

# Design of information sources to identify and resolve financial distress in Latvia

Output 3: Specific Recommendation Report (“To Be Report”)

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Ministry of Justice  
Republic of Latvia



**European Bank**  
for Reconstruction and Development



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# Language Disclaimer

This document was originally drafted in Latvian, therefore in case of uncertainty, the decisive document is in Latvian.

# Abbreviations and their meaning

Abbreviation	Explanation
<b>BoL</b>	The Bank of Latvia
<b>Cabinet</b>	The Cabinet (of Ministers)
<b>Consumers</b>	A natural person between the ages of 18 and 74 who expresses a desire to purchase, or who might purchase or use, a product or service for a purpose unrelated to his or her business or professional activities (Section 1, Clause 3 of the Consumer Rights Protection Law).
<b>COVID-19</b>	2019 coronavirus disease
<b>CRPC</b>	The Consumer Rights Protection Centre
<b>EBRD</b>	The European Bank for Reconstruction and Development
<b>EC</b>	The European Commission
<b>EDS</b>	Electronic declaration system
<b>Entrepreneurs</b>	Individual merchants, business operators (natural persons registered with the SRS as a taxpayer), individual (family) businesses, agricultural farms/fisheries, and rural crafts/businesses.
<b>EU</b>	The European Union
<b>FCMC</b>	The Financial and Capital Markets Commission
<b>FIA</b>	The Financial Industry Association
<b>Financial distress</b>	<p><b>For individuals:</b> when a person is delinquent in or has difficulty making certain payments (e.g., mortgage or rent payments, utility or credit card bills, etc.) and is unable to meet those obligations from existing income or savings.</p> <p><b>For SMEs and entrepreneurs:</b> such circumstances in which the entrepreneur or self-employed person defaults on or has difficulty making certain payments related to their business (e.g., payments on loans, leases, lines of credit, etc.) and is unable or believes he or she will be unable to meet such obligations with existing income or savings from business activity.</p>
<b>ICS</b>	The Insolvency Control Service
<b>LAIA</b>	The Latvian Association of Insolvency Administrators
<b>LBA</b>	The Latvian Borrowers Association
<b>LCCI</b>	The Latvian Chamber of Commerce and Industry
<b>LEC</b>	The Latvian Employers' Confederation
<b>LIDA</b>	The Latvian Investment and Development Agency
<b>LPA</b>	The Latvian Prison Administration
<b>LPP</b>	Legal protection process
<b>Ltd</b>	Limited liability company
<b>MoE</b>	The Ministry of Economics
<b>MoEPRD</b>	The Ministry of Environmental Protection and Regional Development
<b>MoES</b>	The Ministry of Education and Science
<b>MoF</b>	The Ministry of Finance

<b>MoJ</b>	The Ministry of Justice
<b>MoW</b>	The Ministry of Welfare
<b>NCE</b>	The National Centre for Education
<b>NGOs</b>	Non-governmental organisation
<b>OOCDR</b>	Out-of-court debt restructuring
<b>ELPP</b>	Out-of-court legal protection process
<b>Project</b>	Project “Design of information sources to identify and resolve financial distress in Latvia”
<b>Recommendation report</b>	This report, which constitutes the deliverable of stage 3 of the Project.
<b>SEA</b>	The State Employment Agency
<b>SLGUCSC</b>	The State and Local Government Uniform Customer Service Centre
<b>SMEs</b> (small and medium enterprises)	Limited liability company, joint stock company, general partnership, or limited partnership that meets the definition of an SME, where the number of employees is less than 250 and the turnover is below EUR 50 million or the total assets below EUR 43 million.
<b>Sources of information</b>	Methodological and informative material and tools to help SMEs, entrepreneurs, and consumers identify and resolve financial distress.
<b>SPS</b>	The State Probation Service
<b>SRS</b>	The State Revenue Service
<b>Target group</b>	This applies to SMEs, entrepreneurs, or consumers for whom the Project scope includes the development of information resources related to financial distress, or, if used in the plural, to all such groups.
<b>Target group segment</b>	A subset of the target group refers to a specific group of participants of the target group with a specific set of characteristics.
<b>Working group</b>	The working group established by the Ministry of Justice to design information sources to identify and resolve financial distress in Latvia.

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# Executive Summary



## Purpose of the report

The purpose of this report is to develop recommendations for the Ministry of Justice and other public administration authorities to communicate with SMEs, entrepreneurs and consumers target groups to identify and resolve financial distress.



## Report structure

This report has been prepared within the scope of the Project carried out by SIA “PricewaterhouseCoopers” and commissioned by the EBRD in cooperation with the European Commission and financed by the European Union under Agreement No. 2021.003577/15278/105676, signed on 13 September 2021. The report and the tasks carried out in it are in accordance with the Detailed Project Description agreed upon between EBRD, and Structural Reform and supported by the Directorate General (see Table 1).

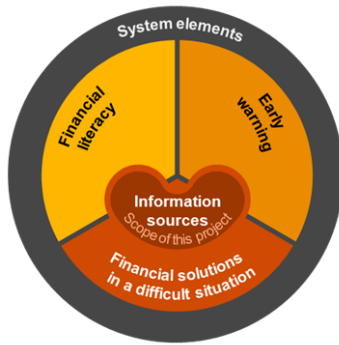
Table 1. Compliance of the Report structure with EC/EBRD Detailed Project Description

Report structure	Regulations of the project
<b>Introduction</b>	N/A
<b>1. Problems to be solved and communication goals</b> 1.1. Problems to be solved in communication about identifying and solving financial difficulties 1.2 Purpose, tasks and general principles of communication	N/A
<b>2. Recommendations</b> 2.1. Summary of recommendations and priorities 2.2. Organisation of communication and management mechanism 2.3. Communication channels 2.4. Content of the communication 2.4.1. Recommendations for SMEs 2.4.2. Recommendations for entrepreneurs 2.4.3. Recommendations for consumers	“Specific Recommendations Report on the establishment of an appropriate source(s) of information to disseminate financial or other missing information in the Latvian market to SMEs, entrepreneurs and consumers as identified in the Assessment Report. The Specific Recommendations Report should have at least three clear and distinctive sections for separate analysis of SMEs, entrepreneurs and consumers and should address any areas where there are deficiencies in either skills or expertise, as identified by the gap analysis conducted during Activity 2.1. Based on the workshops and the Assessment Report, prepare the Specific Recommendations Report on the establishment of an appropriate source(s) of information to disseminate financial or other missing information in the Latvian market. The recommendations should address any gaps, as well as the issue of potential passivity by SMEs, entrepreneurs, and consumers and what type of promotion and information channels are needed to reach the maximum number of SMEs, entrepreneurs, and consumers. This should include recommendations on how to reach natural persons and/or businesses that do not have digital skills or access to digital information.”



## Scope of the report

The report provides recommendations for the development of information sources to identify and resolve financial distress. The information sources primarily concern solutions to financial distress (the responsibility of the Ministry of Justice). However, since a comprehensive system also consists of financial literacy and early warning components, the recommendations also address the remaining elements of the system in some aspects (including the creation of a management mechanism; the development of information sources, with the possibility of including resources applicable to the other elements of the system).



	SMEs	Entrepreneurs	Consumers
<b>Financial literacy</b> – a set of knowledge, attitudes and skills that lead to personal financial stability, help achieve goals and create financial well-being.	✓	✓	✓
<b>Early warning</b> – a system where timely and meaningful information (warning) is disseminated, which allows subjects exposed to financial risks to act appropriately and sufficiently in time to prevent or reduce damage (losses).	✓	✓	-
<b>Solutions in the event of financial distress</b> – the legal, administrative, financial and other support available to SMEs, entrepreneurs and consumers (population), which help to solve expected or actual financial distress (for example, the "second chance" system).	✓	✓	✓
<b>Information sources</b> – methodological and informative materials, as well as tools that help SMEs, entrepreneurs and consumers to identify and solve situations of financial distress.	✓	✓	✓



## Report overview

### 1. Problems to be solved and communication goals



#### The problem to be solved

The lack of joint strategic coordination of State authorities

The overall informational content available to the target groups is sufficient but fragmented

Communication mainly uses one-way (asymmetric) communication

Negative psychological aspects for representatives of the target groups



#### Purpose of communication

##### Purpose of communication

To promote timely and solution-oriented actions of consumers, SMEs and entrepreneurs in situations related to the identification and resolution of financial difficulties, providing representatives of the target group with simply and conveniently accessible and understandable information, as well as providing consultative support and encouraging action

##### Communication tasks

Developing key communication messages and identifying communication channels for each target group

Promoting the awareness of the representatives of the target groups about the available resources

Creating an open and supportive attitude in society towards consumers, SMEs, and entrepreneurs in financial distress

##### General principles of communication

Strategically managed and integrated communication

Easy and understandable language

Encouraging communication style

Two-way communication

Application of different languages

### 2. Recommendations

#### Recommendations for communication organisation and institutional framework

Institutional framework for the organisation of communication with target audiences, meaning a **central coordinating unit**

#### Recommendations for creating information sources and channels

A **website** to provide key information related to financial difficulties

**Printed information materials** with the main content of the website

Providing **first-level support** in the MoJ department (the SPS and LPA) – pilot project

Providing **first-level support** to local governments using the SLGUCSC network - pilot project

Providing **first-level support** on a national scale, expanding the range of cooperation partners

An **educational communication campaign** to promote the brand and content of the website

**Public opinion research** to identify the needs of target groups for a new type or content of information

#### Recommendations for the development of communication content

New communication content in a **user-friendly format**, which would cover all aspects related to identifying and solving financial difficulties for each of the target groups, gathering already existing informational sources from the public, private and non-governmental sectors and ensuring their regular renewal, in such areas as, for example, **tax aspects, temporary/permanent support programs, available consultations, insolvency procedures, etc.**



## Summary of recommendations and priorities

The recommendations for communication to identify financial distress are prioritised in the impact and responsibilities matrix. The prioritisation of recommendations presented in the matrix **indicates** the responsible institution necessary for their implementation and the impact to be achieved through implementation based on two criteria:

- **Implementer of recommendations** (matrix dimension: responsibilities) – financial distress has different manifestations and causes, and the recommendations concern not only the MoJ as the institution responsible for insolvency policy, but also other institutions involved in financial literacy, early warning and other areas. Therefore, the dimension of responsibility was assessed through the prism of the implementer.
- **The number of target group representatives reached** (matrix dimension: impact) – The number<sup>1</sup> of target group representatives reached by the communication activities is an important indicator that shows the effectiveness of the activities and the impact of this Project. The table below shows the **total number of potentially reachable target groups** by recommendation. The detailed estimate of the number of target group representatives that can realistically be reached will be included in the Project Stage 4 Action Plan, based on the total number in this report and additional considerations that affect the reach of the target group (e.g., the share of the population capable of obtaining the necessary information on the Internet, or who have sought information to resolve financial distress, etc.).

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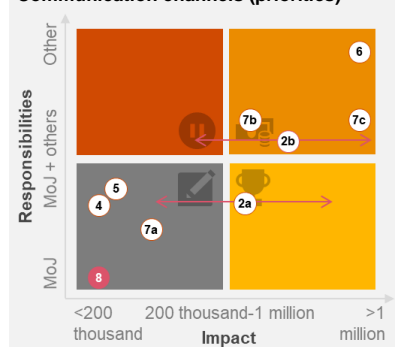
<sup>1</sup> ~1,346,000 consumers according to their classification (see “Abbreviations and their meaning”) have been used as the basis for the representatives of the consumer target group. SMEs and entrepreneurs overlap with this group being also part of the consumer target group, because consumer target group includes all citizens of Latvia aged 18-74, and they are reached by the communication activities directed at consumers.



**Organisation of communication and management mechanism** – the implementation of the recommendation is **essential** to ensure long-term cooperation of various institutions and to bring to life the recommendations, for the implementation of which it is necessary to reach an agreement with other institutions. Recommendations that apply only to MoJ can also be implemented without implementing this recommendation.

**Content of communication** – the implementation of the recommendation is a **prerequisite** for the implementation of further recommendations regarding communication channels (i.e., otherwise further recommendations cannot be implemented).

**Communication channels (priorities)**



No.	Recommendation	SMEs	Entr.	Cons.
	<b>Organisation of communication and management mechanism</b>	✓	✓	✓
1	Strengthening the governance mechanism by appointing a central coordinating unit so that communication on identifying and resolving financial distress is systemic and sustainable.	✓	✓	✓
	<b>Communication channels</b>	✓	✓	✓
2a	Website (with primary functionality – roadmap) <sup>3</sup>	✓	✓	✓
2b	Website (with primary and secondary functionality) <sup>4</sup>	✓	✓	✓
3	Printed materials – (roadmap in printed format and content included on the website) <sup>5</sup>	✓	✓	✓
4	Pilot project: SPS and LPA			✓
5	Pilot project: Municipalities (SLGUCSC)	✓	✓	✓
6	Nationwide first-level support	✓	✓	✓
7a	Communication campaign (Level 1: Mandatory activities) <sup>6</sup>	✓	✓	✓
7b	Communication campaign (Level 2: Additional recommended activities) <sup>7</sup>	✓	✓	✓
7c	Communication campaign (Level 3: Additional recommended activities) <sup>8</sup>	✓	✓	✓
8	Public opinion research <sup>9</sup>	✓	✓	✓
	<b>Content of communication</b>	✓	✓	✓
9	Developing communication content in a user-friendly format ("roadmap"), which would cover all aspects related to identifying and resolving financial distress, gathering already existing information sources, and ensuring their regular renewal.	✓	✓	✓

**Organisation of communication and management mechanism**

**It is recommended that the management mechanism for organising communication with target groups is strengthened by designating a central coordinating unit so that communication on the identification and resolution of financial distress is systematic and sustainable.**

The research conducted as part of the Project shows that a nationwide functioning system focused on the ability of society (consumers, SMEs and entrepreneurs) to successfully plan their finances and to identify and address situations of financial distress in a timely manner consists of three main components (financial literacy coverage, early warning system, solutions to financial distress situation (including preventive out-of-court solutions)). The information sources affect all three components of

<sup>2</sup> A detailed overview of the criteria used in the prioritisation of recommendations is included in Annex 1. Criteria used for prioritising recommendations.

