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If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*¹ has adopted and
the President has proclaimed the following law:

Law on Informing and Consulting Employees of European Union-scale Undertakings and European Union-scale Groups of Undertakings

Chapter I General Provisions

Section 1. Terms used in this law:

The following terms are used in this Law:

1) **central management** – a management body of a European Union-scale undertaking or a management body of the controlling undertaking of a European Union-scale group of undertakings;

2) **Member State** – a European Union Member State, the Republic of Iceland, the Kingdom of Norway, the Principality of Liechtenstein;

3) **European Union-scale undertaking** – an undertaking with at least 1000 employees within the Member States and at least 150 employees in two or more Member States;

4) **European Union-scale group of undertakings** – an aggregate of a controlling undertaking and one or several controlled companies, which corresponds to the following characteristics:

a) the group includes undertaking with at least 1000 employees employed within the Member States,

b) at least two undertakings of the group are situated in different Member States,

c) at least one undertaking of the group with at least 150 employees in one Member State and at least one other undertaking of the group with at least 150 employees in another Member State;

5) **informing** – a process in which the employer provides information to representatives of employees, allowing them to become acquainted with the subject matter and to examine it;

6) **consulting** – exchange of views and establishment of dialogue between representatives of employees and the central management or any other relevant management body.

Section 2. Purpose of the Law

The purpose of this Law is to ensure the right to information and consulting of employees of European Union-scale undertakings or European Union-scale groups of undertakings.

¹ The Parliament of the Republic of Latvia

Section 3. Scope of Application of this Law

(1) This Law shall apply to European Union-scale undertakings registered in Latvia, and affiliates of European Union-scale undertakings, registered or situated in Latvia, and to undertakings belonging to European Union-scale group of undertakings and registered in Latvia.

(2) Provisions of this Law, except for Section 31, shall not apply to European Union-scale undertaking or European Union-scale group of undertakings in the following cases:

1) an agreement on establishing a European Works Council or determining another procedure for informing and consulting has been entered into before 22 September 1996, and it applies to all employees, and also provides for transnational informing and consulting of employees, or if such agreement has been adapted to structural changes of European Union-scale undertaking or European Union-scale group of undertakings, and also where the parties at the end of the agreement period have agreed on its extension;

2) an agreement on establishing a European Works Council or determining another procedure for informing and consulting has been entered into or it has been amended due to structural changes of European Union-scale undertaking or European Union-scale group of undertakings during the time period from 5 June 2009 to 5 June 2011, and also where the parties at the end of the agreement period have agreed on its extension.

(3) [14 September 2017]

[As amended by the Law of 14.09.2017, in force since 10.10.2017]

Section 4. General Informing and Consulting Provisions

(1) The right to information and to consulting of employees of European Union-scale undertakings or European Union-scale groups of undertakings is implemented by means of establishing a European Works Council or by stipulating another procedure for informing and consulting employees in a European Union-scale undertaking or European Union-scale group of undertakings.

(2) Measures related to informing and consulting of employees shall be determined and implemented in a way to ensure their efficiency, and also efficient decision taking in a European Union-scale undertaking or European Union-scale group of undertakings. Within the framework of another procedure for informing and consulting, the central management and the European Works Council or representatives of employees shall ensure cooperation, taking into proper account mutual rights and obligations.

(3) Informing and consulting of employees shall be carried out at the relevant management and representation level, taking into account the nature of the issue under discussion. The competence of the European Works Council or the scope of another procedure for informing and consulting employees shall apply only to issues relating to a European Union-scale undertaking or the entire European Union-scale group of undertakings or at least two undertakings or affiliates of an undertaking in at least two Member States (hereinafter – the transnational issues).

(4) Information shall be provided to representatives of employees in a timely manner, and also in an appropriate way and scope to enable them to carry out a comprehensive assessment of the possible impact and, where appropriate, prepare for consultations with the managing body of a European Union-scale undertaking or Union-scale group of undertakings.

(5) Consulting with representatives of employees shall be performed in a timely manner, and in an appropriate way and to the extent to allow them, taking into account the information received within the context of the consulting within a reasonable period, express their views, without prejudice to the management responsibilities.

