

# Implementation of official e-address postponed (3/50/19)

On 28 November, Parliament supported proposals for amending the Official Electronic Address Act (OEAA) in their first reading. The proposals provide that the transition period after which using an official e-address becomes mandatory for entities entered on the Enterprise Register (ER), such as companies, foundations, associations, political parties and religious organisations, should be extended to 2 January 2023.

## The current rules

Effective from 1 March 2018, the OEAA aims to provide secure, effective and high-quality electronic communication and flow of electronic documents between government agencies and private persons.

The current rules provide that using an e-address is mandatory for government agencies, entities entered on registers, and reserve soldiers.

Paragraphs 2 and 3 of the OEAA transition rules provide that the e-address implementation requirement applies to the Constitutional Court, courts hearing civil cases, criminal cases, administrative cases and administrative offence cases, certified court bailiffs and insolvency administrators, as well as ER entities from 1 January 2020.

## E-address options

An e-address account provides people and businesses with a modern and secure means of communication with the State. The e-address user can electronically receive in one place any letters from the central and local government agencies that used to be sent by post to their declared or registered address (there may be exceptions governed by special laws with a specified different form of communication to be checked with the institution concerned).

Using an e-address is a very convenient solution for executives who often go on business trips, as the e-address provides a secure means of communication with the State wherever you are.

Here is a list of the expected top benefits from using an e-address:

- National budget savings (estimated at EUR 1.4 million a year if 90% of documents flow electronically) as sending paper documents by post is expensive for people, businesses and authorities alike;
- Time savings;
- A lower administrative burden;
- Government agencies are no longer required to develop and maintain their own secure messaging solutions.

## The reason for extending the deadline

The number of e-address accounts activated by ER entities over the period from 1 January through November 2019 is 820, so the number of ER entities registered over the last two months has grown by

73%, yet this number is still negligible compared to a total of over 220,000 entities entered on ER records.

People and businesses can register for an e-address account by using their identity card (eID), a secure electronic signature, or the eSignature Mobile app. This cannot be done through online banks because none of the bankers has completed the statutory security certification, which is probably one of the obstacles delaying the registration of ER entities.

An ER entity represented by an individual without a Latvian personal identity number (a foreign national) is unable to provide access to an e-address because foreign nationals do not have an acceptable means of identification issued in Latvia. All foreign nationals will be able to obtain a Latvian personal identity number and a personal identity card with embedded e-identification and e-signature certificates only after implementation of the Register of Individuals. According to the Citizenship and Migration Office, this project is to be completed by 7 March 2021. So there is a need to extend the deadline by which entities have to start using an e-address, and this cannot happen before the Register of Individuals is up and running.

The small number of registered e-address accounts may be partly due to the low public awareness of the options and advantages of an e-address.

#### The proposed amendments

As most entities governed by the OEAA are not ready to start using an e-address by the statutory deadline, these amendments were drafted, presented and supported to provide that the e-address implementation deadline for insolvency administrators, district (town) courts and regional courts should be extended to 1 April 2021, and the transition period for ER entities after which using an e-address becomes mandatory, should be extended to 2 January 2023.

Certified court bailiffs, the Supreme Court and the Constitutional Court are to implement an e-address by 2 January 2020.

The proposals are recognised as urgent and scheduled for parliamentary debate in their second reading on 12 December.