<sup>3</sup> Informative and explanatory about the main problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

<sup>4</sup> Interactive, providing various e-tools dedicated to identifying and resolving financial distress.

<sup>5</sup> The potential number of printed materials matches the total amount of the target audiences reached by the consultations (recommendations 6, 7, and 8), or their accumulated impact, therefore are not represented in the impact and responsibility matrix as a discrete recommendation.

<sup>6</sup> Placement of information on partner channels, distribution of information to organisations and professional associations, informing the media about current events in the field and introduction to communication channels, social network communication in the Project owner's social network accounts and Google Ads solution.

<sup>7</sup> Public information campaigns (media relations, environmental objects, direct communication, events, etc.), advertising campaigns (internet, radio), social network communication in specially created social network accounts, content project on one of the largest national portals, participation or placements of materials in events organised by partners.

<sup>8</sup> A broad and voluminous advertising and public awareness campaign, including a wide range of channels (internet, environment, radio, regional press, public transport, etc.), a special series of programmes on TV or radio, and communication of influencers.




<sup>9</sup> A public opinion research is designed to explore the needs of target groups and will not provide a direct impact on the achievement of communication goals.

the system. The functioning of such a system requires the implementation of a holistic approach and targeted work in close cooperation between the public, non-governmental and private sectors to influence the knowledge, attitudes and behaviour of the target groups. Information sources for detecting and resolving financial distress are only one of the components of the system, and if they are separated from the others, their development will not be able to achieve the desired results and the expected impact in providing a holistic solution for society's financial distress (including preventive solutions and solutions aimed at distress that have already arisen).

To achieve the set communication goals, it is necessary to influence all target groups and create a comprehensive "circle of influence" whose content is provided by public sector institutions (ministries and their subordinate bodies), non-governmental organisations and private sector partners. Currently, there is no central coordinating body whose role would be to define and monitor strategic coordination on issues related to the identification and resolution of financial distress at the national level, while promoting the achievement of the objectives set out in the long- and medium-term policy planning documents (e.g., tax policy, reduction of the shadow economy, or other areas).

**Establishing a central coordinating unit comprised two complementary activities:**

- Establish an interagency coordinating council to ensure management and oversight of strategically organised communication about solutions in the event of financial distress, as well as other related areas, such as financial literacy and early warning. Also, to address the implementation of nationwide communications solutions, and manage and oversee the operation thereof.
- The Cabinet to appoint a coordinating ministry (the MoJ is recommended as the one responsible for insolvency policy) responsible for coordinating the mentioned issues and implementing a multi-purpose policy, ensuring cooperation with other participating ministries (the MoW, MoF, and MoE).

1 Central coordinating unit <span style="float: right;">☑ Recommended to create</span>						
2 Responsible authorities <span style="float: right;">☑ Existing institutions</span>						
	 <b>Solutions in a financial distress</b>	 <b>Financial literacy</b>	 <b>Early warning</b>			
For consumers	MoJ	BoL	-			
For SMEs	MoJ	BoL	MoE			
For entrepreneurs	MoJ	BoL	MoE			
3 Performers / participants <span style="float: right;">☑ Existing institutions</span>						
MoW	MoEPRD	MoES	Mol	MoF	Professional associations	Municipalities
<b>Various aspects of information dissemination (education, encouragement, promotion of awareness, tailoring of educational content, formation of communication and education mechanisms, etc.)</b>						

## Content of the communication

It is recommended that the content of the communication be prepared in a user-friendly format (“roadmap”) to make it easier to navigate the amount of information already available and to more easily obtain the information that is relevant to the case at hand. This can be achieved by covering all aspects related to identifying and addressing financial distress for each of the target groups, leveraging existing sources of information from the public, private, and non-governmental sectors, and ensuring that they are renewed on a regular basis.

As a result of the research and analysis of the information sources of the available institutions and organisations, it was found that the target groups have access to information content that corresponds to their specificities in the areas<sup>10</sup> of financial literacy, early warning and solutions to financial distress. Although sufficient information content is available for all target groups, care should be taken to reduce fragmentation into different information sources and improve accessibility for representatives of target groups through the targeted use of unified communication channels.

The content specified below will be used in developing the roadmap<sup>11</sup> as a resource to which the information seeker will be directed, depending on their wishes and needs.

Content of the communication	Target groups		
	Consumers	Entrepreneurs	SMEs
<b>Financial literacy</b>	✓	✓	✓
Budget planning	✓		
Information about lending market participants and the licensing thereof	✓	✓	✓
Information on banking developments regarding lending	✓	✓	✓
Information about the types of loans, terms used	✓	✓	✓
Information on various aspects of financial services (e.g., pre-contractual information, right of withdrawal, solvency assessment)	✓		
Information on insolvency policy	✓	✓	✓
Loan and lease calculators	✓	✓	✓
Training, educational materials related to aspects of financial literacy	✓	✓	✓
<b>Early warning</b>		✓ <sup>12</sup>	✓
SRS EDS: Taxpayer rating system			✓
<b>Solutions in a situation of financial distress</b>	✓	✓	✓
Information on tax aspects (term extensions, reliefs, etc.)	✓	✓	✓
Support during the COVID-19 pandemic and the energy boom	✓	✓	✓
Permanent support programmes, guarantees, loans, benefits, subsidies, etc.	✓	✓	✓
Information on insolvency procedures and description of steps	✓	✓	✓
Information on the release of a natural person from debt obligations	✓	✓	
Guidelines in a situation of financial distress		✓ <sup>13</sup>	✓
A guide to getting out of debt	✓		
Available consultations (state institutions, organisations and credit institutions)	✓	✓	✓

<sup>10</sup> MoJ, 2021. Status report on the project “Design of information sources to identify and resolve financial distress in Latvia”.

<sup>11</sup> See Recommendation 2 and **Error! Reference source not found.**

<sup>12</sup> For farmers, fisheries, and individual companies, the annual report of which is submitted.

<sup>13</sup> The applicability of the guidelines depends on the type of business.

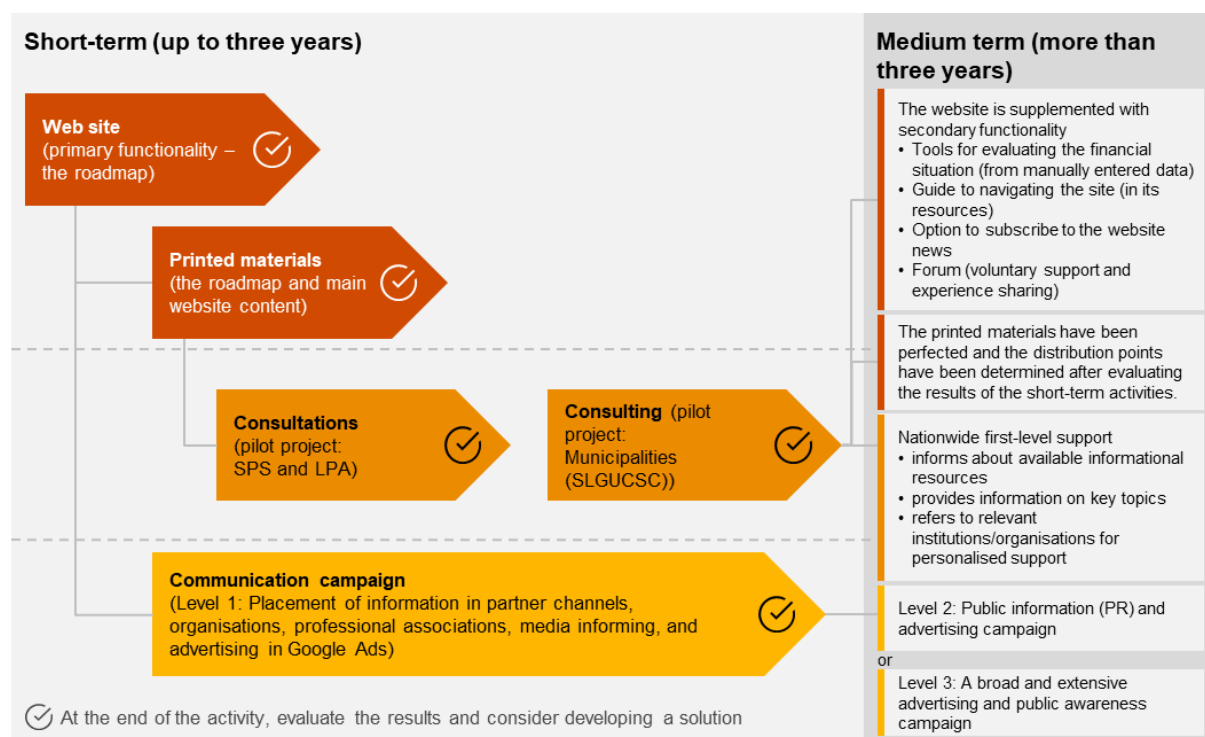
## Communication solutions and channels

The research conducted as part of the Project shows that there are no significant differences in the way information is obtained in the communication channels used by the main target groups, so a combination of several communication channels ought to be used for all target groups. In this way, a wider reach of the target groups is achieved, depending on their different abilities and opportunities to obtain information (e.g., digital literacy, habits of consumption of information).

To reach the target groups (SMEs, entrepreneurs, and consumers), the use of the following channels is recommended:

- **general communication channels** in which comprehensive essential information on identifying and resolving financial distress is posted and/or available, and two-way communication is ensured (website, printed materials, consultations);
- a variety of **additional communication channels** that ensure redirection of the audience to general channels (channels used in the communication campaign: partner websites, social network profiles and events, media, *Google Ads* solutions, etc.).

### The recommended order for the implementation of the solutions:



### Short-term solutions:

- **A website (with the primary functionality – a roadmap)<sup>14</sup>**, which will serve as a general communication channel guiding the information seeker to the information sources of institutions and organisations responsible for aspects related to the identification and resolution of financial distress.<sup>15</sup>

<sup>14</sup> Informative and explanatory about the key problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

<sup>15</sup> The recommendation applies to the development of a new website or the implementation of primary functionality in an existing website. For more information, see section “2.3. Information sources and channels”.

## Website building alternatives

	Separate website	A web page integrated into other sites
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Broader options for content placement and functionality, including various interactive digital solutions.</li> <li>• The most appropriate technical solution platform for interactive tools can be chosen to effectively meet the current and potential future requirements expected and demanded by the user.</li> <li>• A dedicated Web site would solve the problem of resource fragmentation by consolidating the most relevant information in a single place. Currently, a very large but fragmented amount of information can be found in different information sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Easier access to target groups by integrating the web page into websites that are frequented by members of the target group or where they might look for information in situations of financial difficulty.</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• The initially low visibility and traffic of a new website. Communication activities should be planned to promote the visibility of the site, direct audiences to the site in a long-term and systematic manner, and position it as a safe, useful, and legitimate platform for identifying and resolving financial distress.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of information fragmentation – the most frequently used websites of the Project's target groups differ. Since no single site has been identified that would be suitable for all three target groups, at least two sites should be selected (one for SMEs and entrepreneurs; one for consumers). Dividing content and structure into parts of a unified solution will promote further fragmentation of information.</li> <li>• Incompatibility of technical solutions. Several technical solutions for the web page must be created to integrate them into the various selected websites of the public administration authorities, assuming that the platforms they use differ. Differences in the technical solutions used can affect the possibilities of content placement and can practically mean the development of several web pages, which increases both the development time and the required budget.</li> <li>• Limited possibilities for content placement and the amount of information must not exceed the amount of information that can be optimally placed on one web page, in order not to risk technical complications and difficult perceptibility of information. The newly created solution (roadmap) can get lost in the volume of information on existing websites and not reach the desired audience.</li> <li>• Limited possibilities to integrate different digital tools on the web page. Compatibility of technologies with all platforms used by public administration institutions and other relevant partners must be taken into account.</li> </ul>

**Based on the identified advantages and disadvantages, it can be concluded that both alternatives can be implemented. PwC recommends the creation of a separate website to be maintained by MoJ (which ensures the implementation, maintenance, and development of the website) based on the following considerations:**

- The planned main content of the website is an interactive roadmap for three target groups (unified solution in terms of content and structure). In order to ensure coordinated communication with all target groups and reduce the fragmentation of existing resources, it is essential to house the roadmap on a single website. However, the research conducted as part of the Project found that there is no single website that would be appropriate for all audiences.
- The functionality of the roadmap provides for various interactive digital solutions. Consequently, the use of existing websites may have limitations from a technical feasibility perspective.
- In the interviews and workshops organised as part of the Project, other institutions have not shown the initiative to take responsibility for the implementation of the website (however, they would be willing to support the MoJ to a limited extent). Therefore, the use of existing websites of other institutions can be complicated.

- **Printed materials**, as they are aligned with the content of the website and provide an opportunity for representatives of target groups with lower levels of digital literacy to obtain information and are initially distributed in locations where the consultation pilot projects are planned. Printed materials can be used when advising individuals with low digital literacy or in situations where digital tools are unavailable.
- **Consultation pilot projects**, as they require a developed website and available printed materials. Carrying out two pilot projects consecutively is recommended (the first - in cooperation with the SPS and LPA; the second – with the municipal SLGUCSC).
- **Communication campaign**, as its purpose is to increase the visibility of the website as a communication channel. Communication campaign activities can take place in parallel with the development of printed materials since they do not affect each other.

In the final stage of implementing short-term solutions, the results must be analysed to determine the improvements needed and the viability of the pilot project concept as a stand-alone solution and to consider implementing long-term solutions with broader functionality.

Implementation of **long-term** solutions is influenced by short-term results.



### Application of the report results and next steps

- The expected long-term goal of this Project is to develop information sources related to financial distress, with which methodological and informative materials are understood, as well as tools that help SMEs, entrepreneurs, and consumers (target groups) to identify and resolve financial distress. The actual implementation of the results (i.e., dissemination of information in real life) is outside the scope of the Project.
- The Project is organised in seven stages. This is Stage 3 of the Project. As part of this stage, this Recommendations report has been drawn up to be used during the Project in the following stages:
  - Within the framework of Stage 4, an **Action Plan** will be developed: it should include the activities and context needed to implement the recommendations, the time frame, the responsible persons, the budget and human resources needed, and the performance indicators that can be achieved.
  - Within the framework of Stage 5, **Content** will be developed: it is intended to develop the primary functionality of the website in detail<sup>16</sup> and printed information materials. The set of both materials will provide the general communication content necessary to identify and resolve financial distress for all three target groups (including representatives of target groups with and without digital literacy).

