The *Saeima*1 has adopted and

the President has proclaimed the following law:

**On the Stockholm School of Economics**

**Chapter I. General Provisions**

**Section 1.** The Stockholm School of Economics in Riga (hereinafter – the School of Economics) was established in accordance with the agreement entered into on 30 June 1993 by the Government of the Republic of Latvia in the person of the Ministry of Education of the Republic of Latvia, and the Stockholm School of Economics under the authority of the Swedish Government.

[*17 June 2010*]

**Section 2.** (1) The founders of the School of Economics are the State of Latvia in the person of the Ministry of Education and Science and the Stockholm School of Economics, functioning in conformity with the laws of Sweden, under the authority of the Swedish Government.

(2) The Stockholm School of Economics in Riga foundation is the sole member of the School of Economics.

[*17 June 2010; 25 October 2018 / See Paragraph 2 of Transitional Provisions*]

**Section 3.** (1) The School of Economics is a commercial company registered in the Commercial Register.

(2) The School of Economics is located in Latvia and is a legal person. The School of Economics has its own flag and coat of arms. Its date of unveiling – 8 November – is a celebratory day for the School of Economics.

[*17 June 2010; 25 October 2018*]

**Section 4.** The School of Economics is the highest education institution which provides academic education, works in economic science and serves the interests of the people of Latvia.

**Section 5.** (1) The School of Economics is an autonomous educational institution with the right to self-governance. The self-governance thereof shall be based on the rights and opportunities of employees to participate in the management and supervision of academic, administrative, and economic affairs.

(2) The School of Economics shall act in accordance with this Law, the Law on Higher Education Institutions, other laws of the Republic of Latvia, and international norms of higher education institution activities which are not in contradiction with the legislative enactments of the Republic of Latvia, and also in accordance with its articles of association.

[*17 June 2010; 25 October 2018*]

**Section 6.**

[17 June 2010]

**Chapter II. Purpose, Tasks, and Basic Principles of the School of Economics Activities**

**Section 7.** The purpose of the School of Economics activities is to provide academic education and professional training to students, to develop science and to cultivate culture in order to preserve the intellectual potential necessary for the Republic of Latvia and to promote the development thereof.

**Section 8.** The task of the School of Economics is to prepare academically educated specialists for the science, national economy, and State administration of Latvia and also the Baltics, giving new knowledge and skills to use them in the interests of society, to perform fundamental and applied research in economic sciences, and also to prepare teachers and scientific employees, to carry out the raising of qualifications and retraining of specialists. The School of Economics shall offer to society its scientific and professional findings and the results of research.

**Section 9.** The study programmes of the School of Economics shall provide for the acquisition of a bachelor’s and master’s degree, and also the performance of scientific research work and the acquisition of a scientific degree. The professional programmes shall provide for professional training and the approval of appropriate qualifications. Acquisition of academic degrees, professional qualifications, and a scientific degree is the legally established (formal) objective of the School of Economics studies and research work.

**Section 10.** The basic principles for the activity of the School of Economics shall be:

1) freedom of information and studies, academic and scientific work; free choice of study subjects and the content and method of scientific work, expressing scientific opinion and research results (publishing) without censorship, if it does not affect the rights of other persons, is not in contradiction with the norms of ethics and the legislative enactments of the Republic of Latvia;

2) the indivisibility of studies and scientific work;

3) the conformity of studies and scientific work with the needs and requirements of society, the highest achievements of civilisation and the humanitarian traditions of the world.

**Section 11.**

[17 June 2010]

**Section 11.1** The School of Economics shall provide such procedures for admission to study programmes as are necessary in order to ensure the admission of students from the Baltic States and foreign countries in a single admission process, by independently determining the location and time of the registration and competition of applicants.

