

Cartel Regulation

Getting the fine down
in 38 jurisdictions worldwide

2009

Contributing editor: William Rowley QC and Martin Low QC



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Latvia

Dace Silava-Tomsone

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Legislation and jurisdiction

1 Relevant legislation

What is the relevant legislation and who enforces it?

The current competition rules are set out in the Competition Law, effective as of 1 January 2002. Before then, competition matters were regulated by the Competition Law of 1997. Due to the short history of competition law in Latvia, Latvian case law dealing with competition matters is relatively slim.

The Latvian Competition Council, the authority enforcing the competition rules in Latvia, was established in January 1998. The Competition Council consists of four members and a chairman, all appointed for a five-year term by the Cabinet of Ministers upon recommendation of the Minister of Economics. Decisions of the Competition Council are taken by a simple majority vote. The day-to-day work of the Competition Council is carried out by the Executive Office, managed by the office director. The work of the Office is organised in four departments. At the time of writing, the Competition Council employs 55 staff.

2 Substantive law

What is the substantive law on cartels in the jurisdiction?

Article 11 of the Competition Law closely follows the wording of article 81 of the EC Treaty, declaring as prohibited agreements between undertakings having as their object or effect the prevention, restriction or distortion of effective competition. Article 11 of the Competition Law includes a non-exhaustive list of practices that are prohibited:

- any form of direct or indirect fixing of prices or tariffs, or agreement on the principles of their formation, as well as the exchange of information relating to prices or sales terms;
- restrictions or controls on the volume of production or sales, markets, technical development or investment;
- the allocation of markets by territory, customers, suppliers or other conditions;
- provisions that make the conclusion, amendment or termination of a transaction with a third party subject to the acceptance of obligations which, according to commercial practice, are not relevant to the particular transaction;
- participation or non-participation in tenders or auctions, or regarding provisions for participation (or non-participation), except for cases when competitors have publicly announced their joint tender and the purpose of such tender is not to hinder, restrict or distort competition;
- applying discriminatory conditions to equivalent transactions with third parties, thus creating a competitive disadvantage for such third parties; and
- action (or failure to act) as a result of which another market participant is forced to leave a relevant market or where by the

entry of a potential market participant into the market is made more burdensome.

The prohibition applies to both vertical and horizontal agreements.

The term 'cartel' is not defined under the Competition Law; however, Regulation No. 798 of the Cabinet of Ministers (effective as of 3 October 2008) contains a definition of 'horizontal cartel agreements'. They are defined as agreements between the competitors aimed at the prevention, restriction or distortion of competition between themselves, including agreements on any form of direct or indirect fixing of prices or tariffs or agreement on principles of their formation, as well as the exchange of information relating to prices or sales terms, restrictions or controls on the volume of production or sales, markets, technical development or investment, allocation of markets by territory, customers, suppliers or other conditions, participation or non-participation in tenders or auctions or regarding provisions for participation (or non-participation).

The prohibited agreements are allowed if they:

- contribute to improving the production or distribution of goods or promote economic progress;
- allow consumers a fair share of the resulting benefit;
- do not impose on the respective market participants restrictions that are not indispensable for the attainment of these objectives; and
- do not allow the participants to eliminate competition in respect of a substantial part of the products in question.

The Latvian competition law has preserved a notification system. Therefore, a prima facie prohibited agreement may be notified to the Competition Council prior to entering the agreement or prior to the agreement becoming effective and provided an investigation has not been commenced. The Competition Council shall provide unconditional or conditional exemption to the agreements which satisfy the above efficiency requirements.

So far very few prohibited agreements have been notified to the Competition Council for exemption and none of them has involved agreements which would qualify as horizontal cartel agreements. As a matter of practice, it seems highly unlikely that any horizontal cartel agreement could qualify for such an exemption.

