shall submit an application in accordance with the procedures stipulated by the Cabinet.

(4) Upon issuing a permit, the Cabinet is entitled to determine restrictions in the receipt of a loan in order to prevent risks to national security.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

#### **Article 43. Exceptions to restrictions on obtaining influence**

A permit from the Cabinet shall not be required if:

1) in the cases specified in law, shares or stocks of the equity capital are acquired by the capital company itself;

2) State capital companies and State capital shares or stocks are managed in accordance with the Law on Management of Capital Shares of a Public

Person and Capital Companies;

3) the undertaking, shares or stocks of the equity capital are transferred into the ownership of a public person, a capital company of a public person, or a public private capital company;

4) in accordance with the procedures laid down in the Criminal Procedure Law, the person directing the proceedings shall decide on the return of the shares or stocks of the equity capital to the lawful owner;

5) in accordance with the procedures laid down in the Criminal Procedure Law, the court shall decide on the confiscation of shares or shares of the equity capital;

6) the loan is received by a capital company of a public person or a public private capital company.

(23.03.2017. in the version of the Law as amended by 20.10.2022. law, which comes into force on 14.11.2022.)

#### **Article 44. Procedures for Taking and Appealing a Decision of the Cabinet of Ministers**

(1) In the cases referred to in Section 22.2, Paragraph seven, Section 40, Paragraph one, Section 41, Paragraph three, Section 42, Paragraph one, and Section 42.1 of this Law, a decision of the Cabinet shall be taken within a month from the day of receipt of the application. This period may be extended to four months.

(2) Upon taking a decision in the cases referred to in this Chapter, the Cabinet shall evaluate the restriction of the rights of a person, the proportionality thereof with the interests of national security and the opinion of the State security institution, as well as the conformity with the principle of legitimate expectations.

(3) The decision referred to in Section 22.2, Paragraph seven, Section 40, Paragraph one, Section 41, Paragraph three, and Section 42, Paragraph one of this Law shall be notified to the addressee thereof and a notification regarding the decision taken shall be sent to the relevant commercial company, association, or foundation of significance to national security, if it is not the addressee of the decision.

(4) A decision of the Cabinet may be appealed to the Administrative Regional Court. The appeal of the decision shall not suspend the operation thereof.

(5) The court shall examine the case as a court of first instance. The case shall be examined in the composition of three judges. A judgment of the Administrative Regional Court may be appealed by submitting a cassation complaint.

(6) If for objective clarification of the circumstances of a case it is necessary for a court to examine information containing an official secret, then only the court shall become acquainted with such information and evaluate it. In its ruling, the court shall indicate that this information has been evaluated.

(7) If the Cabinet has not taken a decision within the time period specified in this Section, then it shall be deemed that a permit has been given after expiry of the time period.

(8) The Cabinet shall determine the institution to which the application for the receipt of the permits referred to in Section 22.2, Paragraph seven, Section 40, Paragraph one, Section 41, Paragraph one, and Section 42, Paragraph one of this Law is to be submitted, the amount of information to be submitted, the submission and evaluation thereof, as well as the decision to issue the permit or to refuse to issue it and the decision to issue it 41 of this Law. the determination of the procedures for the adoption and notification of the obligations referred to in the third paragraph and the information to be included in the notification of the decision taken.

(9) The Cabinet shall determine the institution which implements the cooperation mechanism between the European Commission and Member States laid down in Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union, as well as the procedures for the processing, evaluation, execution, and sending of the received information and requests for information.

(23.03.2017. in the version of the Law as amended by 23.11.2020 and 20.10.2022. law, which comes into force on 14.11.2022.)

#### **Article 45. Legal consequences of non-compliance with the restriction**

#### Article 40. Legal consequences of non-compliance with the restriction

(1) If a person or several persons acting in a co-ordinated manner acquire a qualifying holding or decisive influence in a commercial company of significance to national security or become a member of such commercial company without receiving the permit referred to in Section 40 or Section 42.1, Paragraph one of this Law or without complying with Section 38, Paragraph 1.1 of this Law the restrictions specified in the part, then the transaction or action that was the basis for obtaining the aforementioned rights shall not be valid in Latvia from the moment of entering into the relevant transaction or the relevant action. Regardless of the place of entering into or action of the transaction, a commercial company of significance to national security is not entitled to make changes in the register of shareholders or members, if the permit specified in Section 40 or Section 42.1, Paragraph one of this Law has not been received.

