

Statutory wording as of 01 January 2011

The Saeima has adopted and
the President has proclaimed the following **Law**:

On Ports

**Chapter One
General Provisions**

Section 1. Operation of this Law

This Law regulates the principles of port activities and the administrative procedures of ports.

(with the amending law of 11 May 2000, that comes into force on 1 July 2000.)

Section 2. Concept of a Port

A port is a part of the land territory of Latvia defined by boundaries, including artificially created banks, and such part of inland waters, including inner and outer roadsteads and fairways in the port entrance, which are set up for the servicing of ships and passengers, for the conduct of freight, transport and expedition operations and other economic activities. Utilisation of a port for defence purposes shall be regulated by the Cabinet regulations and regulations of the relevant port.

(with the amending law of 24 March 1997, that comes into force on 24 April 1997)

Section 3. Determination of Port Boundaries

The boundaries of a port, including territories which, taking into account their geographical situation, might be utilised for prospective development of the port, including State public-use territories of railway infrastructure right of way, shall be determined by the Cabinet upon a recommendation of the relevant local government, port authority and administrator of the State public-use railway infrastructure.

(pursuant to the amending law of 11 May 2000, that comes into force on 1 July 2000)

Section 4. Immovable Property in Ports

(1) The land portion of the territory of a port (hereinafter - land of the port) may be the property of the State, local government or other legal or natural person.

(2) The inner water area of the port (hereinafter - aquatorium) is the property of the State.

(3) The State land and the aquatorium shall be transferred to the possession of the relevant port authority, except such State land on which State public-use railway

infrastructure right of way is located, which shall be transferred to the possession of the administrator of the State public-use railway infrastructure. The State land shall be transferred by the Minister of Transport. The land of local governments shall be transferred pursuant to a decision of the relevant city council or parish council.

(4) The overall hydrotechnic structures (moles, jetties for regulating currents, breakwaters, shore reinforcements) of a port, fairways in the ports of Riga, Liepaja and Ventspils, are State or local government property that has been transferred to the possession of the relevant port authority. Navigation equipment and apparatus in all ports shall be in the possession of the port authority. Berths in the ports of Riga, Liepaja and Ventspils may also be the property of other legal persons and natural persons. In other ports the common hydrotechnic structures and berths may be the State or local government property, or the property of other legal or natural persons.

(5) A port authority may hire out or lease the land owned by the State or a local government, or encumber it with easements for the purpose of constructing buildings and structures, surface and underground communications systems, or in order to perform other economic activities, particularly with respect to the right of use or right of use for construction. The port authority in such cases is acting on behalf of the land owner. The port authority is entitled to construct buildings (structures), that are necessary for port operations, as autonomous objects of property on the land, owned by the State or a local government and transferred to its possession, but in cases where the port authority is a derived public person, it shall register these items of property in the land register in its own name. The port authority has the same right in relation to the land of other legal or natural persons, on which it has established personal easement, subject to the seventh paragraph of the present section.

(6) The term of lease agreements for the land of the port, as well as for the easement rights established for other legal or natural persons through the port authority, may not exceed 45 years, except in cases when the amount of investments planned for the port and invested within the planned term exceeds 50 million Lats. The amount of the lease payments for the land of every port shall be determined by the Board of the port.

(7) A port authority has the right, on the basis of this Law, to encumber the land of the port owned by other legal or natural persons with the necessary easements provided for by The Civil Law, on the basis of a contract or by forced execution. Basic provisions of the contract, procedures for enforced encumbrance and reimbursement shall be regulated by Cabinet regulations. Land or other immovable property of a port may also be alienated in accordance with the procedures prescribed by the Law on Enforced Alienation of Immovable Property for State and Public Needs.

(8) *(deleted by the law of 11 May 2000).*

(with the amending law of 24 March 1997; of 11 May 2000; of 22 March 2001, of 23 October 2003, of 3 November 2005 and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Chapter Two Port Authority

Section 5. Documents Regulating the Operation of Ports

Ports shall operate on the basis of laws, international agreements, ratified by the Republic of Latvia, enactments, issued by the Cabinet, and the By-laws and port regulations of the relevant port authority.