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(6) Members of the European Works Council shall inform representatives of affiliates of European Union-scale undertaking or representatives of employees of undertakings of a European Union-scale group of undertakings, or in the absence of such representatives, all employees, on the course and results of the performed informing and consulting process.

Section 5. Controlling undertaking

(1) Within the meaning of this Law a controlling undertaking is an undertaking of a European Union-scale group of undertakings that exercises a dominant influence over one or several undertakings of the European Union-scale group of undertakings (controlled undertakings).

(2) The dominant influence exists when an undertaking, directly or indirectly, in relation to another undertaking:

1) holds a majority of the subscribed capital share of this other undertaking;

2) controls the majority of the votes attached to stocks (capital shares) of this other undertaking; and

3) may elect or recall the majority of members of the management body or the supervisory body of this other undertaking.

(3) If several undertakings of a European Union-scale group of undertakings concurrently meet the criteria abovementioned in Paragraph two of this Section, the undertaking meeting the criteria abovementioned in Paragraph two, Clause 3 of this Section shall be considered to be the controlling undertaking.

(4) Rights of a controlling undertaking with respect to voting and election or revocation of members of a management body or supervisory body in compliance with Paragraph two of this Section shall include the rights of any other controlled undertaking and the rights of any such person or body which acts in its own name but on behalf of the controlling undertaking or of other controlled undertaking depending on this controlling undertaking.

(5) Irrespective of the provisions of Paragraph one and two of this Section, an undertaking shall not be considered to be a controlling undertaking over another undertaking where it has made investments, if this undertaking complies with the provisions set out in Article 3(5) (a) and (c) of Council Regulation No 139/2004 of 20 January 2004 on the control of concentrations between undertakings.

(6) A dominant influence shall not be presumed to be exercised in the event a liquidation process has been initiated against an undertaking or insolvency procedures thereof have been declared.

(7) In order to determine whether an undertaking is to be recognised to be a controlling company, the law or regulation of the State in which the relevant undertaking is registered shall be applicable. If an undertaking is registered outside the territory of the Member States, the law or regulation of the Member State in which a representative of the undertaking is situated or, in the absence of such representative, the undertaking of the European Union-scale group of undertakings which employs the greatest number of employees shall apply.

Chapter II

Establishing European Works Council or Determining Another Procedure for Informing and Consulting Employees

Section 6. Responsibility of Central Management

(1) The central management shall ensure establishment of a European Works Council or determine another procedure for informing and consulting employees in European Union-scale undertaking and European Union-scale group of undertakings.

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(2) In cases where a European Union-scale group of undertakings includes one or more European Union-scale undertakings or groups of undertakings, a European Works Council shall be established only for the controlling undertaking unless another agreement has been reached.

(3) If the central management is not situated in a Member State, the responsibility abovementioned in Paragraph one of this Section shall be performed by its designated representative in Latvia. In the absence of such representative, the responsibility laid down in Paragraph one of this Section shall be carried out by the management of an affiliate of an undertaking in Latvia or the management body of an undertaking registered in Latvia and belonging to a European Union-scale group of undertakings, if the relevant affiliate of the undertaking or the undertaking employs the greatest number of employees in the Member States.

(4) The representative abovementioned in Paragraph three of this Section or in the absence of such representative, the management of the affiliate of a European Union-scale undertaking or the management of an undertaking belonging to a European Union-scale group of undertakings shall be considered to be the central management.

(5) In order to implement effective informing and consulting process, the central management, if necessary, shall ensure training of representatives of employees needed for the performance of their duties in the international environment. Training needs and content shall be determined by mutual agreement between the central management and the special negotiating body or the European Works Council.

Section 7. Provision of Information

(1) The central management, as well as the management body of an undertaking registered in Latvia and belonging to a European Union-scale group of undertakings shall be responsible that the information needed for the initiation of negotiations abovementioned in Section 8 of this Law, is acquired and provided to the stakeholders, and in particular information regarding the structure, employees and number of employees of a European Union-scale undertaking or a European Union-scale group of undertakings, as well as location thereof in the Member States.

(2) The number of employees shall be calculated from the average number of employees employed during the past two years, also taking into account part-time employees.