(2) If, as a result of the transfer of an undertaking or in the case referred to in Section 42.1, Paragraph one of this Law, another person acquires in ownership such undertaking from a capital company of significance to national security which includes assets which are used for the performance of the activity referred to in Section 37 of this Law without receiving the permit referred to in Section 42 of this Law, the transition shall not be in effect.

(2.1) If a commercial company, association or foundation of significance to national security has not received a permit from the Cabinet for the receipt of such loan the total amount of which exceeds 10 per cent of the assets and which is received from a natural person who is a foreign national, except for a Member State of the European Union, the European Free Trade Association, the North Atlantic Treaty Organisation or the Organisation for Economic Cooperation and Development, or from a legal person, the beneficial owner of which is a foreign national, except for a Member State of the European Union, the European Free Trade Association, the North Atlantic Treaty Organization or the Organisation for Economic Co-operation and Development, then the transaction that was the basis for issuing and receiving the abovementioned loan shall not be valid in the Republic of Latvia from the moment of entering into it.

(3) Decisions of the meeting of shareholders or stockholders of a commercial company of significance to national security shall not be in effect if members or stockholders have voted for them, for the participation of which or change of the beneficial owner or acquirer of indirect influence the Cabinet has not given a permit, or they have been taken in violation of the prohibition of voting rights laid down in this Chapter. Any action of a member which he or she has performed on behalf of a commercial company of significance to national security shall also be invalid, thus violating the restrictions on representation and record-keeping specified in this Law.

(4) In the cases specified in Paragraph one of this Section, the Cabinet shall take a decision by which it imposes an obligation on specific relevant:

- 1) for shareholders or stockholders of capital companies to alienate shares or stocks of the equity capital or to terminate indirect participation and prohibit the exercise of the voting rights in the relevant capital company until fulfilment of such obligation;
- 2) the members of partnerships shall withdraw from the company and shall be prohibited from representing the company and keeping the recordkeeping thereof until the fulfilment of this obligation.

(5) In the case referred to in Paragraph 2.1 of this Section, the Cabinet shall take a decision by which it imposes an obligation on a commercial company, association or foundation of significance to national security to terminate the contract which was the basis for the issuance and receipt of the loan.

(23.03.2017. in the version of the Law as amended by 08.12.2021, 16.06.2022 and 20.10.2022. law, which comes into force on 14.11.2022.)

#### Transitional Provisions

1. With the coming into force of this Law, the law On State Defence (Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs, 1995, 2, 21.nr; 1996, 6.nr; 1997, 6.nr; 1999, 24.nr.) is repealed.

2. Until the adoption of the relevant Cabinet regulations, but not later than until 1 July 2002, the following Cabinet regulations issued in accordance with the law On State Defence shall be in force:

- 1) Cabinet Regulation No. 37 of 21 January 1997, By-laws for the Course of Service of Military Persons";
- 2) Regulation No. 91 of 11 March 1997, Regulations regarding Military Discipline of Soldiers.

(As amended by the Law of 06.12.2001, which comes into force on 01.01.2002.)

3. Section 7, Paragraph one of this Law shall come into force upon the meeting of the 8th Saeima.

4. Section 7, Paragraph two and Section 20, Paragraphs one and three of this Law shall come into force together with the relevant amendments to the Law on State Security Institutions and the Law on the Constitution Protection Bureau.

5. Section 19, Paragraph three of this Law shall come into force on 1 January 2002.

6. The National Security Concept prepared in accordance with Section 27 of the Law and the State Defence Concept prepared in accordance with Section 29 shall be approved during the term of office of the 7th Saeima until 1 October 2001.