Section 6. Port Regulations

(1) Port regulations shall be formulated by the port authority and after their approval by the Minister of Transport the Council of the relevant local government shall issue them in the form of binding regulations. Port regulations shall indicate:

- 1) the approved boundaries of the land of the port and the aquatorium;
- 2) the technical capabilities for handling of ships in the various port areas (berths);
- 3) regulations regarding shipping traffic in the aquatorium - procedures by which information shall be provided regarding ships entering and leaving the port, drawing up of documents, utilisation of the communication system, and regulations with respect to pilot services, traffic speed and areas for manoeuvring;
- 4) regulations for ships in port - anchorage co-ordinates in the roadstead, mooring and un-mooring procedures, guarding of ships in the port, procedures for repairs while in port, regulations regarding freight operations;
- 5) environmental protection regulations in the port;
- 6) requirements to be stipulated for dredging the port;
- 7) basic principles for security supervision in the port;
- 8) arrangements for customs, border guarding, sanitation and fire safety in the port;
- 9) liability for violation of port regulations;
- 10) fees and dues to be charged in the port; and
- 11) other provisions that regulate port operations.

(2) Port regulations are mandatory for all legal persons and natural persons who act or stay in the port, and compliance with them shall be monitored by the port authority.

(with the amending law of 11 November 1999; of 11 May 2000, of 22 June 2005, and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Section 7. Functions of Port Authorities

(1) A port authority is an institution established by the relevant city council or parish council and which is, within the limits of this Law, also under the supervision of the Cabinet of Ministers. Furthermore, the Riga Port Authority and the Ventspils Port Authority are the derived legal bodies governed by public law, the By-laws of which shall be approved by the Cabinet. The By-laws of other port authorities shall be approved by the relevant local government in accordance with a model by-laws approved by the Cabinet of Ministers. The administrative procedures in regards of Liepaja Port shall be stipulated by the law on Liepaja Special Economic Zone.

(2) Management of a port shall be carried out by the port authority, which, as a body governed by public law, shall perform the following administrative functions:

- 1) determine port dues and charges and tariff ceiling for the services referred to in Section 15 of this Law;
- 2) ensure the collection of port dues and charges and lease (rental) payments;
- 3) determine the guarding and pass arrangements in the port;
- 4) within its competence, monitor the compliance with port regulations;
- 5) within its competence, monitor the compliance of the activities of port commercial companies with laws, regulatory enactments of the Cabinet of Ministers and the By-laws of the relevant port authority;
- 6) control the protection of the port territory against pollution, ensure rectification of the consequences of pollution in the port and participate in the rectification of the consequences of pollution in the sea, as well as organize acceptance of ship waste and polluted water and prepare a management plan for ports in respect of ship created waste. The Cabinet of Ministers shall determine the procedures for the acceptance of ship created waste and polluted water, and the procedures for preparation of management plans for ports in respect of ship created waste;
- 7) ensure winter navigation in the port;
- 8) stipulate ISPS Code requirements' fulfillment in the port and monitor the activities of the organizations, located in port, in accordance with the port facilities' security plans;
- 9) take decision on issuing permission to start the planned activities on the port territory pursuant to the law "On Environmental Impact Assessment".

(3) The port authority as a body governed by private law shall perform the following functions:

- 1) formulate a draft programme for development of the port in conformity with the approved development concept for the ports of Latvia and the development program of the relevant local government and spatial planning;
- 2) ensure the implementation of the programme for port development adopted by the Latvian Port, Transit and Logistics Council;
- 3) manage its property or the property transferred to its possession - hydrotechnic structures, berths, fairways, navigation equipment and devices in the port, as well as the aquatorium and navigation devices in management districts specified by the Ministry of Transport, as well as infrastructure related to the port activities;
- 4) formulate and approve draft estimates for the utilisation of financial resources, in accordance with the procedures prescribed by the By-laws of the port authority, for the next calendar year and the subsequent five years and, if necessary, update the prospective draft estimates for the utilisation of financial resources submitted in the previous year;
- 5) organise construction work in the port and construction of infrastructure, related to the activities of the port, in the territory of the port in conformity with the development programme of the port;
- 6) perform research regarding the demand for and supply of the port services;
- 7) enter into contracts with commercial companies regarding their activities in the port, in order to ensure and improve the package of port services in accordance with the By-laws of the port authority and the port development programme;
- 8) within the scope of its authority, manage the land of the port and the State or local government property located on it and transferred to the possession of the port authority; and

9) provide for the maintenance and development of the infrastructure, owned by it or transferred to its possession, participate in the development of infrastructure related to the activities of the port.