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<sup>16</sup> The primary functionality includes the **“Roadmap”**, which enables the representatives of the target groups to receive general information and recommendations for the most appropriate solutions to financial distress by answering questions assessing their situation.

# Introduction

## Project scope

### The purpose of the Project

Providing support to the MoJ to develop information sources that will help target groups (SMEs, entrepreneurs and consumers) to identify and resolve financial distress.

### Project scope and scope of the report

The Project has been organised in seven stages. As part of the third stage, a report of recommendations has been compiled, which will serve as a basis for the preparation of deliverables for the next stages.

Figure 1. Scope of the report

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Stage 7
<b>Opening message</b>	<b>Report on the current status</b>	<b>Recommendation report</b>	<b>Actions plan</b>	<b>Content</b>	<b>Informative measures</b>	<b>Final report</b>
Develop the Project execution plan and summarise the decisions made in the initial phase of the Project.	Evaluate the current situation regarding the availability of information about available support and solutions for solving financial difficulties.	Develop recommendations on how to distribute the missing information about available support and solutions for solving financial distress to each target group.	Develop an action plan for information dissemination in accordance with the chosen strategy.	Develop communication content (including templates, checklists, etc.) in accordance with the recommendation report and action plan.	Organise informative events for target groups to inform them about the results of the Project.	Develop a final report that includes a summary of the results achieved within the Project and the experience gained.

### Target groups analysed in the report

<b>Consumers</b>	A natural person between the ages of 18-74 who expresses a desire to purchase, purchases or could purchase or use a product or service for a purpose that is not related to his economic or professional activity.																
<b>SMEs</b>	A limited liability company, joint stock company, general partnership or limited partnership that meets the definition of an SME: <table border="1"> <thead> <tr> <th></th> <th>Number of employees</th> <th>Turnover</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td><b>Micro</b></td> <td>&lt; 10 and</td> <td>≤ 2 million EUR or</td> <td>≤ 2 million EUR</td> </tr> <tr> <td><b>Small</b></td> <td>&lt; 50 and</td> <td>≤ 10 million EUR or</td> <td>≤ 10 million EUR</td> </tr> <tr> <td><b>Average</b></td> <td>&lt; 250 and</td> <td>≤ 50 million EUR or</td> <td>≤ 43 million EUR</td> </tr> </tbody> </table>		Number of employees	Turnover	Balance	<b>Micro</b>	< 10 and	≤ 2 million EUR or	≤ 2 million EUR	<b>Small</b>	< 50 and	≤ 10 million EUR or	≤ 10 million EUR	<b>Average</b>	< 250 and	≤ 50 million EUR or	≤ 43 million EUR
	Number of employees	Turnover	Balance														
<b>Micro</b>	< 10 and	≤ 2 million EUR or	≤ 2 million EUR														
<b>Small</b>	< 50 and	≤ 10 million EUR or	≤ 10 million EUR														
<b>Average</b>	< 250 and	≤ 50 million EUR or	≤ 43 million EUR														
<b>Entrepreneurs</b>	Individual merchants, economic operators, individual (family) businesses, farmers/fisheries, and rural artisans' companies/farms.																

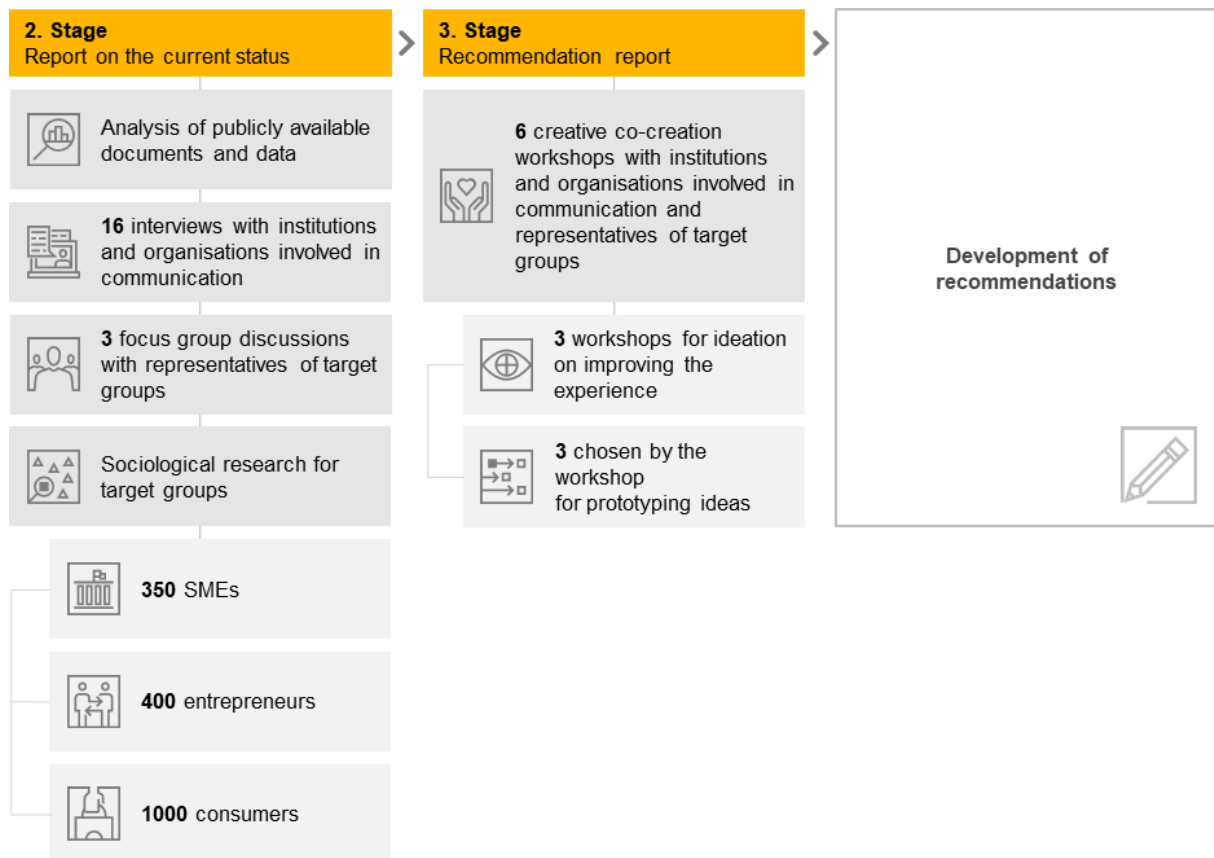
### Purpose of the report

The purpose of this report is to develop recommendations for communicating with SMEs, entrepreneurs and consumers on how to identify and resolve financial distress.

## Methodology

The recommendations have been developed based on the conclusions contained in the Report on the current status of Stage 2 of the Project and the improvement opportunities identified in the workshops organised within the framework of the Stage 3 Recommendations report (Figure 2).

Figure 2. Approach to developing recommendations



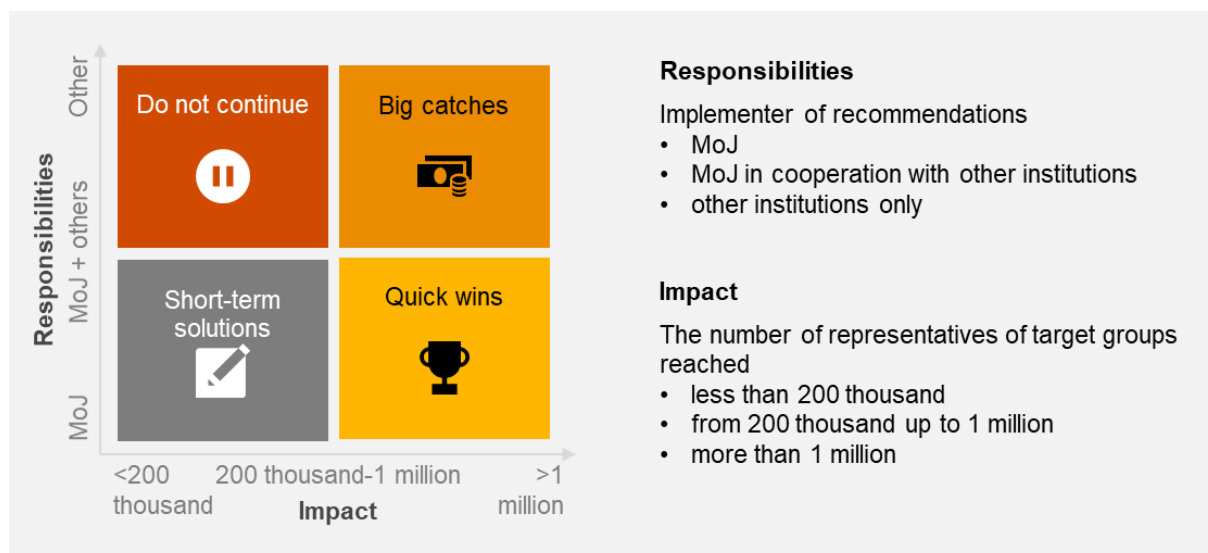
Chapter 1 of the report “Problems to be solved and communication goals” identifies the problems to be resolved in communication about identifying and resolving financial distress, and defines the goals to be achieved, communication tasks and general principles.

In Chapter 2 of the report “Recommendations”, the recommended solutions are structured and evaluated using a three-step approach:

1. **The recommendations are structured in three categories**, which cover all aspects related to the organisation of communication:
  - Communication organisation and institutional framework
  - Information sources and channels
  - Content of the communication
2. **The target group or groups affected by the implementation of the recommendation were evaluated:**
  - SMEs
  - Entrepreneurs
  - Consumers
3. **Recommendations are prioritised according to their impact.** The recommendations are presented by the target group, and a matrix is used to prioritise them, ranking the proposed solutions according to how great the impact of such a solution is and how the implementation of the solution is possible from the point of view of the distribution of responsibilities (*the impact/effort matrix*), to maximise the effectiveness of implementing solutions and reduce the disproportionate use of resources. (See Image 3).



Image 3. Impact and responsibility matrix



For each of the dimensions of the matrix – responsibilities and impact – one criterion was chosen to evaluate the recommendations and prioritise the implementation thereof:

- **Implementer of recommendations** (matrix dimension: responsibilities) – financial distress has various manifestations and causes, and the recommendations affect not only the MoJ as the institution responsible for the insolvency policy of legal entities (except credit institutions) and natural persons but also other institutions. Therefore, the responsibility dimension was evaluated through the perspective of the implementer.
- **The number of target group representatives reached** (matrix dimension: impact) – the number of target group representatives reached<sup>17</sup> as a result of communication measures is an important indicator that shows the effectiveness of the measures taken and the impact of this Project. The analysis includes **the total number of the potentially reachable target audience** by recommendations. The detailed estimate of the number of the target audience that can be realistically reached will be included in the deliverable of the Project Stage 4 Action Plan, based on the total number contained in this report and additional considerations that affect the reach of the audience (e.g., the proportion of people who are able to get the necessary information on the Internet or have searched information related to resolving financial distress, etc.).

When determining the recommended solutions to be implemented as a priority, considerable emphasis is placed on recommendations with a high impact:

- **Solutions, the implementation of which has a high impact and requires only the MoJ as the institution responsible for implementation**: prioritised solutions to be implemented in the short term.
- **Solutions, the implementation of which has a high impact and requires the involvement of other institutions responsible for the implementation**: in the short term, the concept of a pilot project of the solution is proposed for its testing on a smaller scale and with fewer resources. On the other hand, in the long term, the implementation of the solution on a larger scale should be evaluated according to the piloting results.

<sup>17</sup> Consumers (~1,346,000 - the number of consumers according to their classification (see “Abbreviations with their meaning”) are taken as the base of representatives of the target groups, with SME and business groups overlapping with this group. See Annex 1. Criteria used for prioritising recommendations.

## Limitations

**Scope of recommendations:** The recommendations developed within the scope of this report apply primarily to the MoJ as the initiator of the Project and the sponsor of the initiative. Considering that the sources of information for identifying and addressing financial distress are closely linked to other areas (financial literacy, early warning), the report contains recommendations whose implementation success, relevance and long-term benefits for the target groups can only be ensured by other institutions and organisations.

Within the scope of this report, when prioritising recommendations, one of the criteria used is “Implementer of recommendations”. The exact responsible institution or organisation for recommendations that do not apply to the MoJ will be identified in the deliverable of the Stage 4 “Action Plan”.

**The co-creation workshops (see Annex 2) organised as part of Stage 3** took place between 23 May 2022 and 1 July 2022 and involved institutions and organisations that, according to the mapping of the involved parties, have an influence and interest in the Project:

- The members of the working group set up by the MoJ for the development of information sources for identifying and resolving financial distress (MoE, MoF, MoW, MoJ, ICS, Courts Administration, CRPC, SRS, SEA, BoL, LCCI, LEC, FIA, Latvian Association of Municipalities and LIDA)<sup>18</sup>, as well as institutions and organisations related to various aspects on how to identify and solve financial distress.
- Other institutions not part of the MoJ working group, which have been identified as having a *prima facie* impact on the implementation of the recommended solutions (MoEPRD, LIDA), as managers and cooperation partners of potential information sources (websites).
- Representatives from target groups of SMEs, entrepreneurs, and consumers, who will be affected by the developed solutions.

The workshop participants accepted PwC’s proposed solution directions (unified information source, personalised consultations, and communication activities) for identifying and resolving financial distress and came up with valuable suggestions, e.g. for supplementing the base of content, improving comprehensibility and applicability to all three target groups, etc. (for more information see Annex 2)

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<sup>18</sup> The representatives of LBA and FCMC did not take part in the workshops.

# 1 Problems to be solved and communication goals

**The purpose of the chapter:** identify the major problems in communicating about the identification and resolution of financial distress and define the goals, objectives, and general principles of communication that will serve as the basis for developing recommendations.

## 1.1. Problems to be solved in communication about identifying and resolving financial distress

As a result of the activities implemented in Stages 2 and 3 of the Project, the main problem areas for communication have been identified. The recommendations developed within the report are aimed at resolving the identified problems.<sup>19</sup>



**The lack of joint strategic coordination of State authorities** for the management of communication on issues of financial distress and the lack of horizontal coordination of the institutions involved in communication, resulting in limited awareness of the activities carried out and planned by other institutions and organisations.