Section 8. Creation of the Special Negotiating Body

(1) In order to organise negotiations with the central management regarding the establishment of a European Works Council or regarding the establishment of another procedure for informing and consulting, upon the initiative of the central management or upon a written request submitted by employees or their representatives to the central management, a special negotiating body shall be established. At least 100 employees or their representatives in at least two European Union-scale undertakings or European Union-scale undertaking affiliates situated in different Member States shall sign the request. If several requests have been made, the signatures shall be added together.

(2) If such request has been submitted to the management of an affiliate of a European Union-scale undertaking or to a management body of an undertaking belonging to a European Union-scale group of undertakings and situated in Latvia, it shall without delay transfer the relevant request to the central management and notify employees or their representatives thereof.

(3) The special negotiating body shall without any delay inform the central management of its composition.

(4) The central management shall inform the management of the affiliate of a European Union-scale undertaking or the executing body of the undertaking belonging to a European Union-scale group of undertakings on the establishment of a negotiating body, its composition and

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opening of negotiations. The central management shall provide this information also to European Union employers and workers' organisations, unless the central management and the special negotiating body have agreed that this information is to be provided by the special negotiating body.

Section 9. Composition of a Special Negotiating Body

(1) The number of the members of a special negotiating body shall be determined in proportion to the number of employees employed in each Member State by a European Union-scale undertaking or by a European Union-scale group of undertakings.

(2) Employees employed in a Member State and which make 10% (or a smaller part of the employees if there are less than full 10%) of the total number of the employees employed in all Member States shall be represented in the special negotiating body by one representative of employees.

Section 10. Election of Representatives of Employees to Special Negotiating Body

(1) Interests of employees of a European Union-scale undertaking or its affiliates, or employees of undertakings registered in Latvia and belonging to a Union-scale group of undertakings shall be represented in the special negotiating body by the current representatives of employees, unless otherwise decided by employees.

(2) If there are no representatives of employees or employees have made a decision to elect other representatives to the special negotiating body, employees shall, pursuant to the procedures laid down in the Labour Law, elect representatives which will represent their interests in the special negotiating body.

(3) If employees are represented both by employees' trade union and authorised representatives of employees, such employees shall authorise their representatives to select the members of the special negotiating body in proportion to the number of the employees represented but no less than one member of the special negotiating body for each European Union-scale undertaking or its affiliate, or for an undertaking belonging to a European Union-scale group of undertakings.

(4) The special negotiating body shall involve at least one representative of employees from each European Union-scale undertaking registered in Latvia or its affiliate, or from an undertaking registered in Latvia and belonging to a European Union-scale group of undertakings. The number of members of the special negotiating body nominated from Latvia may not exceed the number of the representatives of employees determined for Latvia in accordance with Section 9 of this Law.

(5) If the number of European Union-scale undertakings registered in Latvia or their affiliates, or undertakings belonging to a European Union-scale group of undertakings exceeds the number of representatives of employees determined for Latvia to be appointed to the special negotiating body, representatives of employees shall agree upon a common representative of employees for the special negotiating body. Where such agreement has not been reached, the employees employed in Latvia shall be represented by a representative of the trade union of that European Union-scale undertaking or its affiliates, or of that undertaking belonging to a European Union-scale group of undertakings which employs the greatest number of employees, or in the absence of a trade union, by an authorised representative of employees of such undertaking.

Section 11. Entering into an Agreement between Special Negotiating Body and Central Management

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(1) The special negotiating body and the central management shall enter into a written agreement regarding the establishment of a European Works Council or regarding determination of another procedure for informing and consulting.

(2) The central management shall, in good time, provide the special negotiating body with the information and documents required for the completion of its tasks.

(3) In order to enter into the agreement abovementioned in Paragraph one of this Section, the central management shall organise negotiations with the special negotiating body and notify the management of affiliates of a European Union-scale undertaking or the executive bodies of a European Union-scale group of undertakings. The special negotiating body is entitled, where necessary, to invite experts selected by it, including competent representatives of trade unions recognised at the level of the European Union. These experts and representatives of trade unions upon the request of the special negotiating body may participate in negotiations in an advisory capacity.