(4) In private ports the administrative procedures shall be determined by the owner of the port, but the safety of navigation shall be ensured in accordance with the procedures prescribed in Chapter five of this Law.

(with the amending law of 24 March 1997; of 11 November 1999; of 11 May 2000; of 22 March 2001, of 19 June 2003, of 23 October 2003, of 30 October 2003, of 22 June 2005 and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Section 8. Port Authority and its Structure

(1) The structure of the port authority, the rights and obligations of the Board of the port and of the Chief Executive Officer of the port shall be determined by the By-laws of the port authority.

(2) The port authority shall comprise the Board of the port, that is the highest decision-making body, and an executive body subordinate to it and headed by Chief Executive Officer of the port.

(3) On the boards of Riga port and Ventspils port there shall be eight board members on each relevant board : four officials from the relevant local government, who shall be appointed to and released from office upon the decision of the relevant city council, and four officials, nominated by the Minister of Economy, Minister of Finance, Minister of Transport and Minister of Environmental Protection and Regional Development, the said officials shall be appointed to and released from office upon the decision of the Cabinet of Ministers. The Riga port Board and Ventspils port Board shall not be considered to be full-fledged unless six Board members participate in the relevant Board meetings, and the decision is not adopted unless five board members vote “for”. Boards of small ports shall be appointed in accordance with Section 26 of this Law.

(4) The members of Riga port Board and Ventspils port Board shall nominate one of their members the Board Chairman by open vote.

(5) The Chief Executive Officer of the port shall be appointed by the Board of the port.

(with the amending law of 24 March 1997; of 11 May 2000; of 22 March 2001 of 19 June 2003, of 23 October 2003, of 1 December 2009, of 12 July 2010 and the amending law of 16 December 2010, that comes into force on 1 January 2011)

Section 9. Restrictions for Members of Boards of Ports

Restrictions related to commercial activity, obtaining of income, combining of offices and performance of work by the Chairman of the Board of the port and by Board members as well as other relevant restrictions and obligations shall be subject to the

provisions of the “Law On Prevention of Conflict of Interest in Activities of Public Officials”.

(pursuant to the amending law of 22 June 2005, that comes into force on 22 July 200)

Section 10. Latvian Port, Transit and Logistics Council

(1) The State policy regarding the development of ports and the operation of all ports shall be coordinated by the Latvian Port, Transit and Logistics Council.

(2) The Latvian Port, Transit and Logistics Council comprises the following:

The Chairperson of the Council - the Prime Minister;

Council members:

the Minister of Transport and two representatives from the Ministry of Transport;

the Chairperson of the Riga City Council;

the Chairperson of the Liepāja City Council;

the Chairperson of the Ventspils City Council;

the Chief Executive Officers of the Riga, Liepāja and Ventspils ports;

a representative of other ports of Latvia who has been recommended by the Association of Small Ports of Latvia;

the Board Chairperson of the Latvian Maritime Administration;

a representative of the Latvian Development Agency;

the Minister of Finance;

the Minister of Economics;

the Minister of the Interior;

the Minister of Environmental Protection and Regional Development;

the Minister of Agriculture;

the State Secretary of the Ministry of the Foreign Affairs

a representative from the Seafaring Union;

a representative from the Ministry of Defence;

a representative from the Port Association of Latvia.

(3) Representatives to the Latvian Port, Transit and Logistics Council shall be delegated by a decision of the head of the relevant institution and the Prime Minister shall be notified about it.

(4) The By-laws of the Latvian Port, Transit and Logistics Council shall be approved by the Prime Minister.