**The total information content available to target groups is sufficient, but it is fragmented** into different resources depending on the area of competence of the institutions and organisations, so the available information is currently opaque and difficult to find from the user's perspective.



**In terms of communication, one-way (asymmetric) communication is mainly used**, which in most cases leads to a reserved attitude toward the information provider and the content of the message, as well as scepticism about its ability to help solve financial distress.



**Negative psychological aspects** for representatives of target groups related to financial distress (e.g., shame, fear, etc.) that hinder its resolution.

## 1.2. Purpose, tasks and general principles of communication

### Purpose of communication:

Promoting timely and solution-oriented action by consumers, SMEs, and entrepreneurs in situations related to the identification and resolution of financial distress by providing easily and conveniently accessible and understandable information to representatives of the target group, as well as providing advisory support and promoting action.

### Communication tasks:

- **Developing key communication messages and identifying general and additional information sources and communication channels for each target group**, where they will be provided with information and the opportunity to provide feedback.

<sup>19</sup> MoJ, 2021. Report on the current situation in the project "Design of information sources to identify and resolve financial distress in Latvia".

- **Promoting the awareness of the representatives of the target groups about the available resources for timely identification and resolution of financial distress**, offering easily accessible and easy-to-use tools for assessing their financial situation, as well as information about the possible types of support and the institutions that provide them.
- **Creating an open and supportive attitude in society towards consumers, SMEs and entrepreneurs in financial distress**, promoting an encouraging setting for identifying and resolving problems.

#### General principles of communication:

- **Strategically managed and integrated communication.** Strategic communication on issues of identifying and resolution of financial distress at the national level should be created and coordinated primarily by one holder – a central coordinating unit that regularly monitors the renewal of information and liaison with other resources. Uniform keywords and phrases should be introduced in the communication carried out by the public administration.
- **Easy and understandable language.** Simple explanations should be used, avoiding excessive use of financial and accounting terms and legal phrases. The content of communications should include simplified explanations and/or provide easy access to definitions that facilitate understanding of the messages, even if the use of more complex terms is unavoidable.
- **Encouraging communication style.** Key communication messages should include encouraging the timely resolution of financial distress, promoting the responsiveness of public administration, encouraging people to seek information and assistance, clearly explaining the issues involved, providing comprehensive information on possible solutions and support mechanisms, and sharing testimonials.
- **Two-way communication.** Communication should be organised, providing an opportunity for representatives of the target group to get involved in it and provide feedback (or gather opinions that can be used for various improvements, see Recommendation 8. Conduct regular studies of public opinion to identify the needs of target groups for new types or content of information..
- **Use of different languages.** The principle of multilingualism should be applied when communicating key information to ensure the broadest possible coverage of target audiences. Aware of the potential limitations<sup>20</sup> and risks to the availability of information in multiple languages, Latvian is the priority language to be used, but in the long term, it is recommended that consideration be given to providing information in other languages as well.

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<sup>20</sup> Section 21, Clause 1 of the Saeima 9 December 1999 of the State Language Law "Information intended for the central and local government institutions, courts and institutions belonging to the court system, central and local government companies, as well as business companies in which the majority of the capital belongs to the central or local government information can be provided only in the national language, except for the cases specified in the fifth part of this article. This provision also applies to private institutions, organizations, companies (companies), as well as self-employed persons who, based on the law or other normative act, perform certain public functions, if the provision of information is related to the performance of the respective functions".

## 2. Recommendations

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**The purpose of the section:** Defining and prioritising recommendations for communication on identifying and resolving financial distress.

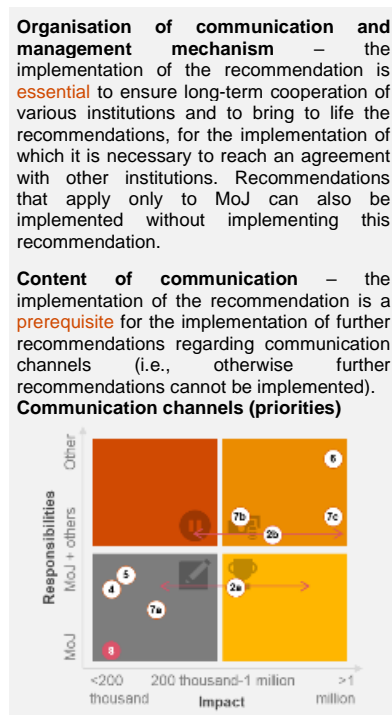
### 2.1. Summary of recommendations and implementation priorities

In the impact and responsibility matrix, recommendations for communication on identifying and resolving financial distress are prioritised in accordance with the methodology described in the “Introduction”. The prioritisation of the recommendations in the matrix **indicatively** shows the institutions responsible for their implementation and the impact to be achieved as a result of the implementation, based on the selected criteria.<sup>21</sup> The table below shows **the total number of potentially reachable target audiences** broken down by recommendation. The detailed estimate of the number of the target audience that can be realistically reached will be included in the deliverable of the Project Stage 4 Action Plan, based on the total number contained in this report and additional considerations that affect the reach of the audience (e.g., the proportion of people who are able to get the necessary information on the Internet or have searched information related to resolving financial distress, etc.).

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<sup>21</sup> Within the scope of the Stage 4 report “Action Plan”, the practical aspects of the implementation of the recommendations will be evaluated in detail, thus possible clarifications in the criteria used.

Figure 4. Impact and responsibility matrix<sup>22</sup>



Overview of recommendations

No.	Recommendation	SMEs	Entr.	Cons.
<b>Organisation of communication and management mechanism</b>				
1	Strengthening the governance mechanism by appointing a central coordinating unit so that communication on identifying and resolving financial distress is systemic and sustainable.	✓	✓	✓
<b>Communication channels</b>				
2a	Website (with primary functionality – roadmap) <sup>23</sup>	✓	✓	✓
2b	Website (with primary and secondary functionality) <sup>24</sup>	✓	✓	✓
3	Printed materials – (roadmap in printed format and content included on the website) <sup>25</sup>	✓	✓	✓
4	Pilot project: SPS and LPA			✓
5	Pilot project: Municipalities (SLGUCSC)	✓	✓	✓
6	Nationwide first-level support	✓	✓	✓
7a	Communication campaign (Level 1: Mandatory activities) <sup>26</sup>	✓	✓	✓
7b	Communication campaign (Level 2: Additional recommended activities) <sup>27</sup>	✓	✓	✓
7c	Communication campaign (Level 3: Additional recommended activities) <sup>28</sup>	✓	✓	✓
8	Public opinion research <sup>29</sup>	✓	✓	✓
<b>Content of communication</b>				
9	Developing communication content in a user-friendly format ("roadmap"), which would cover all aspects related to identifying and resolving financial distress, gathering already existing information sources, and ensuring their regular renewal.	✓	✓	✓

The impact of the website and printed materials, i.e., the audience reached, largely depends on the level of communication campaign used and channel recognition activities implemented.

**In the short term, the following order of implementing the solutions is recommended:**

- **Developing a website with primary functionality (see Recommendation 2)<sup>30</sup>**, as it will serve as a basic communication channel, directing the information seeker to the information resources of institutions and organisations responsible for the aspects related to the identification and resolution of financial distress.<sup>31</sup>

<sup>22</sup> A detailed overview of the criteria used in the prioritisation of recommendations is included in Annex 1. Criteria used for prioritising recommendations.

<sup>23</sup> Informative and explanatory about the main problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

<sup>24</sup> Interactive, providing various e-tools dedicated to identifying and resolving financial distress.

<sup>25</sup> The potential number of printed materials matches the total amount of the target audiences reached by the consultations (recommendations 6, 7, and 8), or their accumulated impact, therefore are not represented in the impact and responsibility matrix as a discrete recommendation.

<sup>26</sup> Placement of information on partner channels, distribution of information to organisations and professional associations, informing the media about current events in the field and introduction to communication channels, social network communication in the Project owner's social network accounts and Google Ads solution.

<sup>27</sup> Public information campaigns (media relations, environmental objects, direct communication, events, etc.), advertising campaigns (internet, radio), social network communication in specially created social network accounts, content project on one of the largest national portals, participation or placements of materials in events organised by partners.

<sup>28</sup> A broad and voluminous advertising and public awareness campaign, including a wide range of channels (internet, environment, radio, regional press, public transport, etc.), a special series of programmes on TV or radio, and communication of influencers.

<sup>29</sup> A public opinion research is designed to explore the needs of target groups and will not provide a direct impact on the achievement of communication goals.

<sup>30</sup> Informative and explanatory about the main problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

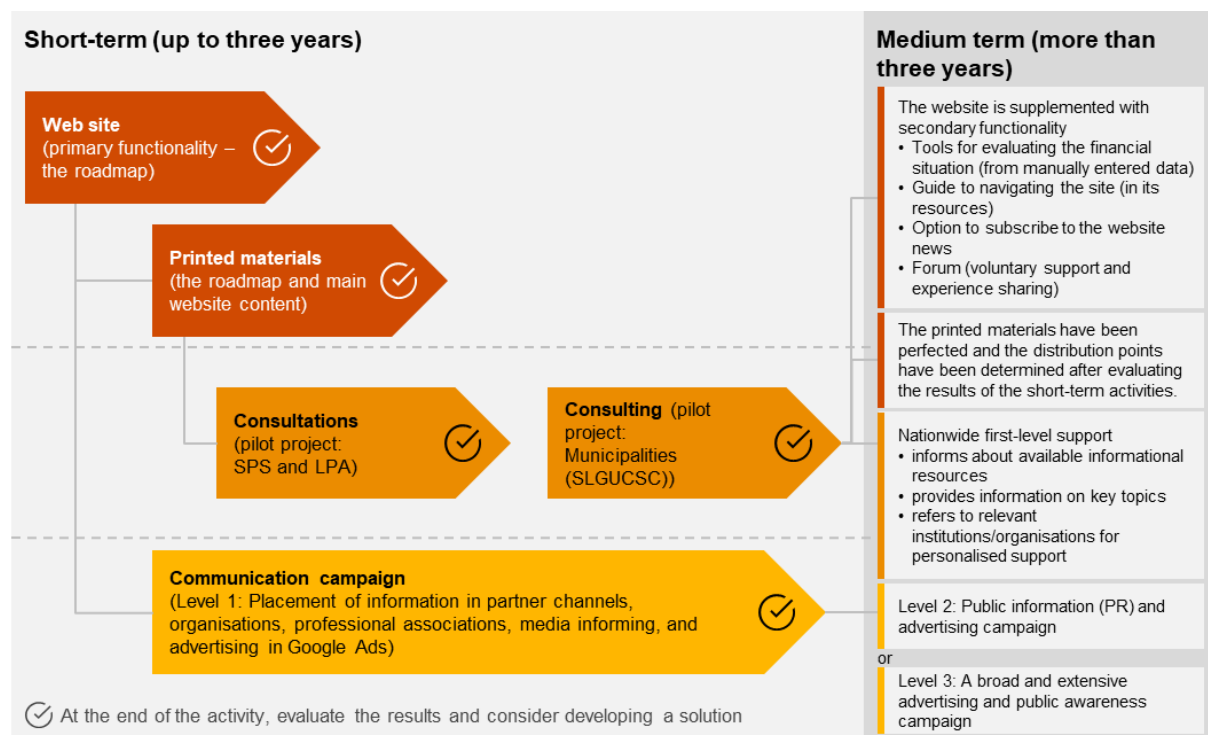
<sup>31</sup> The recommendation applies to the development of a new website or the implementation of primary functionality in an existing website. For more information, see section "2.3. Communication channels".

- **Designing printed materials (see Recommendation 3)**, as they will be created based on the content of the website.<sup>32</sup>
- **Implementation of the communication campaign (see Recommendation 7)**, as it aims to increase the visibility of the website as a communication channel. The activities of the communication campaign can take place in parallel with the development of printed materials since they do not affect each other.
- **Implementation of consultation pilot projects (see Recommendation 4 and Recommendation 5)**, as they require a developed website and available printed materials. During the pilots, the website (roadmap) and printed materials will be tested for use in client consulting. It is recommended that two pilot projects be conducted consecutively (the first – in cooperation with SPS and LPA; the second – with the municipal SLGUCSC).

Short-term solutions are considered as a pilot project and at the final stage of their implementation, it is necessary to analyse the results, identify the necessary improvements, the viability of the pilot project concept as an independent solution, as well as considering the introduction of long-term solutions with greater functionality.

Implementation of **long-term** solutions is influenced by short-term results.

Figure 5. Suggested order of implementation of the recommendations



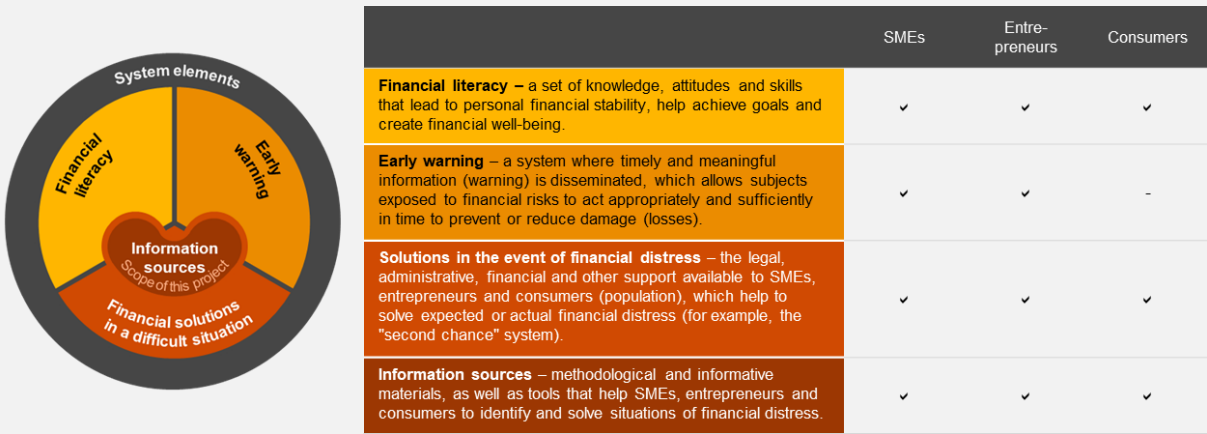
<sup>32</sup> The initial points of distribution of printed material are SPS, LPA and SLGUCSC, whose consultation pilot projects will inform information seekers about available informational resources, including printed materials. The further potential distribution points of printed materials are the SLGUCSC network, Latvian library network, local government social services, etc. – evaluation is required after short-term activities have been completed.