(4) The special negotiating body is entitled to decide, by at least two-thirds of the votes of all members, not to open negotiations in accordance with Paragraph three of this Section or to terminate the negotiations already opened. Such decision shall suspend the entering into agreement abovementioned in Paragraph one of this Section. The central management or the special negotiating body may make a new request that negotiations with the special negotiating body be organised not earlier than two years after the taking of the relevant decision unless the interested parties agree on shorter periods.

(5) The special negotiating body and the central management shall mutually agree on detailed negotiation rules. If such agreement has not been entered into, the special negotiating body and the central management shall, in the first minutes of the meeting, determine procedures for organising further negotiations. Authorised representatives of both parties shall sign the minutes of the meetings of the special negotiating body and the central management.

Section 12. Activities of Special Negotiating Body and Related Costs

(1) The special negotiating body shall take decisions by a simple majority, with the exception of the case abovementioned in Section 11, Paragraph four of this Law.

(2) The special negotiating body shall elect a chairperson of the special negotiating body from among its members.

(3) The special negotiating body, prior to each meeting with the central management and after it, has the right to hold a separate meeting in which representatives of the central management do not participate, using the means needed for communication.

(4) Costs related to establishment and operation of the special negotiating body, to election of its members, organisation of negotiations (premises, materials, staff required, interpreting facilities), and also to insurance and official travel of members of the special negotiating body, inviting of one expert for ensuring the completion of tasks of the special negotiating body, shall be covered by the central management.

Section 13. Content of Agreement on Establishing European Works Council

(1) A written agreement entered into on a voluntary basis between the special negotiating body and the central management shall set out the following:

1) undertakings belonging to a European Union-scale group of undertakings or affiliates of a European Union-scale undertaking which are covered by this agreement;

2) composition of the European Works Council, allocation of seats, number of members and term of office, and, if necessary, composition of a European Works Council Committee, appointment procedures, functions and procedural rules, if such a committee is intended to be established. Upon creating a European Works Council, as far as possible the need to ensure a

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balanced representation of employees in accordance with their field of activity, category, and gender shall be taken into account;

3) The functions of a European Works Council and the procedures for informing and consulting a European Works Council by the central management, and also the procedures by which informing and consulting of a European Works Council and representatives of employees of the Member State is coordinated, taking into account Section 4, Paragraph three of this Law;

4) the venue of meetings of the European Works Council, the frequency and duration of meetings;

5) the financial and material resources to be allocated to the European Works Council; and

6) the term of coming into effect and validity of the agreement, the provisions for amending or terminating the agreement, and also cases where in the context of the agreement repeated negotiations shall be organised, and the procedures for these repeated negotiations, including, if necessary, introducing changes to the structure of a European Union-scale undertaking or European Union-scale group of undertakings.

(2) If the agreement terms do not include the procedures referred to in Paragraph one, Clause 3 of this Section for coordinating the informing and consulting of the European Works Council and representatives of employees of Member States, it shall be coordinated both by the European Works Council and representatives of employees of a Member State in cases where decisions can significantly change the work organisation or contractual relations.

Section 14. Determining Another Procedure for Informing and Consulting

If the special negotiating body and the central management conclude a written agreement not on establishing of a European Works Council but on determining another procedure for informing and consulting, the terms of this agreement shall stipulate the mechanism used by representatives of employees for organising meetings and reviewing the acquired information, and in particular information on transnational issues which significantly affect the interests of employees.

Section 15. Attribution of Provisions of Agreement

An agreement entered into between the special negotiating body and the central management shall be binding on all affiliates of a European Union-scale undertaking and in case of a European Union-scale group of undertakings – to all its undertakings in Member States, unless the agreement on establishing a European Works Council or determining another procedure for informing and consulting provide for a wider scope of activity.