Council Regulation 1/2003 requires national competition authorities when applying national competition law to agreements or concerted practices to ensure that the application of national competition law does not lead to the prohibition of agreements or concerted practices that may affect trade between member states but that do not restrict competition within the meaning of article 81(1) of the Treaty or that fulfil the conditions of article 81(3).

Latvian law does not provide criminal liability for breach of cartel provisions. Liability is either administrative or civil.

3 Industry-specific offences and defences

Are there any industry-specific offences and defences?

There are no industry-specific offences or defences.

4 Application of the law

Does the law apply to individuals or corporations or both?

The provisions of the Competition Law apply to any market participant. A market participant is defined broadly as any person (including a foreign person) carrying out or intending to carry out economic activities in the territory of Latvia or whose activities affect or are capable of affecting competition in the territory of Latvia.

5 Extraterritoriality

Does the regime extend to conduct that takes place outside the jurisdiction?

The definition of a market participant under Latvian law also covers foreign persons and activities performed outside of Latvia if such activities affect or are capable of affecting competition in the territory of Latvia.

6 Proposals for change

Are there any proposals for change to the regime?

Currently, there are no proposals for changes to the regime.

Investigation**7 Steps in an investigation**

What are the typical steps in an investigation?

The Competition Council may initiate cartel investigation proceedings on its own initiative or on the basis of an application by a private party or information from a public entity. Proceedings may also be initiated based on cooperation with foreign authorities or as a result of a tip-off from a foreign competition authority.

In practice, dawn raids have not been used particularly often as a means of conducting investigations. Most often, the Competition Council has provided prior notice to the undertaking subject to investigation of the planned visit to review documents and conduct interviews.

The final decision in an investigation must be taken by the Competition Council within six months from the date when the investigation proceedings were initiated. The investigation may be prolonged by a decision of the Competition Council if, due to objective justifications, additional time is required for the completion of the investigation. In this case, the investigation should be completed within one year of the date of the initiation of proceedings. If the completion of an investigation requires long-term study, the Competition Council may extend the time limit for another year. Thus, the maximum period of a cartel investigation may not exceed two years from its date of initiation.

The number of provisions under the law dealing with the investigation process is rather limited, leaving the Competition Council relatively wide discretion. The Competition Council is required, after obtaining all the data necessary for taking a decision, to invite the parties subject to investigation to review the file and provide their comments. The Competition Council is required to provide notice to the parties that the necessary facts have been established. In practice, the notice comprises of a relatively extensive account of the facts and preliminary conclusions made. The parties to the investigation have the right to review the file, express their opinion and submit additional information within a term of 10 days from the date of notification. No hearings are held allowing parties to defend their

position orally although it is possible to request a meeting with the representatives of the Competition Council to discuss the case.

In cases where the EU Competition rules are applied, prior to taking the final decision, the draft decision of the Competition Council has to be referred to the European Commission for comments.

8 Investigative powers of the authorities

What investigative powers do the authorities have?

The investigative powers of the Competition Council in cartel investigations are rather broad.

The Competition Council has the right to request all necessary information, including confidential information, from any natural or legal persons, or state and municipal institutions, as well as to receive oral or written explanations from the relevant persons.

The Competition Council may conduct inspection visits, including dawn raids (visits without advance notice), to the market participants. During the inspections, the officials of the Competition Council may request oral or written explanations, review any documents and receive these documents or copies thereof.

The Competition Council has the right to seize relevant documents and property.

Regarding entrance into vehicles, private residences and other moveable or immovable property of market participants and the inspection of property and documents contained therein, searches are conducted on the basis of a court decision and in the presence of the police. If there is a suspicion that the relevant documents may be located in third parties' moveable or immovable property, the Competition Council also has the right to inspect such property, subject to the court's decision.

The Competition Council may fine market participants for failure to comply with its requests for information, documents, explanations, access to premises and other property. The fines range from 50 lats (approximately €70) to 10,000 lats for legal entities and up to 500 lats for natural persons.