7. The Cabinet shall approve the State civil protection plan referred to in Section 22 of this Law by 1

7. The Cabinet shall approve the State civil protection plan referred to in Section 36 of this Law by 1 January 2003.

(In the version of the Law of 16.05.2002, which comes into force on 12.06.2002.)

8. The Cabinet shall approve the national economy mobilisation plan referred to in Section 35 of this Law by 31 December 2010.

(In the version of the Law of 15.05.2003 as amended by 02.12.2004 and 29.03.2007. a law that comes into force on 01.05.2007.)

9. The remuneration (remuneration, etc.) determined in accordance with this Law 2009 shall be determined in accordance with the Law On Remuneration of Officials and Employees of State and Local Government Authorities in 2009.

(12.12.2008. in the version of the Law that comes into force on 01.01.2009.)

10. To equate work in the Information Analysis Service to work in State security institutions.

(18.06.2009. in the version of the Law that comes into force on 03.07.2009.)

11. Those officials of the Information Analysis Service who, at the moment of liquidation of this Service, in conformity with that laid down in Paragraph 10 of these Transitional Provisions, conform to the criteria set for those persons who have the right to a retirement pension in accordance with the Law on Retirement Pensions of Officials of the Constitution Protection Bureau, shall be granted a retirement pension. Retirement pensions shall be granted, calculated and disbursed to officials of the Information Analysis Service in accordance with the procedures laid down in the Law on Retirement Pensions of Officials of the Constitution Protection Bureau.

(18.06.2009. in the version of the Law that comes into force on 03.07.2009.)

12. Until the day of coming into force of new Cabinet regulations, but not longer than until 1 June 2010, Cabinet Regulation No. 428 of 10 June 2008, Procedures for the Planning and Implementation of Security Measures for Objects Important to National Security, shall be in force.

(29.04.2010. in the version of the Law that comes into force on 28.05.2010.)

13. The prohibition provided for in Section 3.1 of this Law shall be applicable to persons who have commenced serving in foreign states until 1 January 2017 from 1 January 2018.

(08.12.2016. in the version of the Law that comes into force on 01.01.2017.)

14. Commercial companies which, together with the coming into force of Section 37 of this Law, conform to the conditions of a commercial company of significance to national security shall, by 1 June 2017, fulfil the obligations laid down in Section 39, Paragraph one of this Law.

(23.03.2017. in the version of the Law that comes into force on 29.03.2017.)

15. The Commercial Register Office shall ensure the publication of information regarding commercial companies of significance to national security on the website of the Commercial Register Institution (Section 39, Paragraph two) from 15 June 2017.

(23.03.2017. in the version of the Law that comes into force on 29.03.2017.)

16. Section 23, Paragraph eight of this Law shall come into force concurrently with the relevant amendments to the Mobilization Law.

(04.10.2018. in the version of the Law that comes into force on 30.10.2018.)

17. The Financial and Capital Market Commission shall issue the laws and regulations referred to in Section 22.3, Paragraph three of this Law by 1 September 2021.

(20.05.2021. in the version of the Law that comes into force on 15.06.2021.)

18. The Cabinet shall issue the regulations referred to in Section 22.2, Paragraph six of this Law by 1 September 2021. Until the day of coming into force of the relevant Cabinet regulations, but not later than until 1 September 2021, Cabinet Regulation No. 496 of 1 June 2010, Procedures for the Identification of Critical Infrastructure, including European Critical Infrastructure, and the Planning and Implementation of Security Measures, shall be in force insofar as they are not in contradiction with this Law.

(20.05.2021. in the version of the Law that comes into force on 15.06.2021.)

19. Section 22.4 of this Law shall come into force on 1 January 2022. By 31 December 2021, the Cabinet shall issue the regulations referred to in Section 22.4, Paragraph two of this Law.

(20.05.2021. in the version of the Law that comes into force on 15.06.2021.)

20. Persons who, in accordance with Section 3.1, Paragraph one, Clause 1 of this Law, commence serving in the service of Ukraine shall immediately register with the reserve accounting unit of the National Armed Forces, indicating the given name, surname, personal identity number and type of service.