Section 16. Other Provisions with respect to Application, Extension, Termination of Agreements and Entering into a New Agreement

Where the agreement abovementioned in Section 11 of this Law does not include provisions regarding its application, extension, termination and entering into a new agreement, the following provisions shall apply:

1) it shall be presumed that the agreement entered into shall apply for an unlimited period;

2) the central management and the European Works Council, or representatives of employees who act in accordance with another procedure for informing and consulting employees, may terminate the agreement at least six months before the expiration of its term of validity, notifying the other party accordingly;

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3) if this agreement is applied for an unlimited period or it does not include a provision regarding the validity term of this agreement, the central management and the European Works Council, or representatives of employees who act in accordance with another procedure for informing and consulting employees, may terminate it at least six months before each period of four years, which shall be counted from the date of the entry into effect of the agreement;

4) if the term of the agreement has expired and no party has proposed entering into a new agreement, the term shall be considered to be extended for the same period of time for which the agreement was entered into;

5) if the term of the agreement has expired or the agreement has been terminated, its provisions shall apply until the entering into a new agreement or up to the time when the provisions of Section 17 of this Law apply;

6) if the term of the agreement has expired or the agreement has been terminated, the European Works Council has the right to, in place of the special negotiating body, enter a new into an agreement, as well as to take the decisions referred to in Section 11, Paragraph four of this Law. If it is intended to enter into a new agreement in order to establish another procedure for informing and consulting, a new special negotiating group shall be established in accordance with Section 8 of this Law.

Chapter III

Special Provisions Regarding Establishment and Operation of European Works Council

Section 17. Application of Special Provisions

Special provisions regarding establishment of a European Works Council shall apply if:

1) the special negotiating body and the central management agree on the application of such provisions;

2) the central management within a six-month period from the date of submission of the request abovementioned in Section 8, Paragraph one of this Law refuses to open negotiations;

3) the parties within a three-year period from submission of the relevant request have not entered into the agreement referred to in Section 11 of this Law.

Section 18. Composition of European Works Council

(1) The European Works Council shall be composed of employees of a European Union-scale undertaking or a European Union-scale group of undertakings which shall be elected by representatives of employees, or by employees in the absence of such representatives.

(2) The number of members of a European Works Council shall be determined in proportion to the number of employees employed by a European Union-scale undertaking or a European Union-scale group of undertakings in each Member State.

(3) Employees employed in a Member State and which make 10% (or a smaller part of the employees if there are less than full 10%) of the total number of the employees employed in all Member States shall be represented in the European Works Council by one representative of employees.

Section 19. Establishment Meeting of European Works Council

(1) The central management, after election of the members of the European Works Council, shall immediately organise an establishment meeting at which the regulations for the operation of the European Works Council shall be taken, as well as a chairperson and a deputy chairperson of the Council shall be elected from among the members of the European Works Council.

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(2) The European Works Council shall be represented by the chairperson, but during his or her absence, by the deputy chairperson of the Council.

(3) The European Works Council shall take its decisions by a simple majority.

Section 20. Opening Negotiations on Concluding the Agreement

Four years after the establishment meeting, the European Works Council shall by a simple majority decide whether to open negotiations with the central management regarding the entering into the agreement abovementioned in Section 11, Paragraph one of this Law, or to continue to apply the special provisions of this Chapter. If the European Works Council decides to open negotiations on the entering into an agreement, it has the same rights and obligations as the special negotiating body.

Section 21. Term of Office of European Works Council Members

(1) The term of office of European Works Council members shall be four years unless it is discontinued prior to the end of such term on the initiative of any member of the Council or due to other reasons (refusal to perform one's duties, a protracted disease, infringement of the provisions of this Law and in other cases).

(2) Once every two years, as from the establishment meeting of the European Works Council, the central management shall check whether the number of employees in any Member State has substantially changed and whether any amendments to the composition of the European Works Council be made, complying with the provisions of Section 18, Paragraph two and three of this Law. The central management shall inform the European Works Council of the information obtained.

Section 22. Meetings of the European Works Council with the Central Management

The European Works Council shall at least once a year hold meetings with the central management in order to obtain information and consult on the basis of a report drawn up by the central management on the development and prospects of commercial activities of a European Union-scale undertaking or a European Union-scale group of undertakings. The place and time of the meeting shall be co-ordinated with the central management. The European Works Council shall organise an additional meeting if the central management agrees to it. The European Works Council and the central management shall hold closed meetings.

Section 23. Information Regarding European Works Council Members

The European Works Council shall without delay inform the central management or other relevant controlling bodies concerning members of the European Works Council. The central management shall forward such information to the management of the affiliates of a European Union-scale undertaking or executive bodies of undertakings belonging to a European Union-scale group of undertakings.