Although not explicitly stated in the Competition Law, the duty to cooperate during the investigation is limited by the right to remain silent, namely not to incriminate oneself. However, the privilege against self-incrimination does not cover handing over the documents which the company must produce to the officials upon their request. Such documents have to be produced even if they contain information establishing the company's participation in illegal activities.

International cooperation**9 Inter-agency cooperation**

Is there inter-agency cooperation? If so, what is the legal basis for, and extent of, cooperation?

The Competition Council regularly cooperates at an international level with other competition authorities. According to the Competition Law, upon request from the competition authorities of other member states, the Competition Council is entitled to carry out investigative activities in relation to Latvian market participants.

The Competition Council is entitled and has a duty to apply EU Competition Law and thus closely cooperates and shares competences with the EU Commission, DG Competition and the competition authorities of the other member states. The Competition Council participates in the European Competition Network (ECN), which is a formal cooperation forum for European competition authorities and the European Commission. The ECN enables the authorities to share information on pending cases, to allocate enforcement work and to coordinate their investigations, namely in international cartel cases. Competition authorities increasingly aim to coordinate their

investigations and conduct simultaneous dawn raids in various countries so as to maintain the surprise element of inspections.

In addition to the ECN, the Competition Council occasionally informally contacts neighbouring competition authorities to coordinate their approach.

Latvian Competition Council is also a member of the International Competition Network and cooperates with the OECD.

10 Interplay between jurisdictions

How does the interplay between jurisdictions affect the investigation, prosecution and punishment of cartel activity in the jurisdiction?

The EU Competition Law is directly applicable in Latvia and the Commission and the Competition Council apply these rules in close cooperation. The Competition Council is entitled to initiate proceedings for breaches of the EU competition rules and is obliged to assist the Commission in its investigations. The Latvian courts are also entitled to establish violations of EU Competition rules and decide on granting the EU Commission authority to carry out investigations in the territory of Latvia. If the Latvian court establishes a violation of the EU competition rules, it is required to provide the EU Commission with a copy of the decision within seven days after the issue of full decision.

The Competition Council and the police shall assist the EU Commission when carrying out cartel investigation proceedings in Latvia.

11 Adjudication

How is a cartel matter adjudicated?

The national authority responsible for the enforcement of the Competition Law and EU competition rules in Latvia is the Competition Council, operating under supervision of the Ministry of Economics. The Competition Council performs investigations and also makes the final decision in cases.

The national courts are also entitled to establish infringements of the Competition Law and EU competition rules, although so far no cartel cases have been decided by national courts.

12 Appeal process

What is the appeal process?

All decisions of the Competition Council, excluding certain interim procedural decisions, may be appealed in the Administrative Regional Court within a term of one month from the effective date of the decision. Decisions by the Administrative Regional Court may be appealed in the limited circumstances to the Administrative Department of the Senate of the Supreme Court.

Decisions of the district courts of general jurisdiction granting permissions to exercise certain investigative activities can be appealed to the chairperson of the respective district court of general jurisdiction.

13 Burden of proof

With which party is the burden of proof?

According to administrative procedure law, the administrative authority shall prove the facts upon which it bases its decision. If the decision of the Competition Council is appealed, the Competition Council may only refer to those grounds that have been stated in its decision. No additional evidence may be provided in court.

The market participant has a duty to prove the facts upon which it relies to challenge the decision of the Competition Council. According to the principle of objective investigation, the administrative court itself shall collect evidence if the evidence submitted by the parties is not sufficient.

Sanctions

14 Criminal sanctions

What criminal sanctions are there for cartel activity? Are there maximum and minimum sanctions?