## 2.2. Communication organisation and management mechanism

The study conducted as part of the Project shows that a State operated system aimed at strengthening the ability of society (consumers, SMEs and entrepreneurs) to successfully plan their finances and to identify and target situations of financial difficulty in a timely manner should consist of three main components (financial literacy coverage, early warning systems, solutions to financial distress (including preventive out-of-court solutions). The sources of information affect all three components of the system. The operation of such a system requires the implementation of a complex approach and targeted work in close cooperation between the public, non-governmental and private sectors, influencing the **knowledge, attitude and behaviour** of target groups.

**Information sources for identifying and resolving financial distress are only one of the components of the system, and if they are separated from others, their designing thereof will not be capable of providing the desired results and the expected impact in resolving society's financial distress in a complex manner (including preventive solutions and solutions aimed at resolving the difficulties that have already arisen).**

Figure 6. Required system elements



In Latvia, the lack of strategic coordination of the mentioned system elements can be observed, which limits the national-level operation of a functioning system.




Due to the lack of joint strategic coordination, other potentially interested parties in the public, nongovernmental, and private sectors are also passive (e.g., organisations involved in pension fund management and insurers that do not develop identification procedures for financial advisors, similar to other countries, the re-profiling of financial advisors to provide services to resolve financial distress is not taking place, etc.).

**Recommendation 1. Strengthening the management mechanism for the organisation of communication with target audiences by appointing a central coordinating unit, so that communication about identifying and resolving financial distress is systemic and sustainable.**

In order to achieve the set communication goals, it is necessary to influence all target groups, creating a comprehensive "circle of influence", whose content is provided by public sector institutions (ministries and their subordinate institutions), non-governmental organisations, and private sector partners. **To impact the target groups in targeted and effective manner, it is recommended to promote cooperation between the institutions responsible for the aforementioned system components.** (See FigureFigure 7).



Figure 7. Recommended governance mechanism

1 Central coordinating unit <span style="float: right;">☑ Recommended to create</span>						
2 Responsible authorities <span style="float: right;">☑ Existing institutions</span>						
	 Solutions in a financial distress	 Financial literacy	 Early warning			
For consumers	MoJ	BoL	-			
For SMEs	MoJ	BoL	MoE			
For entrepreneurs	MoJ	BoL	MoE			
3 Performers / participants <span style="float: right;">☑ Existing institutions</span>						
MoW	MoEPRD	MoES	Mol	MoF	Professional associations	Municipalities
Various aspects of information dissemination (education, encouragement, promotion of awareness, tailoring of educational content, formation of communication and education mechanisms, etc.)						

**1 The role of a central coordinating unit (recommended to be established)** would be to define and oversee the strategic coordination of issues related to identifying and addressing financial distress at the national level while contributing to the achievement of broader goals set out in long- and medium-term policy planning documents (e.g., related to fiscal policy, reducing the informal economy, or other areas).

Table 2 contains two complementary recommendations on how to create an appropriate management mechanism and institutional responsibility, which would ensure constant impact and change of public habits.

Table 2. An overview of options for establishing a central coordinating unit

	The Cabinet appoints a coordinating ministry	Inter-institutional coordinating council
<p><b>Functions of the central coordinating unit:</b></p> <ul style="list-style-type: none"> <li>• Formulate policy on identifying and resolving financial distress and coordinate cooperation with other institutions to ensure an effective impact on all target groups</li> <li>• Ensure the management and control of strategically organised communication about financial literacy, early warning and financial distress solutions</li> <li>• Implement national communication solutions, and administer and monitor their operation (including coordinating the use of uniform terms and definitions and developing uniform instructions for communication on all issues related to the identification and resolution of financial distress)</li> <li>• Conduct regular analysis of the behaviour of the target groups.</li> </ul>	<p>Issues affecting the identification and resolution of financial distress directly or indirectly are under the control of four ministries. They are most directly related to insolvency policy, which is within the competence of the MoJ<sup>33</sup>, however related also to social policy (MoW)<sup>34</sup>, financial policy (MoF)<sup>35</sup>, and business development and consumer rights protection policy (MoE)<sup>36</sup>.</p> <p>Therefore, we see possibility for the MoJ to be the coordinating ministry, which is responsible for coordinating the aforementioned issues and implementing a multi-purpose policy (a similar example is a process of introducing sanctions).</p>	<p>The competence and composition of the council would be determined by the legislator, permanent members of the council would be elected/ appointed, and the secretariat of the council would be provided.</p> <p>It is recommended to include the representatives of the responsible institutions shown in the Image 3 in the composition of the Council.</p>

**2 The role of responsible institutions and performers/participants (existing institutions)**

currently and in the future should be preparing and/or distributing information (communicate) with their target audience within their competence. In this way, it would be ensured that communication reaches the widest possible audience, including potentially the most susceptible target groups of society.

Cooperation and communication between the responsible institutions, including the performers/participating authorities and organisations, would help to better synchronise their activities, exploit existing synergies to jointly implement, within their competences, measures to inform audiences about identifying and resolving financial difficulties.

<sup>33</sup> 16 August Cabinet Regulation No. 474 “Regulations of the Ministry of Justice”.  
<sup>34</sup> 27 January 2004 Cabinet Regulation No. 49 “Regulations of the Ministry of Welfare”.  
<sup>35</sup> 29 April 2003 Cabinet of Regulation No. 239 “Regulations of the Ministry of Finance”.  
<sup>36</sup> 22 September 2020 Cabinet Regulation No. 588 “Regulations of the Ministry of Economics”.

## 2.3. Information sources and channels

The research conducted as part of the Project shows that there are no significant differences in the types of information sources used by the main target groups so uniform information sources and a combination of several communication channels with information tailored where necessary for the different target groups can be used for all target groups. Thus, a greater reach of target groups and efficiency will be achieved, according to different levels of information acquisition skills and opportunities (e.g., digital literacy, information consumption habits).

To reach the target groups (SMEs, entrepreneurs and consumers) the following should be used:

- **general information sources and communication channels**, where comprehensive essential information on identifying and resolving financial distress is located and/or available, and two-way communication is ensured (website, printed materials, consultations);
- various **additional communication channels**, which ensure redirection of the audience to general information sources and communication channels (channels used in the communication campaign: partner websites, social network profiles and events, media, *Google Ads* solutions, etc.).

General communication channels are the same for all target groups, the difference being in the content provided, which is suitable for the specific needs of each target group. The differences are in additional communication channels, the scope of which is greater, and some of them are suitable for reaching only a specific target group.

Table 3. Recommended information sources and channels for reaching target groups

Information sources and channels	SMEs	Entrepreneurs	Consumers
<b>Website</b>			
Website (with primary functionality – road map) <sup>37</sup>	✓	✓	✓
Website (with secondary functionality) <sup>38</sup>	✓	✓	✓
<b>Printed material</b>			
<b>Consultations</b>			
Pilot project: SPS and LPA			✓
Pilot project: Municipalities (SLGUCSC)	✓	✓	✓
Nationwide first-level support	✓	✓	✓
<b>Communication campaign</b>			
Level 1 (Mandatory activities) <sup>39</sup>	✓	✓	✓
Level 2 (Additional recommended activities) <sup>40</sup>	✓	✓	✓
Level 3 (Additional recommended activities) <sup>41</sup>	✓	✓	✓

<sup>37</sup> Informative and explanatory about the key problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

<sup>38</sup> Interactive, providing various e-tools dedicated to identifying and resolving financial distress.

<sup>39</sup> Placement of information on partner channels, distribution of information to organizations and professional associations, informing the media about current events in the field and introduction to communication channels, social network communication in the Project owner's social network accounts and Google Ads solution.

<sup>40</sup> Public information campaigns (media relations, environmental objects, direct communication, events, etc.), advertising campaigns (internet, radio), social network communication in specially created social network accounts, content project on one of the largest national portals, participation or placements of materials in events organised by partners.

<sup>41</sup> A broad-based and extensive advertising and awareness campaign that includes a variety of channels (Internet, environment, radio, regional press, public transportation, etc.), a special broadcast series on TV or the radio, and communication with influencers.

## Recommendation 2. Create a website to provide key information related to financial distress.

The website (separate or integrated with other websites) should be established as the main source of information that promotes understanding of the key issues related to financial distress, the responsibilities of the institutions involved in identifying and resolving financial distress, and the provision of assistance. Two mutually exclusive options for creating a website were identified (see **Error! Reference source not found.**).

Website functionality:

1. Informative and explanatory about the main issues related to financial distress and the responsibilities of institutions (**primarily**), helping the user to navigate the information and directing the user to the most relevant, existing information provided on various websites.
2. Interactive, providing various e-tools dedicated to identifying and resolving financial distress (**secondary**).

Search engine optimisation (SEO) should be used in website creation. This is to ensure that the website appears on search platforms as the most important and legitimate source of information. The website as a general source of information should be promoted through other communication channels (e.g., on social networks and by placing digital ads) to reach the widest possible audience.

Table 4. Comparison of website creation options

Website building alternatives		
	Separate website	A web page integrated into other sites
<b>Advantages</b>	<ul style="list-style-type: none"> <li>• Broader options for content placement and functionality, including various interactive digital solutions.</li> <li>• The most appropriate technical solution platform for interactive tools can be chosen to effectively meet the current and potential future requirements expected and demanded by the user.</li> <li>• A dedicated Web site would solve the problem of resource fragmentation by consolidating the most relevant information in a single place. Currently, a very large but fragmented amount of information can be found in different information sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Easier reaching of target groups by integrating the web page into websites that are frequented by members of the target group or where they might look for information in situations of financial difficulty.</li> </ul>
<b>Disadvantages</b>	<ul style="list-style-type: none"> <li>• The initially low visibility and traffic of a new website. Communication activities should be planned to promote the visibility of the site, direct audiences to the site in a long-term and systematic manner, and position it as a safe, useful, and legitimate platform for identifying and resolving financial distress.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of information fragmentation – the most frequently used websites of the Project's target groups differ. Since no single site has been identified that would be suitable for all three target groups, at least two sites should be selected (one for SMEs and entrepreneurs; one for consumers). Dividing content and structure into parts of a unified solution will promote further fragmentation of information.</li> <li>• Incompatibility of technical solutions. Several technical solutions for the web page must be created to integrate them into the various selected websites of the public administration authorities, assuming that the platforms they use differ. Differences in the technical solutions used can affect the possibilities of content placement and can practically mean the development of several web pages, which increases both the development time and the required budget.</li> <li>• Limited possibilities for content placement and the amount of information must not exceed the amount of information that can be optimally placed on one web page, in order not to risk technical complications and difficult perceptibility of information. The newly created solution (roadmap) can get lost in the volume of information on existing websites and not reach the desired audience.</li> <li>• Limited possibilities to integrate different digital tools on the web page. Compatibility of technologies with all platforms used by public administration institutions and other relevant partners must be taken into account.</li> </ul>

**Based on the identified advantages and disadvantages, it can be concluded that both alternatives can be implemented. PwC recommends the creation of a separate website to be maintained by MoJ (which ensures the implementation, maintenance, and development of the website) based on the following considerations:**

- The planned main content of the website is an interactive roadmap for three target groups (unified solution in terms of content and structure). In order to ensure coordinated communication with all target groups and reduce the fragmentation of existing resources, it is essential to house the roadmap on a single website. However, the research conducted as part of the Project found that there is no single website that would be appropriate for all audiences.
- The functionality of the roadmap provides for various interactive digital solutions. Consequently, the use of existing websites may have limitations from a technical feasibility perspective.
- In the interviews and workshops organised as part of the Project, other institutions have not shown the initiative to take responsibility for the implementation of the website (however, they would be willing to support the MoJ to a limited extent). Therefore, the use of existing websites of other institutions can be complicated.

### Website functionality: primary, short-term

**Creating a “roadmap”**, which allows representatives of the target groups to obtain general information and recommendations on the most appropriate solutions to financial distress by answering questions to assess their situation. The main function of the “roadmap” is to provide the user with an answer to the question he or she is looking for or to provide information on the desired topic in the most convenient and simple way possible, directing the user from the website to the resources of other public administration institutions, the location of more specific and detailed information.

Improving information search, the website should provide information filtration functionality, which gradually, step by step allows you to choose the range of topics of interest and get the necessary information.<sup>42</sup>

Likewise, the “roadmap” also fulfils the function of a directory of public institutions, because, based on the criteria set by the user, it provides information about the responsibility of each institution and the possibilities of consulting in matters related to financial distress.

The road map needs to be tested and adjusted according to the needs of the target audience, based on the pilot project, in which its electronic and printed format (see [Error! Reference source not found.](#)) is one of the most important components.

### Website functionality: secondary, long-term

**Developing personalised tools (for assessing the financial situation)** that analyse the user’s manually entered financial information, help identify financial distress and provide personalised advice for resolving financial distress.

*Personalised tools for assessing the financial situation would be an addition to the roadmap, but they do not have the standard functionality of early warning solutions (including mutual integrations of different data sources that enable automated data acquisition). The development of personalised tools can be replaced by the improvement of existing early warning solutions (e.g., SRS) or the development of new ones. In this case, the “roadmap” on the website should include a reference to the tool.*

**Providing guidance on how to navigate the website and its digital solutions.** The most effective format would be a video tutorial with subtitles or an animated video.

**Providing an opportunity to subscribe to the newsletter on the website**, and informing about changes, news, and other topics relevant to the target groups by sending information via email. Target audiences have found receiving centralised emails to be a convenient channel for receiving information. In order to keep the basic information base in one place, sending emails should be synchronised with making changes and adding content to the website, i.e., emails are sent when important news or changes occur, if that topic is already included in the content of the homepage in the first place.

**Developing a forum (a place for voluntary support and exchange of experiences).** The forum provides users with the opportunity to share their experiences and provide free assistance to others who are experiencing various financial distress. The employees assigned by the public administrative authorities, as well as all entrepreneurs and individuals who are willing to share their experiences, can register as advisors. Information and advice posted on the platform must be verified before being accepted for publication, so a forum administrator is required.