Section 24. Election of Representatives of Employees to a European Works Council

(1) The European Works Council shall be composed of employees elected by the employees' trade union if it represents at least 50 percent of a European Union-scale undertaking or its affiliates, or employees of an undertaking registered in Latvia and belonging to a European Union-scale group of undertakings, or by authorised representatives of employees, in cases where employees are not represented by a trade union.

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(2) If there are no representatives of employees in a European Union-scale undertaking or its affiliate or in an undertaking registered in Latvia and belonging to a European Union-scale group of undertakings, the members of the European Works Council shall be elected by all employees in accordance with the procedures for electing an authorised representative of employees laid down in the Labour Law.

Section 25. Competence of European Works Council

The competence of the European Works Council shall apply to transnational issues only.

Section 26. Competence of Central Management

(1) The central management shall hold meetings with the European Works Council to provide information and consult on the commercial activities of a European Union-scale undertaking or a European Union-scale group of undertakings.

(2) The informing laid down in Paragraph one of this Section shall apply to:

1) the structure, economic and financial position of a European Union-scale undertaking or a European Union-scale group of undertakings;

2) the probable development of commercial activities, production and sales of a European Union-scale undertaking or a European Union-scale group of undertakings;

3) the situation in the area of employment and its probable development;

4) investments (investment programmes);

5) substantial organisational changes;

6) introduction of new working methods or production processes;

7) transfer of production to another location;

8) merger, cut-back or closure of undertakings, their affiliates or of significant parts thereof;

9) collective redundancies.

(3) Consulting with the European Works Council shall be carried out for questions laid down in Paragraph two, Clauses 3, 4, 5, 6, 7, 8 and 9 of this Section. Consulting shall take place in such a way as to enable representatives of employees to meet with the central management and obtain a reasoned response to their views.

Section 27. Committee of European Works Council

(1) In order to ensure coordination of its activities, the European Works Council shall from its members elect the European Works Council Committee (hereinafter – the Committee), in the composition of no more than five members, who shall be provided with appropriate conditions for carrying out their activities on a regular basis. The European Works Council shall elect the chairperson of the Committee.

(2) The Committee or, in the absence thereof, the European Works Council shall hold meetings with the central management or with another management body to obtain information and consult on the circumstances abovementioned in Section 28, Paragraph four of this Law. Those members of the European Works Council who have been elected or appointed by the undertakings to which the aforementioned measures apply, are entitled, together with the Committee, to take part in the meetings. They shall be organised as soon as possible on the basis of a report drawn up by the central management or another management body of a European Union-scale undertaking or a European Union-scale group of undertakings of the respective level and regarding which, at the end of the meetings, members of the Committee shall provide an opinion, but no later than within a seven days.

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(3) The provisions of Section 11, Paragraph five of this Law shall apply to the meeting and members of the Committee abovementioned in Paragraph two of this Section.

Section 28. Operation of European Works Council and Committee

(1) Prior to any meeting with the central management, the European Works Council and the Committee are entitled to meet each other without the participation of the central management.

(2) Expenditure related to the European Works Council and the Committee, to election or appointment of members of these institutions, organising of meetings (premises, materials, staff required, interpreting facilities), and also to insurance and official travel of members of the European Works Council and the Committee, inviting of one expert shall be covered by the central management, providing the material and financial resources.

(3) The central management shall inform the management of affiliates of a European Union-scale undertaking or executive bodies of undertakings belonging to a European Union-scale group of undertakings on the holding of meetings of the central management and the European Works Council.

(4) If particular circumstances arise or decisions are taken regarding transfer of property or important parts thereof of an undertaking or its affiliates to another location, the liquidation of an undertaking or its affiliates, collective redundancies and other activities, which significantly affect the interests of employees, the central management shall, in due time, inform the Committee or, in the absence thereof, the European Works Council of such circumstances and shall provide it with the necessary information and consultations.

(5) The Committee or the European Works Council shall use the assistance of experts selected at its discretion, if this is necessary for the performance of its tasks.

