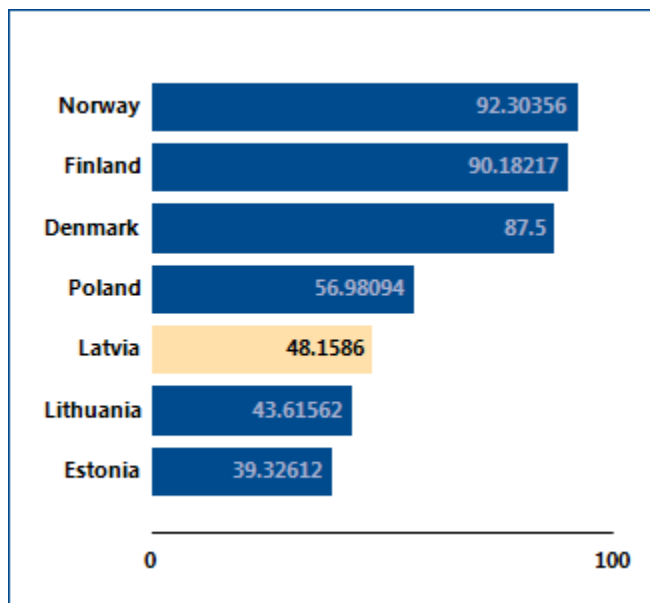
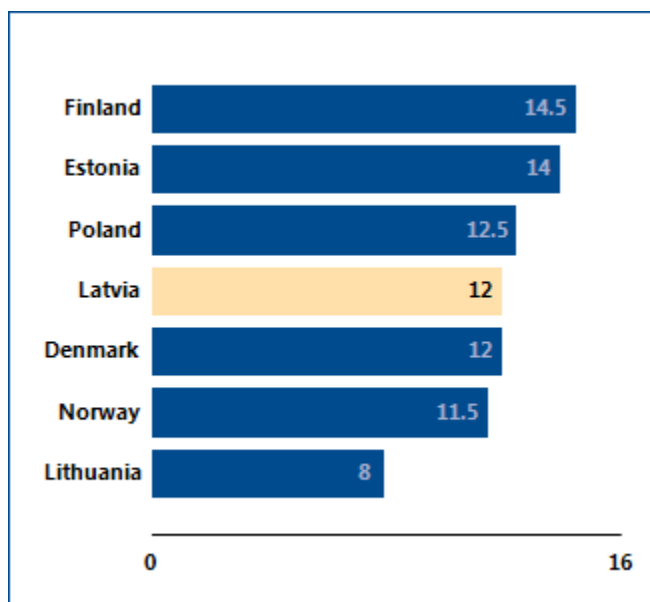


Figure 11.2 Recovery Rate (0-100) - Latvia



Source: Doing Business database.

Figure 11.3 Strength of insolvency framework index (0-16) - Latvia



Source: Doing Business database.

RESOLVING INSOLVENCY

A well-balanced bankruptcy system distinguishes companies that are financially distressed but economically viable from inefficient companies that should be liquidated. But in some insolvency systems even viable businesses are liquidated. This is starting to

change. Many recent reforms of bankruptcy laws have been aimed at helping more of the viable businesses survive. What insolvency reforms has *Doing Business* recorded in Latvia (table 11.1)?

Table 11.1 How has Latvia made resolving insolvency easier—or not?

By *Doing Business* report year from DB2010 to DB2015

DB year	Reform
DB2011	Latvia introduced a mechanism for out-of-court settlement of insolvencies to alleviate pressure on courts and tightened some procedural deadlines.
DB2012	Latvia adopted a new insolvency law that streamlines and expedites the insolvency process and introduces a reorganization option for companies.

Note: For information on reforms in earlier years (back to DB2005), see the *Doing Business* reports for these years, available at <http://www.doingbusiness.org>.

Source: *Doing Business* database.