As an alternative option to creating a forum, in the long term, the implementation of virtual assistant on the website can be considered.

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<sup>42</sup> The information selection mechanism of the Canadian Financial Literacy Database ([English - Canadian Financial Literacy Database](#)) can be considered an example of foreign good practice.

### **Recommendation 3. Create printed information materials with the most important contents of the website (e.g., a “roadmap” in printed form and the most important content on the website).**

To avoid excluding people with low digital literacy or people who prefer face-to-face communication channels from information dissemination, the most important website content should be integrated into non-digital channels, e.g., through printed materials such as posters and brochures.

Included in the content:

- the “roadmap” located on the website, which further indicates the recommended models of operation in preventing further difficulties or improving the existing situation
- a directory of state institutions, which provides general information about the responsibility of each institution and the possibilities of consulting in matters related to financial distress, categorised according to the area of responsibility of the institutions and the suitability of assistance to different target groups
- the main content of the website (by listing) to promote its visibility and to inform which information on financial distress issues is available more in-depth.

The printed materials must be tested and adapted to the needs of the target group based on the results of the pilot project, in which the printed material is one of the most important components (see **Recommendation 4**). In the further model of material distribution, the placement of materials should be evaluated to ensure that materials are placed in the most appropriate locations on site. The research conducted in the Current Situation Report shows that the population generally has high digital skills and high accessibility of the internet, therefore the number of printed materials should be determined based on the results of the pilot project.

Recommended distribution points in the long term:

- SPS and LPA
- SLGUCSC network
- Latvian library network
- Municipal social services
- Customer service points of state institutions.

In order to optimise resources and improve the availability of printed materials, it is recommended that an easy-to-print format is chosen and that the print file be made available to various public administration institutions so that they can print and use the materials as needed.

In the long term, it is recommended to consider the possibility of continuing the approach started in the pilot phase making the materials available by printing them as per demand. Alternatively, options such as establishing a request process for receiving materials (by phone or electronically) and mailing them, e.g., through Latvijas Pasts or another alternative option, may be considered.



### **Recommendation 4 . Test the provision of first-level support in the MoJ department (SPS and LPA).**

The provision of first-level support would include support to SPS and LPA clients in identifying and resolving financial distress through a network of information agents (SPS and LPA specialists),<sup>43</sup> who would:

- inform about the available sources of information from which to obtain information about identifying and resolving financial distress – the website (see **Recommendation 2**) and printed information material (see **Error! Reference source not found.**)
- provide information on the main topics related to the identification and resolution of financial distress
- refer to relevant institutions and organisations for personalised support (as needed) (see **2.4. Content of the communication**)

The provided support would be aimed at increasing awareness and knowledge regarding general financial literacy issues (budget planning, awareness of financial risks) and proposed solutions in a situation of financial distress, which would ultimately allow the target groups to make more informed financial decisions.

We recommend creating the pilot project through SPS and LPA as it will provide an opportunity to test the created website and printed materials.

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### **Recommendation 5. Test the provision of first-level support in municipalities using the SLGUCSC network.**

Providing first-level support would include the actions referred to in **Recommendation 4**. SLGUCSC has points of contact in municipalities, where consumers can apply for some of the most requested state services and municipal services together. Currently, SLGUCSC operates in 35 municipalities, in a total of 138 locations.<sup>44</sup>

Currently, the services provided by SLGUCSC include informing about the most requested services of state administrative institutions, “providing the client’s workplace” and assistance in applying for e-services available at latvija.lv, training in working with a computer, the Internet, etc. There is a need to expand the basket of services provided by SLGUCSC and include first-level support for identifying and resolving financial distress.<sup>45</sup>

For the purposes of testing a SLGUCSC of regional importance is recommended to be selected, which have a wider range of services and are characterised by higher visitation rates.<sup>46</sup>

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### **Recommendation 6. Implement the provision of first-level support on a national scale, expanding the circle of cooperation partners.**

Based on pilot results (**Recommendation 4**, **Recommendation 5**) evaluating the possibilities of expanding the provision of first-level support and expanding the circle of cooperation partners is recommended. Providing first-level support at the national level would mean that the network of information agents would at least carry out the following activities:

- inform about the available sources of information from which to obtain information about identifying

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<sup>43</sup> SPS and LPA (subordinate institutions to the MoJ) agreed to participate in the pilot project seeing the relevancy of providing such consultations to their clients. Specialists of these institutions will carry out the provision of first-level support.

<sup>44</sup> PakalpojumuCentri.lv, 2015. Customer service centres.

<sup>45</sup> First-level support includes (see Recommendation 4): 1) informing about the available information sources and 2) providing information on the main topics related to identifying and resolving financial distress; 3) referring to relevant institutions and organisations for personalised support (i.e. referring the client to his/hers creditor for consolidating debts, or regarding questions about insolvency to the ICS, etc.)

<sup>46</sup> 4 July 2017 Cabinet Regulation No. 401 “Regulation on the types of unified customer service centres of the public administration, the amount of services provided and the procedure for providing services”, paragraph 5 of the second part.

and resolving financial distress – the website (see [Recommendation 2](#)) and printed information material (see [Error! Reference source not found.](#))

- provide information on the main topics related to the identification and resolution of financial distress
- refer to relevant institutions and organisations for personalised support (as needed) (for more information see [2.4. Content of the communication](#))

The stated functions could be performed by:

- Public institutions: customer service specialists.
- Municipalities: SLGUCSC employees (in all municipalities where SLGUCSC is located), municipal business specialists, social workers, etc.).
- In the non-governmental sector: representatives of associations.

In addition, it is recommended to consider the possibility of expanding the scope of consultations (e.g., specialised specialist consultations), considering such a possibility in cooperation with other institutions (e.g., the MoE, which is responsible for the implementation of the early warning system).

### Integrated communication campaign

#### Recommendation 7. Develop and implement an informative and educational communication campaign to promote the brand and content of the website.

An information and education campaign that uses various additional communication channels for reaching target audiences is essential both for popularising the general information channels and for rising the topic in society and addressing the target groups, encouraging them to take timely action in cases of financial difficulties.

We recommend repeated campaigns that initially focus on raising awareness about identifying and resolving financial distress and promoting the opportunities provided by the general information channels, while subsequent campaigns will focus more on changing attitudes and encouraging action.

In order to achieve the set communication goals, it is necessary to influence all target groups through a broad range of additional communication channels, using primarily all possible channels from partners, NGOs and the public sector, and secondarily additional paid channels. The channels used in the communication campaign (additional channels) are similar for all target groups, but there are specific channels used for a certain target group – consumers, entrepreneurs or SMEs, as shown below.

Table 5. Channels used in the communication campaign, broken down by target groups

Activity	SMEs	Entrepreneurs	Consumers
<b>Level 1 (Mandatory activities)</b>			
Placement of information on partner channels – banners on partner websites leading to the main website and information in the news section of the websites about a new, reliable and comprehensive channel for identifying and resolving financial distress; information about the website on partner social networks. It is important to cover the broadest possible range of participating institutions, NGOs and companies that can disseminate the information to the target groups.	✓ LEC, LIDA, MoE	✓ LEC, LIDA, MoE	✓ MoW, SEA, CRPC
Dissemination of information to organisations and professional associations where contact with representatives of the target group is possible (e.g., professional organisations of insolvency administrators, sworn auditors, outsourced accountants, etc.)	✓	✓	
Informing the media about the current topicalities in the country in the field of resolving financial distress and introducing a new website, consulting options, and the opportunity to receive materials that allow to identify the financial situation and find	✓	✓	✓

the most suitable solution in distress.				
Social network communication project holder (MoJ) on social media accounts.	✓	✓	✓	
Google Ads solution, using it to promote the website and drive target groups to the central website.	✓	✓	✓	
<b>Activity</b>	<b>SMEs</b>	<b>Entrepreneurs</b>	<b>Consumers</b>	
<b>Level 2 (Additional recommended activities)</b>				
A <i>public relations (PR)</i> campaign to be implemented to raise the awareness of the target groups, promote the topic in society and create a favourable background for identifying and resolving financial distress (media relations, environmental objects, direct communication, events, etc.).	✓ business media; participation/information in business events	✓ business media; participation/information in business events	✓	
Advertising campaign (Internet, radio).	✓	✓	✓	
Social network communication in specially created social network accounts.	✓	✓	✓	
Content placement on one of the major national portals about financial distress, their identification, solutions, and support mechanisms (e.g., stories of experiences that simplify the path to solutions and lead to a website).			✓	
Participation or placement of materials in events organised by partners.	✓ Events organised by LIDA, MoE, SID	✓ Events organised by LIDA, MoE, SID	✓ Events organised by SEA, MoW, CRPC	
<b>Level 3 (Additional recommended activities)</b>				
A broad and comprehensive advertising and awareness campaign that includes a wide range of communication channels (Internet, environmental, radio, regional press, public transportation, etc.).	✓	✓	✓	✓
A special series of programmes on TV or radio about financial situation assessment, solutions and support options when in distress.	✓	✓		
Influencer communication.			✓	✓

For the promotion of the general channels, in the next period, the possibilities of the communication channels of the state administration ought to be used, with cooperation with banks and non-bank lenders, as well as a unified, centralised e-mailing using e-addresses and SRS EDS system solutions adapted to the needs of each target group.

The institutions with which contact is obligatory offer the greatest opportunities for reaching the largest number of representatives of the relevant target groups. Therefore, on the websites of the main state administrative institutions and also on the websites of local governments, references or links to the developed website should be placed, which gathers all the issues related to financial distress and fills the function of the roadmap. This will also prevent the scattering or duplication of information on different websites of public administrative institutions. The websites can integrate the content of the unified website or link to.

## Other measures

## Recommendation 8. Conduct regular studies of public opinion to identify the needs of target groups for new types or content of information.

Various external factors (e.g., inflation and the rate of price increase caused by the unstable geopolitical situation, the development of various financial instruments on the market and the resulting legislative changes, etc.) have a tentative effect on the opinions and needs of the target groups. According to their fluctuations, it is necessary to identify the opinions of target groups. To timely identify changes in the needs of target groups for new types and content of information on the ways to resolve financial distress, and proactively prepare and supplement the newly established website with information materials that match the identified trends, thus ensuring positive feedback.

## 2.4. Content of the communication

**Recommendation 9. Develop communication content in a user-friendly format (“roadmap”) with the goal of helping to navigate the information already available and more easily obtain the information relevant to specific situation. This can be achieved by covering all aspects related to the identification and resolution of financial distress for each of the target groups, using already existing sources of information from the public, private and non-governmental sectors and ensuring their regular renewal.**

During the research and analysis of the information sources of the available institutions and organisations, it was concluded that the target groups have access to informative content corresponding to their specifics in the areas of financial literacy, early warning and solutions to financial distress.<sup>47</sup>

Although sufficient informational content is available to all target groups, attention should be paid to reducing its fragmentation in various information sources and improving accessibility for representatives of target groups by purposefully using unified communication channels. Below is a thematic summary of the content available to the target groups, which is recommended to be compiled in a user-friendly format (see Table 6). The thematic summary covers the needs identified in the Stage 2 report “Report on the current status”. **The identified content will be used in development of the roadmap<sup>48</sup> as a resource to which the roadmap will direct the information seeker, depending on his or hers wants and needs.**

Table 6. The existing communication content for SMEs, entrepreneurs and consumers, which is proposed to be used in the development of the road map

Content of the communication	Target groups		
	Consumers	Entrepreneurs	SMEs
<b>Financial literacy</b>	✓	✓	✓
Budget planning	✓		
Information about lending market participants and their licensing	✓	✓	✓
Information on bank topicalities regarding lending	✓	✓	✓
Information about types of loans, used terms	✓	✓	✓
Information on various aspects of leasing and borrowing (e.g., pre-contractual information, right of withdrawal, solvency assessment)	✓		
Information on insolvency policy	✓	✓	✓
Loan and leasing calculators	✓	✓	✓
Training, educational materials related to aspects of financial literacy	✓	✓	✓
<b>Early warning</b>		✓ <sup>49</sup>	✓

<sup>47</sup> MoJ, 2021. Report on the current situation in the project “Design of information sources to identify and resolve financial distress in Latvia”.

<sup>48</sup> See Recommendation 2 and **Error! Reference source not found.**

<sup>49</sup> For farmers, fishermen, and individual companies, the annual report of which is submitted.

SRS EDS: Taxpayer rating system			✓
<b>Solutions to financial distress</b>	✓	✓	✓
Information on tax aspects (term extensions, reliefs, etc.)	✓	✓	✓
Support during the COVID-19 pandemic and the energy crisis	✓	✓	✓
Permanent support programmes, guarantees, loans, benefits, subsidies, etc.	✓	✓	✓
Information on insolvency procedures and description of steps	✓	✓	✓
Information on the release of a natural person from debt obligations	✓	✓	
Guidelines for a financial distress situation		✓ <sup>50</sup>	✓
A guide to getting out of debt	✓		
Available consultations (of state institutions, organisations, and credit institutions)	✓	✓	✓

### 2.4.1. Recommendations for SMEs

The content of the communication for the target group of SMEs can primarily be provided from the resources created by state institutions, supplementing it with individual resources of non-governmental organisations, banks and non-bank lenders.

Information about the available support options is available in the resources of the MoE, MoF, SEA and the SRS, while information about the process of resolving difficulties is available in the resources of the MoJ, ICS, SRS.