(28.02.2022. in the version of the Law that comes into force on 01.03.2022.)

21. If at the time of coming into force of Section 38, Paragraph 1.1 of this Law the persons belonging to Russia and Belarus have a qualifying holding or decisive influence in a capital company of significance to national security or such persons are the true beneficiaries of a capital company of significance to national security, then from the moment of coming into force of this norm Section 39, Section 3.1 of this

Law the members and shareholders referred to in paragraphs 1, 2 and 3 shall not be entitled to exercise their voting rights. In determining the norm of representation in a capital company of significance to national security, the relevant shares or capital shares shall not be taken into account. (16.06.2022. in the version of the Law that comes into force on 23.06.2022.)

22. If at the time of coming into force of Section 38, Paragraph 1.1 of this Law a person belonging to Russia or Belarus is a member of a partnership or the beneficial owner of such member is a person belonging to Russia and Belarus, then from the moment of coming into force of this norm the relevant member of the partnership is not entitled to represent the partnership and keep the record-keeping thereof.

(16.06.2022. in the version of the Law that comes into force on 23.06.2022.)

23. The provisions of the articles of association or agreements which are in contradiction with the restrictions specified in Section 38, Paragraph 1.1 of this Law shall not be in force in the part which does not conform to the abovementioned norm.

(16.06.2022. in the version of the Law that comes into force on 23.06.2022.)

24. Amendments to this Law regarding the replacement of the words "Financial and Capital Market Commission" (in the relevant fold) with the words

"Latvijas Banka" (in the relevant fold) in Section 22.3, Paragraphs two, three, and five and the replacement of the words "Financial and Capital Market Commission, in consultation with the Bank of Latvia" with the words "Latvijas Banka" in Section 22.3, Paragraph four, as well as the exclusion of the words "and capital" 39. point 1 of the third paragraph shall enter into force on 1 January 2023.

(06.10.2022. in the version of the Law that comes into force on 03.11.2022.)

25. Associations and foundations which, together with the coming into force of amendments to Section 37 of this Law, conform to the conditions of an association or foundation of significance to national security shall, within a month after coming into force of the relevant amendments, fulfil the obligations specified in Section 39, Paragraph one of this Law.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

26. Commercial companies which, together with the coming into force of amendments to Section 37 of this Law which provide for the determination as commercial companies of significance to national security, companies which own or possess critical infrastructure or which conform to the conditions referred to in Section 37, Clauses 10, 11, 12, and 13 of this Law, shall, within a month after coming into force of the relevant amendments, fulfil the obligations laid down in Section 39, Paragraph one of this Law.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

27. Commercial companies which, until the day when amendments to Section 38, Paragraph one, Clause 1, Sub-clause "d", Clause 2, Sub-clause "b" and Paragraph three of this Law come into force, conform to the conditions of a commercial company of significance to national security shall, within a month after coming into force of the relevant amendments, submit an updated information or notification specified in Section 39, Paragraph one, Clause 4, Sub-clauses "a" and "b" of this Law, that the information submitted does not need to be clarified.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

28. The Cabinet shall issue the regulations referred to in Section 18.1, Paragraph seven of this Law by 1 July 2023.

(20.10.2022. in the version of the Law that comes into force on 14.11.2022.)

29. The amendment regarding the exclusion of Section 10, Paragraph one, Clause 10 of this Law shall come into force concurrently with the Defence Industry Law.

(27.03.2024. in the version of the Law that comes into force on 24.04.2024. The amendment to exclude Section 10, Paragraph one, Clause 10 has been included in the version of the Law as of 24.04.2024.)

#### **Informative Reference to European Union Directive**

(29.04.2010. in the version of the Law that comes into force on 28.05.2010.)

This Law contains legal norms arising from Council Directive 2008/114/EC of 8 December 2008 on the identification and designation of European critical infrastructures and the assessment of the need to improve their protection.

This Law has been adopted by the Saeima on 14 December 2000.

President of Latvia V. Vīķe-Freiberga Riga, 29 December 2000