Cartel activity is not a criminal offence under Latvian criminal law. However, criminal sanctions may be imposed for repeated failure to comply with the legal requirements of the Competition Council if the conduct is committed repeatedly within a period of one year or if substantial harm is caused to the legitimate interests of the state or consumers. The sanctions applied for the above offence are imprisonment for up to two years, community service or a fine of a maximum of 100 times the minimum monthly salary (currently 160 lats), with or without restrictions on engaging in commercial activities for between two and five years.

So far, the above criminal sanctions have not been applied in Latvia.

15 Civil and administrative sanctions

What civil or administrative sanctions are there for cartel activity?

Horizontal cartel agreements shall qualify as the gravest violation of the Competition Law. The maximum amount of fine can reach 10 per cent of the net turnover for the previous financial year and it shall not be less than 500 lats.

16 Civil and administrative sanctions

Where possible sanctions for cartel activity include criminal and civil or administrative sanctions, can they be pursued in respect of the same conduct? If not, how is the choice of which sanction to pursue made?

According to the Competition Law any person that has suffered losses due to the infringement of the Competition Law is entitled to claim compensation of losses and statutory interest from the guilty market participant. Thus, in addition to the fine imposed by the Competition Council for the breach of the Competition Law, the guilty market participant might be obliged to compensate losses caused to any third party as a result of anti-competitive conduct.

As noted above, cartel activity is not a criminal offence under Latvian criminal law.

17 Private damage claims and class actions

Are private damage claims or class actions possible?

The Competition Act expressly provides that any person that has suffered losses due to the infringement of the Competition Law is entitled to claim compensation of losses and statutory interest from the guilty market participant. The award of compensation is within the jurisdiction of the courts of general jurisdiction. So far, there are no publicly available decisions on awards of damages in claims for infringement of the competition rules.

The right to claim damages covers compensation for actual loss, such as expenses, price differences, lost profits and other direct or indirect economic damage resulting from the anti-competitive conduct. A claim for damages is subject to a general 10-year limitation period which commences on the date on which the person became aware, or should have become aware, of the damage. Punitive or exemplary damages are not available under Latvian law. Similarly, class actions in their usual meaning are not possible in Latvia.

18 Recent fines and penalties

What recent fines or other penalties are noteworthy? What is the history of fines? How many times have fines been levied? What is the maximum fine possible and how are fines calculated? What is the history of criminal sanctions against individuals?

In line with the approach announced by DG Competition, the Competition Council has announced the fight against cartels to be one of its top priorities. During 2006, the Competition Council imposed fines on the members of five cartels. During 2007 and 2008, the activity of the Competition Council in the area of fighting cartels has somewhat decreased. During 2007, the Council imposed fines on the members of two cartels (tenderers who were acting in concert during public procurement procedures). In two other cases the Latvian Architects Society and the Latvian Association of Civil Engineers were obliged to change their internal regulations (code of ethics and decisions on minimum hourly rates). In 2008, the Competition Council detected bid rigging in three cases, imposing fines on the participants of the cartels. On one occasion, fines were imposed on a number of transportation companies for price fixing. The latest decisions of the Competition Council indicate that the Competition Council is ready to impose higher fines on the participants of cartel agreements. Until 2008, the highest fine applied by the Competition Council to members of cartels constituted 1.5 per cent of the net turnover for the previous financial year. In 2008, a fine in the amount of 4 per cent of the net turnover for the previous financial year was applied to one of the cartel members (decision in case No. P/08/10/4 on violation of the provisions of article 11, item 5 of the Competition Law, by SIA GSK Auto et al of 17 September 2008).

As stated above, participants to cartel agreements may become subject to an administrative fine of up to 10 per cent of their net turnover for the previous financial year and the law does not set a maximum amount of fine. When determining the amount of fine, the Competition Council has to consider the gravity and duration of the infringement. According to Regulation No. 796 of the Cabinet of Ministers (effective as of 3 October 2008), all infringements are divided into three groups (minor infringements, serious infringements and very serious infringements). According to this regulation, horizontal cartel agreements qualify as very serious infringements. For very serious infringements, fines shall be calculated from 1.5 to 7 per cent of the net turnover for the previous financial year for each cartel participant.