Table 7. A collection of existing sources for SMEs to be used in the development of a roadmap

Institution / organization	Source of information <sup>51</sup>
<b>Financial literacy</b>	
MoJ	<ul style="list-style-type: none"> <li>Information on the insolvency policy of legal entities</li> <li>Guidelines "Out-of-court debt restructuring in Latvia - principles of out-of-court debt restructuring"</li> </ul>
SRS	<ul style="list-style-type: none"> <li>Information and materials for legal entities on various tax aspects (e.g., recommendations for inactive economic operators)</li> </ul>
CRPC	<ul style="list-style-type: none"> <li>Cost calculators (for loans up to 30 days with a percentage increase in costs per day ("price ladder"), for loans over 30 days (with a schedule), for loans without a predetermined loan term)</li> </ul>
FCMC	<ul style="list-style-type: none"> <li>"Information about market participants and their licensing"</li> </ul>
LEC	<ul style="list-style-type: none"> <li>Information on advisory support available to association members (e.g., on improving the business environment, education, employment, social security, health care, labour law and labour safety)</li> </ul>
LBA	<ul style="list-style-type: none"> <li>Information on help for borrowers</li> </ul>
FIA	<ul style="list-style-type: none"> <li>Information and materials about the current affairs of the banking industry, guidelines for customer support, and a moratorium for legal entities</li> <li>Presentation materials (incl. "Will banks continue to finance business in 2022?" (includes credit availability conditions for companies), "Credit rate determining factors and companies' ability to borrow", "International sanctions against Russia and Belarus - practical advice for companies to create control mechanisms", "Bank support for companies and households")</li> </ul>
LAIA	<ul style="list-style-type: none"> <li>Information about the training function incl. accounting issues, tax issues, etc</li> </ul>
MoEPRD	<ul style="list-style-type: none"> <li>On the latvija.lv website, information about life situations (starting, running and closing a business).</li> </ul>
The others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>Calculators (credit and leasing): industrial calculator, commercial transport calculator, financing calculator, microcredit calculator, investment loan calculator, agricultural machinery calculator</li> </ul>

<sup>50</sup> The applicability of the guidelines depends on the form of the commercial activity.

<sup>51</sup> An overview of the analysed information sources is included in the "List of information used" under the section "Institutions and organizations, as well as thematic websites".

Institution / organization	Source of information <sup>51</sup>
	<ul style="list-style-type: none"> <li>Calculators (others): support programme; export credit guarantee fees; loan amount/monthly payment calculator</li> </ul>
<b>Early warning</b>	
SRS	<ul style="list-style-type: none"> <li>SRS EDS: Taxpayer rating system. A tool whose purpose is to inform taxpayers about the comparison of indicators characterising their economic activity with general economic trends</li> </ul>
<b>Solutions to financial distress</b>	
MoJ	<ul style="list-style-type: none"> <li>"Best practice guidelines in the decision-making process for companies in financial distress"</li> <li>Information on the insolvency policy of legal entities</li> <li>Guidelines "Out-of-court debt restructuring in Latvia - principles of out-of-court debt restructuring"</li> </ul>
MoE	<ul style="list-style-type: none"> <li>Information on support for entrepreneurs (e.g., support measures during the COVID-19 pandemic and rising energy prices, as well as ongoing support programmes)</li> </ul>
MoF	<ul style="list-style-type: none"> <li>Information on support for economic activity performers within the framework of COVID-19 (e.g., institutional support for the continuation of economic activity, idleness benefits and moratorium)</li> </ul>
ICS	<ul style="list-style-type: none"> <li>Information and materials for legal entities on insolvency procedures (legal entity insolvency process, debt OOCDR, LPP and EPP) and description of process steps</li> <li>Infographics and video materials (e.g., "What services can be obtained from the Insolvency Control Service?", "Communication with the administrator", "Who is the debtor's representative in the insolvency process?")</li> </ul>
SEA	<ul style="list-style-type: none"> <li>Information and materials on available support for the employer (e.g., wage subsidy support measure, subsidised jobs, support for regional mobility, support in case of collective redundancies) and the jobseeker (e.g., unemployed/jobseeker status; job search support; training opportunities; employment support for persons with disabilities, for starting economic activity)</li> </ul>
SRS	<ul style="list-style-type: none"> <li>Information and materials for individuals and legal entities (e.g., wage subsidies for employees, a grant to ensure the cash flow during COVID-19, extensions of time and tax debts, reorganisation and liquidation of companies).</li> <li>Infographics and informative materials (incl. "Recommendations for completing the application "Application of a company affected by the COVID-19 crisis for receiving support for ensuring the cash flow" for micro-enterprises and self-employed persons" etc.)</li> </ul>
The others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>Consultations</li> </ul>

## 2.4.2. Recommendations for entrepreneurs

Similar to SMEs, communication content for the target group of entrepreneurs can primarily be provided from the resources created by state institutions, supplementing it with individual resources of non-governmental organisations, banks and non-bank lenders. The range of informative resources matches the target groups of entrepreneurs and SMEs.

Table 8. A collection of existing sources for entrepreneurs to be used in the development of a roadmap

Institution/ organization	Source of information <sup>52</sup>
<b>Financial literacy</b>	
MoJ	<ul style="list-style-type: none"> <li>Information on the insolvency policy of legal entities and natural persons.</li> </ul>

<sup>52</sup> An overview of the analysed information sources is included in the "List of information used " under the section "Institutions and organizations, as well as thematic websites".

SRS	<ul style="list-style-type: none"> <li>Information and materials for individuals and legal entities on various tax aspects (e.g., information on starting an economic activity, on the group of risky taxpayers, recommendations for inactive economic activity performers)</li> </ul>
CRPC	<ul style="list-style-type: none"> <li>Information and materials for consumers on various aspects of financial services (e.g., what to consider before signing a contract (service or loan commitment), pre-contractual information, right of withdrawal, responsible borrowing, solvency assessment).</li> <li>Cost calculator (for loans up to 30 days with a percentage increase in cost per day ("price ladder"), for loans over 30 days (with a schedule), for loans without a predetermined loan term)</li> <li>Methodical material "On the way to mastery of life", which includes the following sections: "Responsible borrowing", "Loan application", "Loan repayment"</li> <li>Video materials (incl. "Borrow responsibly")</li> <li>A website maintained by CRPC (parads.ptac.gov.lv), which contains information on various types of credit and a list of terms and their explanations.</li> </ul>
FCMC	<ul style="list-style-type: none"> <li>Information about market participants and their licensing</li> </ul>
LBA	<ul style="list-style-type: none"> <li>Information on help for borrowers</li> </ul>
FIA	<ul style="list-style-type: none"> <li>Information and materials about the current affairs of the banking industry, guidelines for customer support, a moratorium for private individuals/legal entities</li> <li>Presentation materials (incl. "Will banks continue to finance business in 2022?" (includes credit availability conditions for companies), "Credit rate determining factors and companies' ability to borrow", "International sanctions against Russia and Belarus - practical advice for companies to create control mechanisms", "Bank support for companies and households")</li> </ul>
LAIA	<ul style="list-style-type: none"> <li>Information about the training function incl. accounting issues, tax issues, etc</li> </ul>
MoEPRD	<ul style="list-style-type: none"> <li>On the latvija.lv website, information about life situations (starting, running and closing a business).</li> </ul>
The others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>Calculators (credit and leasing): industrial calculator, commercial transport calculator, financing calculator, microcredit calculator, investment loan calculator, agricultural machinery calculator,</li> <li>Calculators (others): support programme; export credit guarantee fees; loan amount/monthly payment calculator</li> <li>Consultations</li> </ul>
<b>Early warning<sup>53</sup></b>	
SRS	<ul style="list-style-type: none"> <li>SRS EDS: Taxpayer rating system. A tool whose purpose is to inform taxpayers about the comparison of indicators characterizing their economic activity with general economic trends</li> </ul>
<b>Solutions to financial distress</b>	
MoJ	<ul style="list-style-type: none"> <li>"Best practice guidelines in the decision-making process for companies in financial distress"</li> <li>Information on the insolvency policy of legal entities and natural persons</li> </ul>
MoE	<ul style="list-style-type: none"> <li>Information on support for entrepreneurs (e.g., support measures during the COVID-19 pandemic and the rise in energy prices, as well as permanent support programmes)</li> </ul>
MoF	<ul style="list-style-type: none"> <li>Information on support for economic activity performers within the framework of COVID-19 (e.g., institutional support for the continuation of economic activity, idleness benefits and moratorium)</li> </ul>
ICS	<ul style="list-style-type: none"> <li>Information and materials for individuals and legal entities on insolvency procedures (insolvency process of an individual/legal entity, OOCDR of debts, LPP, and ELPP) and a description of the process steps</li> <li>Infographics and video materials (e.g., "What services can be obtained from the Insolvency Control Service?", "Communication with the administrator", "Who is the debtor's representative in the insolvency process?")</li> </ul>
SEA	<ul style="list-style-type: none"> <li>Information and materials on available support for the employer (e.g., wage subsidy support measure, subsidised workplaces, support for regional mobility), as well as for starting an economic activity</li> </ul>
SRS	<ul style="list-style-type: none"> <li>Information and materials for individuals and legal entities (such as wage subsidies for the self-employed, patent fee payers, and grants for ensuring the cash flow during COVID, extensions of time and tax arrears, and liquidation of companies).</li> <li>Infographics and informative materials (incl. "Recommendations for completing the application "Application of a company affected by the COVID-19 crisis for receiving support for ensuring</li> </ul>

<sup>53</sup> For farmers, fishermen and individual companies whose activities are submitted in an annual report.

	the flow of working capital" for micro-enterprises and self-employed persons", etc.)
CRPC	<ul style="list-style-type: none"> <li>Information and materials for the consumer on various aspects of financial services (e.g., advice on the out-of-court debt recovery process)</li> <li>Website maintained by CRPC (parads.ptac.gov.lv), where there is a guide to getting out of debt, a debt calculator</li> </ul>
Others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>Consultations</li> </ul>

### 2.4.3. Recommendations for consumers

Similar to SMEs and entrepreneurs, the content of the communication for the target group of consumers can primarily be provided from the resources created by state institutions, supplemented by separate resources of non-governmental organisations, banks and non-bank lenders.

Information on the available support options is available in the resources of the MoW, MoE, MoF and SEA, while information on the process of resolving difficulties is available in the resources of the MoJ, ICS, SRS, SEA, CRPC and bank/non-bank lenders.

Table 9. A collection of existing sources for consumers to be used in the development of a roadmap

Institution/ organization	Source of information <sup>54</sup>
<b>Financial literacy</b>	
MoJ	<ul style="list-style-type: none"> <li>Information on the insolvency policy of natural persons</li> <li>The MoJ and the MoW premarital curriculum "Legal, psychological, ethical and domestic aspects of marriage. Module: Financial Literacy"</li> </ul>
MoW	<ul style="list-style-type: none"> <li>The MoJ and the MoW premarital curriculum "Legal, psychological, ethical and domestic aspects of marriage. Module: Financial Literacy"</li> </ul>
SEA	<ul style="list-style-type: none"> <li>E-learning module "My money today and tomorrow". Financial literacy" learning to free a natural person from debt obligations"</li> </ul>
SRS	<ul style="list-style-type: none"> <li>Information and materials for natural persons on various tax aspects (e.g., information on starting an economic activity, on the group of risky taxpayers)</li> </ul>
CRPC	<ul style="list-style-type: none"> <li>Information and materials for the consumer on various aspects of financial services (e.g., what to think about before entering into a contract (service or credit), pre-contractual information, right of withdrawal, annual financial literacy week, responsible borrowing, assessment of solvency, how to save, and fraud)</li> <li>Cost calculators (for loans up to 30 days with a percentage increase in costs per day ("price ladder"), for loans over 30 days (with a schedule), for loans without a predetermined loan term)</li> <li>Methodical material "On the way to mastery of life", which includes the following sections: "Responsible borrowing", "Applying for a loan", "Loan repayment", "Financial planning"</li> <li>Video materials (incl. "On the way to life mastery", "Borrow responsibly")</li> <li>A website maintained by CRPC (parads.ptac.gov.lv), which contains information on various types of loans and a list of terms and their explanations.</li> </ul>
FCMC	<ul style="list-style-type: none"> <li>Information on consumer financial literacy, materials for improving financial skills, as well as market participants and their licensing</li> <li>Infographics, such as "How to take care of the future from the first salary?", "Financial literacy strategy of Latvian citizens 2021b.-2027. for the year", "Financial literacy of Latvian citizens"</li> </ul>
LBA	<ul style="list-style-type: none"> <li>Information on help for borrowers</li> </ul>
FIA	<ul style="list-style-type: none"> <li>Information and materials about the current affairs of the banking industry, cooperation documents for customer support, a moratorium for private individuals, as well as useful resources in financial literacy</li> </ul>

<sup>54</sup> An overview of the analysed information sources is included in the "List of information used " under the section "Institutions and organizations, as well as thematic websites".



Institution/ organization	Source of information <sup>54</sup>
	<ul style="list-style-type: none"> <li>• Presentation materials (incl. "Discussion: How to make sustainable purchases online?", "Bank support for companies and households", "Telephone fraud in Latvia: how to recognise and avoid?")</li> </ul>
BoL	<ul style="list-style-type: none"> <li>• A website maintained by BoL (klientuskola.lv), where one can find information about, e.g., aspects of investment, deposits, credit, settlement, and insurance, explanations of terms, answers to questions, a tool for determining the financial literacy index, a test of financial purposefulness</li> <li>• A website maintained by BoL (finansupratiba.lv), where one can find information on various aspects of financial literacy (e.g., financial literacy strategy, competence standard in financial literacy for adults and studies on the financial literacy of the population), as well as information about the annual financial literacy week, etc.</li> <li>• Website maintained by BoL (naudasskola.lv), where one can find materials related to financial literacy (incl. "Ten truths about money", "Don't live for one day", "Save for a non-white day" and "Easy to borrow, harder to return"), interactive materials, games, etc.</li> </ul>
MoEPRD	<ul style="list-style-type: none"> <li>• On the latvija.lv website, information about life situations (social services, benefits and reliefs, employment, money and taxes).</li> </ul>
The others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>• Information about financial industry services, consumer lending service providers in Latvia, lender evaluation; loan application evaluation process, responsible choice, loan repayment and possible penalties, consumer rights, calculation of loan costs, etc.</li> <li>• A budget planner, where you can view incoming and outgoing payments, a categorised expense report, find out where to optimise spending and set limits.</li> <li>• Calculators (loans and leases): what kind of home can you afford, mortgage loan monthly payment calculator, small home loan, construction cost calculator, home energy efficiency loan, construction land loan, a loan with real estate collateral, loan amount calculator, down payment savings calculator, car leasing and loan calculator, consumer loan monthly payment calculator, monthly payment change calculator, credit card calculator, student loan calculator, idea calculator</li> </ul>
<b>Early warning</b>	
-	-
<b>Solutions to financial distress</b>	
MoJ	<ul style="list-style-type: none"> <li>• Release of a natural person from indebtedness</li> <li>• Information on the insolvency policy of natural persons.</li> </ul>
MoW	<ul style="list-style-type: none"> <li>• Giving information about support (e.g., support for inclusion in the labour market, available social benefits and reliefs)</li> </ul>
MoE	<ul style="list-style-type: none"> <li>• Information on support for consumers (e.g., support measures during rising energy prices)</li> </ul>
MoF	<ul style="list-style-type: none"> <li>• Information about support for consumers in the framework of COVID-19 (such as downtime benefits and moratorium)</li> </ul>
ICS	<ul style="list-style-type: none"> <li>• Information and materials for natural persons (natural person insolvency process) and description of process steps</li> <li>• Infographics and video materials (e.g., "What services can be obtained from the Insolvency Control Service?", "Communication with the administrator", "Who is the debtor's representative in the insolvency process?")</li> </ul>
SEA	<ul style="list-style-type: none"> <li>• Information and materials on available support for jobseekers (e.g., unemployed/jobseeker status; job search support; training opportunities; employment support for persons with disabilities, starting an economic activity)</li> <li>• E-learning module "How to create an effective job search strategy"</li> </ul>
SRS	<ul style="list-style-type: none"> <li>• Information and materials for individuals (such as tax relief for individuals, extensions of time and tax arrears).</li> </ul>
CRPC	<ul style="list-style-type: none"> <li>• Information and materials for the consumer on various aspects of financial services (e.g., advice on the out-of-court debt recovery process)</li> <li>• Website maintained by CRPC (parads.ptac.gov.lv), where there is a guide to getting out of debt, a debt calculator</li> </ul>
Others (bank and non-bank lenders)	<ul style="list-style-type: none"> <li>• Information on repayment of pre-crisis loans (in full or in part), consolidation and refinancing of loans</li> <li>• Calculators (others): salary calculator, child and parental benefit calculator, unemployment benefits calculator, calculator for calculating the impact of the differentiated non-taxable minimum</li> <li>• Consultations</li> </ul>