Chapter III.¹

Administrative Offences in the Field of Informing and Consulting Employees of European Union-scale Undertakings and European Union-scale Groups of Undertakings and the Competence in Administrative Offence Proceedings

[17 October 2019 / Chapter shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.¹ Disclosure of Such Confidential Information to Third Parties Which Has Been Obtained When Acting Within the European Works Council and the Special Negotiating Body or Within the Framework of Another Procedure for Informing and Consulting Employees

For disclosure of such confidential information to third parties which has been obtained when acting within the European Works Council, the special negotiating body or within the framework of another procedure for informing and consulting employees, a fine from twenty-eight to seventy units of fine shall be imposed.

[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.² Failure to Provide Information to Employees or Their Representatives

For the failure to provide information to employees or their representatives regarding the structure, employees of a European Union-scale undertaking or a European Union-scale group of undertakings and the number and location of such employees in the Member States in a European Union-scale undertaking or a European Union-scale group of undertakings, a fine of up to one thousand four hundred and twenty units of fine shall be imposed on the employer.

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[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.³ Failure to Cover Expenditure for the Establishment or Operation of the European Works Council or the Special Negotiating Body in a European Union-scale Undertaking or a European Union-scale Group of Undertakings

For the failure to cover expenditure for the establishment or operation of the European Works Council or the special negotiating body in a European Union-scale undertaking or a European Union-scale group of undertakings, a fine of up to one thousand four hundred and twenty units of fine shall be imposed on the employer.

[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.⁴ Failure to Provide a Report to the European Works Council on the Development and Prospects of Commercial Activities of a European Union-scale Undertaking or a European Union-scale Group of Undertakings

For the failure to provide a report to the European Works Council on the development and prospects of commercial activities of a European Union-scale undertaking or a European Union-scale group of undertakings at least once a year, a fine of up to one thousand four hundred and twenty units of fine shall be imposed on the employer.

[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.⁵ Failure to Inform the European Works Council Committee or, in the Absence Thereof, the European Works Council of Particular Circumstances which Significantly Affect the Interests of Employees in a European Union-scale Undertaking or a European Union-scale Group of Undertakings

For the failure to inform the European Works Council Committee or, in the absence thereof, the European Works Council of particular circumstances which significantly affect the interests of employees in a European Union-scale undertaking or a European Union-scale group of undertakings, a fine of up to one thousand four hundred and twenty units of fine shall be imposed on the employer.

[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

Section 28.⁶ Competence in Administrative Offence Proceedings

The administrative offence proceedings for the offences referred to in Sections 28.¹, 28.², 28.³, 28.⁴, and 28.⁵ of this Law shall be conducted by the State Labour Inspectorate.

[17 October 2019 / Section shall come into force on 1 July 2020. See Paragraph 3 of Transitional Provisions]

**Chapter IV
Final Provisions**

Section 29. Confidential Information

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(1) Within the limits of another procedure for informing and consulting, members of the European Works Council and the special negotiating body and representatives of employees, as well as experts and interpreters who provide services to them, shall not disclose confidential information to third parties.

(2) The prohibition laid down in Paragraph one of this Section with respect to the disclosure of confidential information to third parties shall apply irrespective of whether the relevant party performs or has terminated the performance of his or her duties.

(3) The central management may refuse to provide information, the disclosure or use of which, having regard to its character and objective reasons, may cause substantial harm or losses to the European Union-scale undertaking or the group of European Union-scale undertakings.

(4) The rights laid down in Paragraph three of this Section shall not apply to information concerning the number of employees in the undertaking.

Section 30. Protection of Representatives of Employees

(1) Members of the special negotiating body, members of the European Works Council and representatives of employees within the framework of another procedure for informing or consulting, when performing such duties, shall have the same protection and guarantees as representatives of employees at the national level in the State in which they act in accordance with national laws and regulations or practice.

(2) Representatives from Latvia abovementioned in Paragraph one of this Section shall be granted a vacation so that they could attend meetings of the special negotiating body or the European Works Council, or any meeting organised within the framework of the agreement abovementioned in Section 11, Paragraph one of this Law, retaining the work remuneration if an employee has fixed-term salary or the average earnings in case of a lump sum salary.