(with the amending law of 18 June 1997; of 11 May 2000, of 19 June 2003, of 22 June 2005, of 3 November 2005, of 12 July 2010 and the amending law of 16 December 2010, that comes into force on 1 January 2011)

Section 11. Main Responsibilities of the Latvian Port, Transit and Logistics Council

The main responsibilities of the Latvian Port, Transit and Logistics Council are as follows:

- 1) to assess drafts of policy planning documents and regulatory enactments, that have an impact on Latvian Port, Transit and Logistics sector development, and provide opinions regarding those drafts; and co-ordinate the formulation of the developmental concept for the ports of Latvia;
- 2) to put forward proposals, related to Latvian foreign policy activities, aimed at Latvian ports, transit and logistics sector development;
- 3) to encourage and support the Latvian port, transit and logistics sector's recognition in the international business environment and support Latvian ports' participation in international exhibitions and conferences;
- 4) to provide opinions regarding proposals to alienate immovable property in ports for State or public needs;
- 5) to approve the use of the resources of the Port Development Fund.
- 6) to promote the Latvian ports, transit and logistics sector development, coordinating cooperation between the parties involved and addressing common concerns.

(pursuant to the amending law of 12 July 2010, that comes into force on 11 August 2010)

Chapter Three

Financial Resources of a Port Authority

(The title of the chapter as amended by the law of 19 June 2003, that comes into force on 24 July 2003)

Section 12. Sources of Financial Resources

(1) The financial resources of a port authority shall comprise:

- 1) deductions from payments of port dues and charges;
- 2) land lease payments;
- 3) lease (rental) payments for the lease (rental) of immovable property, transferred to the possession of the port authority;
- 4) investments;
- 5) payments for services provided by a port authority;
- 6) gifts (donations);
- 7) a subsidy from a local government budget, provided the port authority is a municipal institution and the relevant local government has included the said subsidy into its budget.

(2) The financial resources at the disposal of a port authority may be utilised only for management and development of the port and its infrastructure, and for performance of the functions specified in Section 7 of this Law. The financial resources of a port authority can be given as a gift (donated) to the state, by transferring them to the state budget. The Cabinet of Ministers shall decide how to utilise the financial resources, that were given as a gift or donated. The Cabinet is entitled to use these rights, provided that the Parliamentary Budget and Finance (Taxation) Committee reviews the relevant Cabinet's information within three working days from the moment of its reception and does not object to utilisation of the particular gift (donation).

(3) A port authority may not participate with its own financial resources in the activities of commercial companies outside the territory of the port.

(4) A port authority shall maintain accounts of economic activities and financial operations in accordance with the Law “On Accounting”, and shall submit reports in accordance with the Law “On Annual Accounts of Undertakings”.

(with the amending law of 11 November 1999, of 11 May 2000; of 22 March 2001, of 19 June 2003, of 06 May 2010 and the amending law of 12 July 2010, that comes into force on 11 August 2010).

Chapter Four

Port Dues, their Distribution and Service Charges

(The title of the chapter as amended pursuant to the amending law of 11 May 2000 that comes into force on 1 July 2000)

Section 13. Port Dues

(1) In the ports of Latvia the following fees may be applied:

- 1) tonnage due;
- 2) canal due;
- 3) sanitary due;
- 4) small ship due;
- 5) anchorage due;
- 6) ice due;
- 7) berthing due ;
- 8) cargo due;
- 9) pilot due ;
- 10) passenger toll.

(2) A port authority may combine the port dues, taking into account the conditions referred to in Section 14 of this Law.

(3) Port dues and tariffs shall be determined by the port authority and published in the newspaper *Latvijas Vēstnesis*. Increases in port fees shall come into force forty-five days after their publication.

(4) Port dues and charges shall not be collected from foreign warships, except sanitary, ice and pilot dues, if the relevant services are utilised.

(pursuant to the amending law of 11 May 2000, with the amending law of 22 March 2001 and the amending law of 10 May 2001, that comes into force on 1 June 2001.)

Section 14. Distribution of Port Dues Payments

(1) Tonnage, canal, small ship, anchorage, ice, freight and pilot dues collected in ports, as well as berthing due, passenger toll and sanitary dues shall be received by the port authority.