# List of information used

From	Title
<b>Regulations</b>	
1	Law on the Bank of Latvia (enters into force on 01.01.2023). Available: <a href="https://likumi.lv/ta/id/326575">https://likumi.lv/ta/id/326575</a>
2	16.08.2017 Cabinet Regulation No. 474 "Regulations of the Ministry of Justice". Available: <a href="https://likumi.lv/ta/id/292913">https://likumi.lv/ta/id/292913</a>
3	16 September 2003 Cabinet Regulation No. 528 "Regulations of the Ministry of Education and Science". Available: <a href="https://likumi.lv/ta/id/79100">https://likumi.lv/ta/id/79100</a>
4	14 July 2022 Cabinet Regulation No. 434 "Regulations of the Ministry of Environmental Protection and Regional Development". Available: <a href="https://likumi.lv/ta/id/334038">https://likumi.lv/ta/id/334038</a>
5	22 September 2020 Cabinet Regulation No. 588 "Regulations of the Ministry of Economics". Available: <a href="https://likumi.lv/ta/id/317511-ekonomikas-ministrijas-nolikums">https://likumi.lv/ta/id/317511-ekonomikas-ministrijas-nolikums</a>
6	27 January 2004 Cabinet Regulation No. 49 "Regulations of the Ministry of Welfare". Available: <a href="https://likumi.lv/ta/id/83758">https://likumi.lv/ta/id/83758</a>
7	29 April 2003 Cabinet Regulation No. 239 "Regulations of the Ministry of Finance". Available: <a href="https://likumi.lv/ta/id/74752">https://likumi.lv/ta/id/74752</a>
8	9 December 1999 State Language Law adopted by the Saeima. Available: <a href="https://likumi.lv/ta/id/14740">https://likumi.lv/ta/id/14740</a>
<b>Institutions and organisations, as well as thematic websites</b>	
9	loan.lv Available: <a href="https://www.aizdevums.lv/">https://www.aizdevums.lv/</a>
10	Development finance institution Altum. Available: <a href="https://www.altum.lv/lv/">https://www.altum.lv/lv/</a>
11	Citadele. Available: <a href="https://www.citadele.lv/lv/private/">https://www.citadele.lv/lv/private/</a>
12	Ministry of Economics. Available: <a href="https://www.em.gov.lv/lv/">https://www.em.gov.lv/lv/</a>
13	Ministry of Finance. Available: <a href="https://www.fm.gov.lv/lv/">https://www.fm.gov.lv/lv/</a>
14	Financial Industry Association. Available: <a href="https://www.financelatvia.eu/">https://www.financelatvia.eu/</a>
15	Financial literacy. Available: <a href="https://www.finansupratiba.lv/">https://www.finansupratiba.lv/</a>
16	The Financial and Capital Market Commission. Available: <a href="https://www.fctk.lv/">https://www.fctk.lv/</a>
17	FCCM Customer School. Available: <a href="https://www.klientuskola.lv/lv/">https://www.klientuskola.lv/lv/</a>
18	The Ministry of Welfare. Available: <a href="https://www.lm.gov.lv/lv/">https://www.lm.gov.lv/lv/</a>
19	Bank of Latvia. Available: <a href="https://www.bank.lv/">https://www.bank.lv/</a>
20	Confederation of Latvian Employers. Available: <a href="https://lddk.lv/">https://lddk.lv/</a>
21	Latvian Creditors' Association. Available: <a href="https://kreditnemejuasociacija.lv/">https://kreditnemejuasociacija.lv/</a>
22	Latvian Association of Insolvency Process Administrators. Available: <a href="https://www.administratori.lv/lv/par-biedribu/aa-aktualitates">https://www.administratori.lv/lv/par-biedribu/aa-aktualitates</a>
23	Union of Local Governments of Latvia. Available: <a href="https://www.lps.lv/lv/">https://www.lps.lv/lv/</a>

From	Title
24	The Latvian Chamber of Commerce and Industry. Available: <a href="https://www.ltrk.lv">https://www.ltrk.lv</a>
25	Luminor. Available: <a href="https://www.luminor.lv/lv">https://www.luminor.lv/lv</a>
26	Macroeconomics. Available: <a href="https://www.makroekonomika.lv/">https://www.makroekonomika.lv/</a>
27	Insolvency Control Service. Available: <a href="https://www.mkd.gov.lv/lv">https://www.mkd.gov.lv/lv</a>
28	Money World. Available: <a href="https://www.naudasskola.lv/">https://www.naudasskola.lv/</a>
29	The National Employment Agency. Available: <a href="https://www.nva.gov.lv/lv">https://www.nva.gov.lv/lv</a>
30	Parads.lv Available: <a href="http://parads.ptac.gov.lv/">http://parads.ptac.gov.lv/</a>
31	The Consumer Rights Protection Centre. Available: <a href="https://www.ptac.gov.lv/lv">https://www.ptac.gov.lv/lv</a>
32	SEB Bank. Available: <a href="https://www.seb.lv/">https://www.seb.lv/</a>
33	Swedbank. Available: <a href="https://www.swedbank.lv/private">https://www.swedbank.lv/private</a>
34	The Ministry of Justice. Available: <a href="https://www.tm.gov.lv/lv">https://www.tm.gov.lv/lv</a>
35	The State Revenue Service. Available: <a href="https://www.vid.gov.lv/">https://www.vid.gov.lv/</a>
<b>Others</b>	
36	The Central Statistics Bureau "Official Statistics Portal". Available: <a href="https://stat.gov.lv/lv">https://stat.gov.lv/lv</a>
37	The 2021 study of the Ministry of Economics "Analysis of the transfer possibilities of the best European support, early warning and second chance systems in the countries of the Baltic Sea region". Available: <a href="https://www.em.gov.lv/sites/em/files/content/petijums.docx">https://www.em.gov.lv/sites/em/files/content/petijums.docx</a>
38	The 2021 document of the Financial and Capital Market Commission and partners "Financial Literacy Strategy of Latvian Citizens 2021-2027" for the year". Available: <a href="https://www.finansupratiba.lv/wp-content/uploads/2021/03/Finansu-pratibas-strategija.pdf">https://www.finansupratiba.lv/wp-content/uploads/2021/03/Finansu-pratibas-strategija.pdf</a>
39	Administration of Prisons "Statistics 2021". Available: <a href="https://www.ievp.gov.lv/lv/media/5297/download">https://www.ievp.gov.lv/lv/media/5297/download</a>
40	The 2020 report of the Ministry of Justice "Analysis of the main areas to be reformed in the existing debt restructuring framework of Latvia". Available: <a href="https://www.tm.gov.lv/lv/media/4163/download">https://www.tm.gov.lv/lv/media/4163/download</a>
41	The 2021 report of the Ministry of Justice on the current situation in the project "Design of information sources to identify and resolve financial distress in Latvia". Available: <a href="https://www.tm.gov.lv/lv/media/10478/download">https://www.tm.gov.lv/lv/media/10478/download</a>
42	The State Probation Service "2021 statistical indicators". Available: <a href="https://www.vpd.gov.lv/lv/2021gada-statistikas-raditaji">https://www.vpd.gov.lv/lv/2021gada-statistikas-raditaji</a>

# Annex 1. Criteria used for prioritising recommendations

For each of the dimensions of the matrix – responsibilities and impact – one criterion was chosen to evaluate the recommendations and prioritise their implementation (see “Methodology”):

- **Implementer of recommendations** (matrix dimension: responsibilities) – considering that the initiator and sponsor of the initiative of this Project is the MoJ, the implementation of recommendations is possible for it with lower efforts than in cases where it is necessary to reach an agreement with other institutions on implementation:
  - Low – the MoJ
  - Medium – the MoJ in cooperation with other institutions
  - High - only other institutions
- **The number of target group representatives reached** (matrix dimension: impact) – the number of target group representatives reached<sup>55</sup> as a result of communication measures is an essential indicator that shows the effectiveness of the measures taken and the impact of this Project. The table below shows **the total number of the potentially reachable target audience** by the recommendations. The detailed estimate of the number of the target audience that can be realistically reached will be included in the deliverable of the Project Stage 4 Action Plan, based on the total number referenced in this report and additional considerations that affect the reach of the audience (e.g., the proportion of people who are able to get the information they need on the Internet or have searched information related to resolving financial distress, etc.).

Criterion categorisation:

- Low – less than 200 thousand persons
- Average – from 200 thousand up to 1 million persons
- High – more than 1 million persons

No.	Recommendation	Responsibilities	Impact
		The implementer of the recommendation	Number of the total potential target audience (thousands)
<b>Organisation of communication and management mechanism</b>			
1	Strengthening the governance mechanism by appointing a central coordinating unit so that communication on identifying and resolving financial distress is systemic and sustainable.	-	-
<b>Content of the communication</b>			
2	Development of communication content in a user-friendly format (“roadmap”), which would cover all aspects related to	-	-

<sup>55</sup> Consumers (~1,346,000 - the number of consumers according to their classification (see “Abbreviations and their meaning”) are taken as the base of representatives of the target groups, with SME and business groups overlapping with this group. See AnnexAnnex 1. Criteria used for prioritising recommendations”.

	identifying and resolving financial distress, gathering already existing informational sources and ensuring their regular renewal.		
	<b>Communication channels</b>		
3	Website (with primary functionality – roadmap) <sup>56</sup>	MoJ (responsible) + others	~673,000 (equal to the impact indicator of the 2 <sup>nd</sup> communication campaign) <sup>57</sup>
4	Website (with secondary functionality) <sup>58</sup>	MoJ(responsible) + others	
5	Printed material	MoJ (responsible) + others	Does not exceed the sum of the impact indicators of recommendations 6, 7 and 8 <sup>59</sup>
6	Pilot project: SPS and LPA	MoJ (responsible) + others	~20,000 (potential number of customers) <sup>60</sup>
7	Pilot project: Municipalities (SLGUCSC)	MoJ (responsible) + others	~153,000 (potential number of customers 16 within VPKAC) <sup>61</sup>
8	Nationwide first-level support	Only others	~1,346,000 (100% of target audience) <sup>62</sup>
9	Communication campaign (Level 1: Compulsory activities) <sup>63</sup>	MoJ	~135,000 (10% of target audience)
10	Communication campaign (Level 2: Additional recommended activities) <sup>64</sup>	MoJ (responsible) + others	~673,000 (50% of target audience)
11	Communication campaign (Level 3: Additional recommended activities) <sup>65</sup>	MoJ (responsible) + others	~1,077,000 (80% of target audience)
12	Public opinion research	MoJ	A representative sample

<sup>56</sup> Informative and explanatory about the main problematic issues related to financial distress and the responsibilities of institutions, helping the user to navigate the amount of information and directing the user to the most relevant, existing information on various websites.

<sup>57</sup> It is assumed that the second level of the communication campaign will be used for communication and will thus reach 50% of the target audience of consumers.

<sup>58</sup> Interactive, providing various e-tools dedicated to identifying and resolving financial distress.

<sup>59</sup> The number of printed materials will not exceed the total amount of the impact indicator of the mentioned recommendations. Various considerations of target groups are not taken into account, which will significantly reduce the number of printed materials.

<sup>60</sup> The number of the target audience reached is the total amount of (1) the number of clients of SPS in 2021 (SPS, 2022. Statistical indicators for 2021) and (2) the number of prisoners in prisons (LPA, 2021. Statistics 2021).

<sup>61</sup> The pilot project is initially planned to be implemented in 16 VPKACs. Calculation: (number of consumers (1,346,250) \* (16 of the 140 VPKACs in the country planned in the pilot project (11.4%)).

<sup>62</sup> The number of consumers according to their classification (see "Abbreviations and their meaning").

<sup>63</sup> Placement of information on partner channels, distribution of information to organisations and professional associations, informing the media about current events in the field and introduction to communication channels, social network communication in the Project owner's social network accounts and Google Ads solution.

<sup>64</sup> Public information campaigns (media relations, environmental objects, direct communication, events, etc.), advertising campaigns (internet, radio), social network communication in specially created social network accounts, content project on one of the largest national portals, participation or placements of materials in events organised by partners.

<sup>65</sup> A broad and voluminous advertising and public awareness campaign, including a wide range of channels (internet, environment, radio, regional press, public transport, etc.), a special series of programmes on TV or radio, and communication of influencers.

# Annex 2. Summary of workshops

Click on the attached file below to open the attachment.



Annex 2\_Workshop  
summary.pdf



**pwc**