[*25 October 2018*]

**Chapter III. Competence and Forms of Activity of the School of Economics**

[17 June 2010]

**Section 12.**

[17 June 2010]

**Section 13.**

[17 June 2010]

**Section 14.**

[17 June 2010]

**Section 15.**

[17 June 2010]

**Section 16.**

[17 June 2010]

**Chapter IV. Staff of a Higher Education Institution**

**Section 17.**

[17 June 2010]

**Section 18.**

[17 June 2010]

**Section 19.** (1) Studies at the School of Economics shall take place in English. At the School of Economics, the theses necessary for the acquisition of a bachelor’s, master’s, and doctoral degree shall be developed and defended, and the vocational qualification examinations shall be conducted in English.

(2) [17 June 2010]

(3) The School of Economics shall recruit general staff and academic staff from Latvia and foreign countries.

(4) The requirements specified in laws and regulations for the level of proficiency of the official language shall not be applicable to staff elected to academic positions of the School of Economics.

[*17 June 2010; 25 October 2018*]

**Section 20.**

[17 June 2010]

**Section 21.**

[17 June 2010]

**Section 22.**

[17 June 2010]

**Section 23.**

[17 June 2010]

**Section 24.**

[17 June 2010]

**Chapter V. Representation and Management Bodies of the School of Economics**

**Section 25.** The representation and management bodies of the School of Economics are as follows:

1) the Executive Board;

2) the Constitutional Assembly;

3) the Senate;

4) the Rector.

[*17 June 2010*]

**Section 26.** (1) The Executive Board is a body created by the founders of the School of Economics. In accordance with the articles of association of the School of Economics, the composition, establishment procedures, competence and activity thereof shall be determined by the members.

(2) [17 June 2010]

(3) The Executive Board is authorised to:

1) decide on conceptual issues regarding the activities and development of the School of Economics;

2) determine the organisational and managerial structure of the School of Economics;

3) propose the nomination of the position of Rector for election at the Constitutional Assembly and the dismissal of the Rector;

4) initiate the convening of an emergency Constitutional Assembly;

5) decide in cooperation with the Senate on matters of academic and scientific activity;

6) decide on the establishment, reorganisation, or elimination of the units of the School of Economics;

7) determine the remuneration of staff of the School of Economics;

8) to fulfil other duties assigned thereto.

[*17 June 2010; 25 October 2018*]

**Section 26.1** Prior to the adoption of the Constitution of the School of Economics or amendments thereto, the Constitutional Assembly of the School of Economics shall harmonise the Constitution of the School of Economics or its amendments with the members of the School of Economics.

[*17 June 2010; 25 October 2018*]

**Section 27.** (1) The Rector shall be elected by the Constitutional Assembly by a proposal of the Executive Board of the School of Economics, for a period of five years, not more than twice in succession.

(2) The Cabinet shall approve the Rector elected in the Constitutional Assembly in accordance with the procedures laid down in the Law on Higher Education Institutions.

(3) The Constitutional Assembly may dismiss the Rector. The dismissal of the Rector may be proposed to the Constitutional Assembly by the Senate, a convention of advisers, if such has been established at the School of Economics, or by the Executive Board. The Rector shall be dismissed from office by the Cabinet in accordance with the procedures laid down in the Law on Higher Education Institutions.

(4) A foreign citizen may be elected to the position of the Rector of the School of Economics. The Rector of the School of Economics must be proficient in and use the official language to the extent necessary for the performance of the professional duties thereof, or the School of Economics shall provide a translation into the official language.

[*17 June 2010; 25 October 2018*]

**Section 28.**

[17 June 2010]

**Section 29.**

[17 June 2010]

**Section 30.**

[17 June 2010]

**Chapter VI. Student Association of the School of Economics**

[17 June 2010]

**Section 31.**

[17 June 2010]

**Section 32.**

[17 June 2010]

**Chapter VII. Property, Finances, and Economic Activity of the School of Economics**

**Section 33.** (1) The property of the School of Economics may be land, movable property, immovable property, and intellectual property, and also funds in Latvia and foreign countries in accordance with the laws and regulations in force.