(3) If the representatives from Latvia abovementioned in Paragraph one of this Section attend training required for carrying out their duties in an international environment, such employees shall have their work remuneration retained in case of fixed-term salary or the average earnings in case of a lump sum salary.

(4) The parties may agree on more favourable conditions for the protection of representatives of employees than it is laid down in this Section.

Section 30.¹ Special Provisions for Maritime Field

(1) If the members of special negotiating body, the members of the European Works Council, and the representatives of employees within another procedure for informing and consulting are crew of a sea-going vessel, they have the right to participate in a meeting of the special negotiating body or of the European Works Council, or in a meeting organised within the framework of another procedure for informing and consulting, provided that they are not at sea or in the port of another country (such country in which the central management of commercial shipping company is not located) when the meeting takes place.

(2) If the members of special negotiating body, the members of the European Works Council, and the representatives of employees within another procedure for informing and consulting are crew of a sea-going vessel, the meetings referred to in Paragraph one of this Section shall be scheduled, where practicable, so as to facilitate their participation in such meetings. If the member of special negotiating body, the member of the European Works Council, and the representative of employees within another procedure for informing and consulting are unable to participate in the abovementioned meetings, the information and communication technologies shall be used, where possible.

[14 September 2017]

Section 31. Adaptation of the Existing Agreement

(1) If as a result of reorganisation (merger, division, or transformation) or other measures (alienation of undertakings, transfer of the business, etc.) significant changes are introduced to the structure of a European Union-scale undertaking or an undertaking belonging to a European Union-scale group of undertakings, and the existing agreement on the establishment of a European Works Council does not contain provisions for the adaptation of the European Works Council composition or activities, or inconsistencies between two or more provisions of the agreement entered into are found, the central management, on its own initiative or a written request of at least 100 employees or their representatives in at least two undertakings or affiliates of undertakings in at least two Member States shall initiate negotiations abovementioned in Section 8, Paragraph one of this Law. These provisions apply also in cases where another procedure for informing and consulting is established instead of the European Works Council.

(2) If in the case abovementioned in Paragraph one of this Section a special negotiating body is established to enter into negotiations with the central management, in the composition of the special negotiating body in addition to the members of special negotiating body, who have been elected in accordance with Section 9 of this Law, at least three members of the existing European Works Council shall be included. During the negotiations until conclusion of a new agreement, the existing European Works Council shall continue its activities in accordance with the provisions contained in the agreement between the central management and the European Works Council.

(3) The provisions of Paragraph one and two of this Section shall also apply to the European Union-scale undertaking or European Union-scale group of undertakings, which have entered into or amended the agreement abovementioned in Section 3, Paragraph two, Clauses 1 and 2 of this Law and which introduces significant structural changes.

Section 32. Deciding of Disputes

Disputes arising in connection with the right to information and consulting of employees of European Union-scale undertakings or European Union-scale group of undertakings stipulated by this Law, shall be settled in line with the procedures laid down in the Labour Dispute Law.

Transitional Provisions

1. By the coming into force of this Law, the Law on Informing Employees of European Union-scale undertakings and European Union-scale Groups of undertakings and Consulting Such Employees (*Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 2001, No 10; 2008, No 5), is repealed.

2. With regard to European Union-scale undertakings or European Union-scale group of undertakings, which have entered into or amended the agreement abovementioned Section 3, Paragraph two, Clause 2 of this Law shall continue to apply the provisions of the Law on Informing Employees of European Union-scale undertakings and European Union-scale Groups of undertakings and Consulting Such Employees.

3. Part III.¹ of this Law shall come into force concurrently with the Law on Administrative Liability.

[17 October 2019]

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Informative Reference to European Union Directives

[14 September 2017]

This Law contains legal norms arising from:

1) Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees;

2) Directive (EU) 2015/1794 of the European Parliament and of the Council of 6 October 2015 amending Directives 2008/94/EC, 2009/38/EC and 2002/14/EC of the European Parliament and of the Council, and Council Directives 98/59/EC and 2001/23/EC, as regards seafarers.

This Law shall come into force on 6 June 2011.

This Law was adopted by the *Saeima* on 19 May 2011.

Acting for the President, the Chairperson of the *Saeima*,

S. Ābolģina

Riga, 27 May 2011