(2) Ten per cent of payments for the tonnage, canal, small ship and anchorage dues shall be transferred to the special budget of the local government and shall be utilised for the development of infrastructure related to the operation of the port.

(3) In 2001, three per cent of all port fees shall be transferred to the Port Development Fund and shall be used in accordance with the By-laws of the Port Development Fund.

(4) In 2002 1.5 per cent of port dues shall be transferred to the Port Development Fund and shall be used for the development of small ports.
(pursuant to amending law of 11 November 1999, with amending law of 11 May 2000 and of 22 March 2001, that comes into force on 20 April 2001.)

Section 15. Charges for Services

(1) A port authority shall approve the tariff ceilings for the following services that are provided in the port:

- 1) charge for the performance of mooring;
- 2) charge for the provision of fresh water;
- 3) charge for the acceptance of waste and polluted water;
- 4) charge for the utilisation of port tugboats and other floating craft;
- 5) charge for firemen's services.

(2) Tariff ceiling for the paid services of ports shall come into force forty-five days after their publication in the newspaper *Latvijas Vēstnesis*.

(3) In the ports of Latvia a fee shall be charged for navigation services, the said fee shall be collected by the Latvian Maritime Administration. The fee amount and collection procedure shall be governed by the Cabinet's Regulations, that determine price list for the services provided by the Latvian Maritime Administration in the framework of public administration functions.

(4) *(deleted by the law of 12 July 2010).*

(5) *(deleted by the law of 12 July 2010).*

(6) Port authority shall reimburse the service providers who accept waste and polluted water from ships, in accordance with mutual agreements between port authorities and service providers regarding tariffs for relevant services.

(with the amending law of 24 March 1997, of 11 November 1999, of 11 May 2000 of 22 March 2001, of 19 June 2003, and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Section 15¹. State Charge

(deleted by the law of 23 October 2003, that comes into force on 01 December 2003).

Chapter Five Ship Movements in Ports

(The title of the Chapter as pursuant to the amending law of 11 May 2000, that comes into force on 1 July 2000)

Section 16. Ship Movements and Control of Such

(1) The operational management of ship traffic in a port and in port access fairways, as well as control of navigational safety in the port, shall be ensured by the Harbour-master.

(2) The staff of the Harbour-master service, who are related to navigational safety, shall be recruited by the port authority after appropriate certification by the Latvian Maritime Administration.

(pursuant to the amending law of 11 May 2000, that comes into force on 1 July 2000)

Section 17. Harbour-Master

(1) The functions, rights and duties of a Harbour-master shall be determined by the Maritime Administration and Marine Safety Law, the present Law and other regulatory enactments.

(2) Orders of the Harbour-master, pertaining to measures of navigational safety, including those related to winter navigation in ice conditions, shall be mandatory for all ships, organisations, commercial companies, and for other legal persons and natural persons. Challenge of appeal of the orders, mentioned in the present section shall not suspend their execution.

(3) *(deleted by the law of 24 October 2002)*

(4) The arrest of a ship in a port shall be performed in accordance with the Maritime Code.

(5) Expenditures incurred, if a Harbour-master exercises the rights provided for by this Section, shall be covered by the owner of the ship.

(pursuant to the amending law of 11 May 2000 with the amending law of 24 October 2002, of 22 June 2005 and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Chapter Six

Commercial Activity in a Port

(The title of the Chapter as amended by the amending law of 22 June 2005, that comes into force on 20 July 2005)

Section 18. Regulations Regarding Commercial Activity in a Port

(1) Commercial activity in a port shall be carried out in accordance with the laws and regulatory enactments in force, with the port regulations and on the basis of the contract entered into by the port authority and the respective merchant. The port authority entering into a contract related to the commercial activities in the port, shall observe the pre-requirement, providing the founders and the partners of the commercial company shall be of good reputation and stable financial situation.

(2) Commercial companies, that perform commercial activities on the territory of the port, their principal activity being the ship repair or ship construction, shall be granted

income tax deductions pursuant to the procedure, stipulated by the law “On Enterprise Income Tax”.

(with the amending law of 11 May 2000, of 24 October 2002, of 23 October 2003, of 22 June 2005 and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Section 19. Restrictions on Economic Activities

(1) The land of a port may be assigned to sublease only with the permission of the relevant port authority.