(2) The property of the School of Economics at the time of its founding is composed of the investment of the State of Latvia in the form of immovable property (building with cadastre No. 01005190010) in Riga, Strēlnieku Street 4a (hereinafter – the State immovable property) – 481 670 lats (7 083 930 Swedish kronor), i.e. 49 per cent of the equity capital, and the funds allocated by the Swedish Government – 501 330 lats (7 373 070 Swedish kronor), i.e. 51 per cent of the equity capital.

(3) [17 June 2010]

[*17 June 2010*]

**Section 33.1** (1) The State in the person of the Ministry of Education and Science shall transfer the capital shares of the School of Economics owned thereby (49 per cent of the equity capital) without compensation into the ownership of the University of Latvia, if the University of Latvia has taken a decision on acceptance of such property.

(2) When transferring the State equity shares referred to in Paragraph one of this Section into the ownership of the University of Latvia, the provisions of the law On State and Local Government Equity Shares and Capital Companies for alienation shall not be applied.

(3) The University of Latvia shall, in accordance with the procedures laid down by law, establish a foundation, the purpose of which is to support educational and research work and to assume responsibility for the activities and development of the School of Economics.

(4) The members of the School of Economics specified in Section 2, Paragraph two of this Law are entitled to transfer the equity shares of the School of Economics owned thereby to the foundation referred to in Paragraph three of this Section, making the relevant amendments to the registration documents of the School of Economics in conformity with the requirements specified in laws and regulations.

(5) The University of Latvia shall transfer the equity shares of the School of Economics (49 per cent of the equity capital) owned thereby to the foundation referred to in Paragraph three of this Section without compensation if the foundation accepts the equity shares belonging to the University of Latvia into its ownership.

(6) If the University of Latvia does not perform the activities referred to in Paragraphs three and five of this Section within the time limits specified in the Law, the State capital shares referred to in Paragraph one of this Section (49 per cent of the equity capital) transferred to the University of Latvia shall be transferred back to the State in the person of the Ministry of Education and Science.

[*17 June 2010*]

**Section 34.** The State immovable property invested in the equity capital of the School of Economics may not be seized, pledged or otherwise encumbered by property rights.

[*17 June 2010*]

**Section 35.** If the activities of the School of Economics are terminated, the State immovable property invested in the equity capital thereof shall be transferred to the University of Latvia. If the University of Latvia does not use the abovementioned immovable property for the performance of the educational and scientific functions specified in its Constitution, this shall be returned to the State without compensation.

[*17 June 2010*]

**Section 36.**

[17 June 2010]

**Section 37.**

[17 June 2010]

**Section 38.**

[17 June 2010]

**Section 39.**

[17 June 2010]

**Transitional Provisions**

[*17 June 2010*]

1. Amendments to the registration documents of the School of Economics conforming to the provisions of Section 2, Paragraph two of this Law and also amendments about the transformation of the School of Economics from a non-profit company with limited liability into a company with limited liability shall be made and submitted to the Commercial Register by 30 August 2010.

2. Section 2, Paragraph two of this Law shall be in force from the day when the State of Latvia in the person of the Ministry of Education and Science has transferred the shares owned thereby to the University of Latvia in accordance with the procedures laid down by this Law.

3. By 31 July 2010, the Ministry of Education and Science shall transfer the State owned capital shares of the School of Economics without compensation into the ownership of the University of Latvia with a deed of transfer and acceptance.

4. The School of Economics shall establish the bodies referred to in Section 25, Clauses 2, 3, and 4 of this Law by 30 November 2010.

5. The Constitution of the School of Economics shall be submitted for approval to the Cabinet by 28 February 2011.

6. Within a period of three months after the approval of the Constitution of the School of Economics, the School of Economics shall harmonise the legal acts (by-laws, provisions, regulations, etc.) issued thereby in accordance with the Constitution of the School of Economics.

7. The University of Latvia shall establish the foundation referred to in Section 33.1, Paragraph three of this Law not later than by 15 August 2010.

The Law has been adopted by the *Saeima* on 5 October 1995.

Acting for the President, the Chairperson of the *Saeima* A. Gorbunovs

Rīga, 25 October 1995