If the infringement lasts for more than one year, the fine shall be increased by up to 0.5 per cent. If the infringement lasts for more than five years, the fine shall be increased by between 0.5 and 1 per cent. Mitigating and aggravating circumstances are then taken into account to determine the final amount of the fine. Furthermore, the regulation contains a list of mitigating and aggravating circumstances. The lowest fine that can be applied is 500 lats.

Cartel activity as such is not a criminal offence under Latvian criminal law. So far, there are no publicly available decisions on criminal liability of individuals for failure to comply with the legal requirements of the Competition Council (see question 14 above).

Sanctions**19 Sentencing guidelines**

Do sentencing guidelines exist?

Regulation No. 796 of the Cabinet of Ministers contains guidelines that shall be taken into account by the Competition Council when determining fines for cartel activities.

20 Sentencing guidelines and the adjudicator

Are sentencing guidelines binding on the adjudicator?

The guidelines set forth in the aforementioned Regulation No. 796 are binding.

21 Leniency and immunity programmes

Is there a leniency or immunity programme?

The leniency programme was first introduced in October 2004. Currently, the framework of the leniency programme is set forth in Regulation No. 796 as of 3 October 2008. Regulation No. 796 in general mirrors the leniency policy applied by the European Commission. The policy is described in more detail under question 22.

At the time of writing, no undertaking operating in Latvia has resorted to the possibilities afforded by leniency programme. During the investigation of one of the bid-rigging cases (decision in the case No. P/08/10/4 of 17 September 2008) one of the companies asked to grant full immunity due to the fact that it has cooperated with the Competition Council. The Council rejected this motion due to the fact that the information on the cartel agreement was submitted only after the initiation of investigation by the Competition Council and the company started cooperation with the Competition Council only at the very end of the investigation. However, the Competition Council considered that the cooperation can be considered as a mitigating circumstance and the applicable fine was substantially reduced.

22 Elements of a leniency or immunity programme

What are the basic elements of a leniency or immunity programme?

The leniency programme has three basic stages: full immunity, a reduction of the fine of between 30 and 50 per cent and a reduction of the fine of between 20 and 30 per cent.

Based on Regulation No. 796 of the Latvian Cabinet of Ministers, full immunity may be granted if an undertaking:

- is the first to apply to the Competition Council for full immunity providing in the written application the following information as far as available:
 - names and addresses of the members of cartel;
 - description of the cartel: aim, relevant markets affected, principles of operation, size of the relevant markets affected, duration of the cartel; and
 - evidence at the disposal of applicant and other related information, which is sufficient for the Competition Council to initiate investigation;
- at the moment of initiation of investigation the Competition Council, does not possess sufficient evidence to initiate investigation or to find an infringement;
- has not prior to submission of application concealed, destroyed or falsified evidence related to cartel;
- upon its initiative or based on the request of the Competition Council has provided all available evidence and information, has truly, actively and continuously cooperated with the Competition Council throughout the proceedings, is neither the leader nor has it coerced other participants to take part in the cartel;
- has immediately ceased participation in the cartel, unless the Competition Council has ordered otherwise; and
- has not disclosed to the third parties the fact of application for leniency or cooperation with the Competition Council.

In addition, the application for full immunity must be accompanied by a written statement certifying that the applicant has complied and will comply with the above requirements for full immunity.

23 First in

What is the importance of being 'first in' to cooperate?

Full immunity is available only to the 'first in' to cooperate and provides for a full release from the fines to be imposed.

24 Going in second

What is the importance of going in second? Is there an 'immunity plus' or 'amnesty plus' option?