(2) Activities of legal persons and natural persons in the port, including any underwater work, may be performed only with the permission of the relevant port authority and under its control.

(3) A Harbour-master’s permit is required for the retrieval of sunken property, and for carrying out dredging, construction, diver and other work in the aquatorium of the port.

(4) Pre-emptive right in respect of purchase of land and other immovable property in the territory of the port, regardless of its owner, may be exercised by the local government, represented by the port authority. The right to purchase land and other immovable property in the territory of the Riga port may be exercised by the Riga port authority, as the derived legal body governed by a public law. In this case the acquired immovable property shall be considered the property of the port authority. It is prohibited for a port authority to sell, to exchange, to donate or alienate in any other way the land of the port, transferred to its possession, and other immovable property, transferred to its possession, except for the cases, stipulated by p.7 of the present section.

(5) The restrictions on renovation of the land property rights, stipulated by the p.12 of the law “On Land Reform in the Cities of the Republic of Latvia” shall not be applied to the land, that was added to the territory of the Riga port after April 20 of 1994 and the Ventspils port – after May 4, 1995. The former landowners, that owned the land in the present territory of the port on July 21, 1940 or their successors, whose property rights for the land were approved in accordance with the procedure, stipulated by law, but the said rights are not renewed due to the restrictions, provided by the law, shall have the right to receive the land of equal value or property compensation certificates, in accordance with the procedure, stipulated by the regulatory enactments of Land reform.

(6) Users of land, who during the land reform obtained land in the territory of a port for permanent use, do not have the right to acquire title of it for payment. In such case users of the land shall be guaranteed the right to enter into a lease agreement with the port authority in accordance with the requirements of this Law.

(7) The port authority shall have the right to issue a guarantee or pledge for the benefit of the third person the land and the immovable property , located in the territory of the port, that is owned by the port, but in case the said land or the immovable property has been transferred to its possession – the port authority shall coordinate

the said activities with the Minister of Finance, if the said land or immovable property belongs to the state, or with the relevant municipality, if the said land and immovable property belongs to the municipality.

(with the amending law of 24 March 1997, of 11 May 2000, of 24 October 2002, of 19 June, 2003, of 22 June 2005 and the amending law of 3 November 2005, that comes into force on 25 November 2005)

Chapter Seven Port Development Fund

Section 20. Purpose and Tasks of the Port Development Fund

(1) The purpose of the Port Development Fund is to manage the accrued financial resources in order to ensure the interests of the State in port development and to raise the prestige of the ports of Latvia.

(2) The tasks of the Port Development Fund are as follows:

- 1) implementation of general projects of ports;
- 2) maintenance of State property in the small ports;
- 3) promotion and advertising of ports;
- 4) supporting the activities of the Latvian Port, Transit and Logistics Council.

(pursuant to the amending law of 11 May 2002 with the amending law of 19 June 2003, of 30 October 2003 and the amending law of 12 July 2010, that comes into force on 11 August 2010)

Section 21. Sources of Financial Resources of the Port Development Fund

The Financial resources of the Port Development Fund consist of contributions of port authorities, and donations of legal and natural persons.

(pursuant to the amending law of 01 December 2009, that comes into force on 01 January 2010).

Section 22. Utilisation of Financial Resources of the Port Development Fund

The By-laws of the Port Development Fund shall be approved by the Latvian Port, Transit and Logistics Council. The Fund shall be held and managed by the Latvian Maritime Administration. Decisions on the amounts to be paid into the fund and their utilisation shall be taken by the Latvian Ports, Transit and Logistics Council.

(pursuant to the amending law of 01 December 2009 with the amending law of 12 July 2010, that comes into force on 11 August 2010)

Chapter Eight Additional Provisions for Small Ports

(The Chapter as pursuant to the amending law of 24 March 1997, that comes into force on 24 April 1997)

Section 23. Concept of a Small Port

A small port is a defined restricted part of the land territory, including artificially made banks, and a part of inland waters, including inner and outer roadsteads and fairways in the port entrance which are provided for the servicing of ships, and its principal lines of activity are fishing, fish processing, tourism, export and import of ecologically clean cargo.