Cartel member which is not entitled to a full immunity may apply for reduction of fines if it:

- has not prior to submission of application concealed, destroyed or falsified evidence related to cartel;
- upon its initiative or based on the request of the Competition Council has provided all available evidence and information, has truly, actively and continuously cooperated with the Competition Council throughout the proceedings;
- has immediately ceased participation in the cartel, unless the Competition Council has ordered otherwise; and
- has not disclosed to the third parties the fact of application for leniency or cooperation with the Competition Council.

In addition, the application must be accompanied by a written statement certifying that the applicant has complied and will comply with the above requirements for reduction of fines.

The following reduction of fines will be granted:

- a 30 to 50 per cent reduction is available for the first to provide information; and
- a 20 to 30 per cent reduction is available to any subsequent parties.

If the fine is reduced, the minimum fine shall not be less than 500 Latvian lats (approximately €700).

25 Approaching the authorities

What is the best time to approach the authorities when seeking leniency or immunity?

If the market participant has decided to cooperate with the Competition Council, it is advisable to do so as promptly as possible to be in a position to derive the benefits of being 'first in'. However, the market participant should assess whether it can comply with the criteria set forth in the regulation to benefit from full or partial immunity.

26 Confidentiality

What confidentiality is afforded to the leniency or immunity applicant and any other cooperating party?

According to Regulation No. 796, information regarding the identity of a participant of a cartel that has filed a leniency application shall be treated as confidential until the decision on infringement has been taken. Where the Competition Council decides that there has been no infringement of the Competition Law and terminates the case, the information regarding the identity of those market participants that cooperated with the Competition Council shall not be disclosed in the decision. In general, market participants who have decided to cooperate must take into account that the publication of a decision finding infringement and eventual court proceedings can result in the identification of the leniency applicant.

27 Successful leniency or immunity applicant

What is needed to be a successful leniency or immunity applicant?

There are no special standards. However, the applicant has to make sure that all the criteria set in Regulation No. 796 for full immunity or reduction of fine are met.

28 Plea bargains

Does the enforcement agency have the authority to enter into a 'plea bargain' or a binding resolution to resolve liability and penalty for alleged cartel activity?

Latvian law does not provide for such authority of the Competition Council during the investigation procedure. A market participant wishing to take advantage of the leniency programme must file a leniency application with the Competition Council (see question 31). On the basis of the application, the Competition Council must decide whether it complies with all the criteria described in questions 23 and 24.

According to the Competition Law, the Competition Council is entitled to conclude an administrative agreement in order to terminate court proceedings. In the administrative agreement, the Competition Council can agree to reduce the fine applied for the infringement, as well as to change the legal obligations imposed on the market participants involved.

29 Corporate defendant and employees

What is the effect of leniency or immunity granted to a corporate defendant on its employees?

The provisions of the Competition Law apply to undertakings only. Thus, penalties under the Competition Law may not be imposed on individuals in their capacity as employees of the undertaking. Leniency granted does not affect the liability of the management towards shareholders under corporate law or of employees towards the company.

30 Cooperation

What guarantee of leniency or immunity exists if a party cooperates?

Once a leniency application (see question 31) is filed with the Competition Council, the Council will examine it and will notify the applicant as to whether the motion is accepted or rejected within five days. The decision by which the full immunity or partial reduction of the fine is granted is taken only at the end of investigation when the final decision on infringement of the Competition Law is adopted. The market participant will benefit from the leniency programme only if it complies with all the criteria described in questions 23 and 24. This, inter alia, means that the market participant has to actively cooperate with the Competition Council during the whole process of investigation.

31 Dealing with the enforcement agency

What are the practical steps in dealing with the enforcement agency?

Regulation No. 796 introduces a marker system that allows market participants to apply to the Competition Council for the first-in position in relation to submission of a leniency application. The application for first-in position has to be written and contain information on the participants of the cartel, its aims, nature and duration, the relevant markets affected. The Competition Council will notify the applicant on whether the first-in application is accepted within five days of the date of submission of the application, indicating the date by which complete application for the full immunity has to be submitted.

A market participant wishing to take advantage of the leniency programme must file a complete leniency application with the

Update and trends

In line with the approach announced by DG Competition, the Competition Council will continue its activities in the area of detection of cartels. The Competition Council has provided training for a number of Latvian contracting authorities with the aim of training their staff to detect bid-rigging arrangements. Also, following an EU study in the

retail banking sector, the Competition Council has announced similar effort in respect of the Latvian retail banking industry.

The global economic crisis is likely to result in both an increase of anti-competitive agreements between competitors and a willingness on the part of members of cartels to resort to leniency programme.

Competition Council, stating the grounds for granting full immunity from fines or a reduction of the fine (see questions 22 and 24 above).

The applications can be submitted either by the market participant itself or by counsel acting on behalf of the market participant on the basis of power of attorney. All applications must be submitted in person to the chairman of the Competition Council or a person authorised by it.

32 Ongoing policy assessments and reviews

Are there any ongoing or proposed leniency and immunity policy assessments or policy reviews?

At the time of writing, there are no proposed leniency or immunity policy assessments or policy reviews.

Defending a case**33 Representation**

May counsel represent employees under investigation as well as the corporation? Do individuals require independent legal advice or can counsel represent corporation employees? When should a present or past employee be advised to seek independent legal advice?

Generally, there are no strict rules regarding the representation of employees and corporations. The main concern is normally general conflicts of interest, if any exist. The fact that there is no employee liability under the Competition Law should be taken into account. The necessity of a legal advice for employees should be determined on a case-by-case basis.

34 Multiple corporate defendants

May counsel represent multiple corporate defendants?

Yes, unless such counsel has a conflict of interest.

35 Payment of legal costs

May a corporation pay the legal costs of and penalties imposed on its employees?

The law does not prohibit a market participant from covering the legal costs of its employee, however, such costs will be treated as unrelated to business for accounting purposes. If the employee is sued by the corporation for exceeding his or her powers, there will be no grounds to cover his or her legal costs.

36 Getting the fine down

What is the optimal way in which to get the fine down?

The amount of the fine in Latvia is determined by the Competition Council and, if appealed, may be reduced by the court. To obtain the leniency treatment, as stated in the question 31, the market participant should submit an application to the Competition Council and satisfy all the criteria required by law. When determining the amount of the fine, the Competition Council should take into account mitigating and aggravating circumstances. Therefore, the existence of mitigating circumstances and the provision of evidence of such may reduce the amount of the fine.

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Quick reference tables

These tables are for quick reference only. They are not intended to provide exhaustive procedural guidelines, nor to be treated as a substitute for specific advice.

The information in each table has been supplied by the authors of the relevant chapter.

Latvia				
Is the regime criminal or civil/administrative?	What is the maximum sanction?	Is there a leniency programme?	Does the regime extend to conduct that takes place outside the jurisdiction?	Remarks
The Latvian law does not provide for criminal liability for violation of the competition rules. Market participants are held administratively or civilly liable. However, criminal sanctions may be imposed for repeated failure to comply with the legal requirements of the Competition Council if the conduct is committed repeatedly within a period of one year or if substantial harm is caused to the legitimate interests of the state or consumers. The sanctions applied for the above offence are imprisonment for up to two years, community service or a fine of a maximum of 100 times the minimum monthly salary (currently 160 lats or approximately €230), with or without restrictions on engaging in commercial activities for between two and five years.	The Latvian law provides for fines as sanctions for the breach of the Competition Laws. The law does not set any maximum amount of fine, it is only limited to 10% of the annual turnover of the market participant.	Yes. The Leniency Regulation provides for full immunity, reduction of the fine of between 30 and 50%, and reduction of the fine of between 20 and 30%. Full immunity can be granted only to the whistleblower.	The Latvian regime captures conduct that takes place outside the Latvian jurisdiction, if it affects or may affect competition in Latvia.	

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