Section 24. Features of Land Lease Agreements

(1) For the owners of existing buildings and structures in ports, land leasing rights shall be guaranteed to ensure their activity, taking into account the conditions of the land lease agreements entered into between the port authority and owners of the buildings and structures.

(2) Lease payments for the land with buildings and structures which are leased only in order to ensure the fishery and fish processing, and for land that is necessary for the maintenance of such buildings and structures, may not exceed five per cent of the cadastral value of the land.

(with the amending law of 11 May 2000, that comes into force on 1 July 2000)

Section 25. Co-ordination of Port Regulations

(deleted by the law of 22 June 2005, that comes into force on 20 July 2005)

Section 26. Composition of a Port Authority

The Board of the port referred to in this Chapter shall be formed by the relevant city council or parish council, consisting of not more than 10 members, including therein the Chairperson of the board, an official of the local government, one official each from the Ministry of Environmental Protection and Regional Development, the Ministry of Economics, the Ministry of Agriculture and the Ministry of Transport, appointed by the relevant Minister, as well as an equal number of representatives from deputies of the local government and the commercial companies operating in the port.

(pursuant to the amending law of 16 December 2010, that comes into force on 01 January 2011)

Section 27. Payments

In ports where the berths do not belong only to the State or local government, the resources that are obtained from tonnage payments shall be transferred, in accordance with mutual agreement between the port authority and the owner of the berth, for the maintenance and renovation of the berth.

(with the amending law of 11 November 1999, that comes into force on 1 January 2000.)

Transitional Provisions

1. Ship berths, buildings and structures, underground and above-ground communications that are at the moment of the coming into force of this Law in the

possession of legal persons of the State or a local government, shall remain in their possession for a period up to 30 years. The port authority shall, within six months from the coming into force of this Law, enter into lease agreements with such undertakings regarding the use of such facilities in accordance with the procedures prescribed by Section 4 of this Law.

2. Contracts regarding the utilisation of buildings and structures owned by other legal persons and natural persons shall remain in effect until an easement that is related to such contracts is created for the benefit of the port authority, in accordance with Section 4 of this Law. With the creation of such an easement the contracts are repealed and new contracts shall be subsequently entered into with the port authority.

3. An easement created by a contract or on compulsory basis by 31 December 1996 shall be regarded effective from the day when the relevant contract was certified by a notary or an order regarding the creation of an easement came into force. The relevant easement shall be recorded in the Land Register by 31 December 1997. If an easement is not recorded in the Land Register during this time period, it shall be automatically revoked.

4. Local governments shall form port authorities in accordance with this Law by 1 August 1994.

5. The Ministry of Transport and the local governments shall transfer the port land, aquatoria, berths and common hydrotechnic structures to port authorities by 1 October 1994. Port authorities have the right to enter into lease agreements regarding the land transferred to their possession also before registration of the property rights in the Land Register.

(with the amending law of 24 March 1997, that comes into force on 24 April 1997).

6. *(deleted by the law of 22 March 2001, that comes into force on 20 April 2001)*

7. The Cabinet shall, by 1 July 2002, issue the regulations referred to in Section 7, Paragraph two, Clause 6 of this Law.

(pursuant to the amending law of 22 March 2001, that comes into force on 20 April 2001).

8. The amendments to the part 4 of the Section 17 related to the ship arrest come into force simultaneously with the Maritime Code, adopted by the Saeima.

(pursuant to the amending law of 24 October 2002, that comes into force on 27 November 2002).

9. The second part of the Section 18 comes into force simultaneously with the relevant amendments to the law "On Enterprise Income Tax".

(pursuant to the amending law of 24 October 2002, that comes into force on 27 November 2002).

10. The port regulations, approved by the Minister of Transport, shall be valid by the moment the regulations, provided by the municipalities, defined by the Section 6 of the present Law, come into force, but not later than by January 1, 2006.

(pursuant to the amending law of 22 June 2005, that comes into force on 20 July 2005)

This Law has been adopted by the *Saeima* on 22 June 1994.

President G. Ulmanis

Riga, 12 July 1994

