

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

Law On the Procurement of Public Service Providers

Chapter I

Terms Used in this Law and the Purpose Thereof

Section 1. Terms Used in this Law

The following terms are used in this Law:

1) **open contest** - a procurement procedure in which all interested suppliers are entitled to submit tenders;

2) **works, supply and service contracts** – procurement contracts for pecuniary interest concluded in writing between one or more public service providers and one or more suppliers and the subject-matter of which is:

a) for works contracts – the performance of the works referred to in Annex 1 to this Law or the performance of such works together with building design, or a structure, as well as any other transaction, as a result of which the public service provider acquires the right to the structure, which has been built in accordance with the requirements specified thereof. A structure within the meaning of this Law is the outcome of the works referred to in Annex 1 to this Law, which is sufficient in order for the structure to serve for a specific purpose,

b) for supply contracts – the purchase, lease, rental or hire-purchase of goods with the option to buy. A contract, the subject-matter of which is the supply of goods and the incidental part of which is the siting or installation of the goods, shall be considered to be a supply contract; or

c) for service contracts – the services referred to in Annex 2 to this Law. If the subject-matter of the contract is both goods and the services referred to in Annex 2 to this Law, and if the value of the services included therein in monetary terms exceeds the value of the goods, such contract shall be regarded as a service contract. If the subject-matter of the contract is the services referred to in Annex 2 to this Law and if the performance of the works referred to in Annex 1 to this Law is also included therein, which is the incidental part of the subject-matter of the contract, such contract shall be considered to be a service contract;

3) **central purchasing body** – a public service provider or any other person who is a contracting authority within the meaning of the Public Procurement Law and who:

a) purchases works, goods or services for the needs of public service providers,
or

b) performs procurement procedures for entering into works, supply or service contracts or framework agreements for the needs of other public service providers;

4) **dynamic purchasing system** – a completely electronic process used for the purchasing of commonly used products that meet the requirements of the public service provider and that are generally available on the market, which is limited in duration and open to all suppliers conforming to the qualification requirements and having submitted an indicative tender conforming to the technical specifications;

¹ The Parliament of the Republic of Latvia

5) **electronic auction** – a repeated presentation of descending prices or new values of certain elements of tenders by electronic means after a full evaluation of the tenders, thereby enabling the ranking of the tenders by electronic means in a specific order on the basis of the prices or values of certain elements of the tenders. Certain works contracts or service contracts, the subject-matter of which is intellectual performances (for example, the design), shall not be the object of electronic auctions;

6) **electronic means** – means of electronic communications, which are appropriate for the processing of the data received or transmitted via the electronic communications network (also for digital compression) and storage thereof, as well as for the transfer of data via the electronic communications network;

7) **procurement identification number** – a designation containing the short version (abbreviation) of the name of the public service provider, the relevant year and procurement order number in ascending order. A public service provider is entitled to indicate also other information in the end part of the procurement identification number;

8) **Common Procurement Vocabulary (CPV)** – a nomenclature approved by the European Union, which is applied in procurement procedures;

9) **procurement procedure** – a procedure (open contest, restricted contest, negotiated procedure, design contest), in accordance with which the public service provider selects suppliers and confers the right to enter into a supply, works or service contract or acquires a design;

10) **indicative tender** – a tender characterising the range of works, goods or services offered by a tenderer in the dynamic purchasing system, but which is not binding on the tenderer and the public service provider;

11) **candidate** – a supplier who has submitted an application for a restricted contest or negotiated procedure;

12) **common technical specifications** – technical specifications which have been determined in accordance with the recognised procedure of the European Union Member States and have been published in the Official Journal of the European Union;

13) **contract price** – total payment for the implementation of a contract, without taking into account value added tax;

14) **design contest** – a procurement procedure in which all interested suppliers are entitled to participate and which gives a public service provider the opportunity for acquiring a design (plan or project), which the jury commission has recognised as the best in the contest with or without the awarding of a prize, mainly in the field of urban and any other territory planning, architecture, building or data processing;

15) **tender security** - a guarantee or equivalent security provided for in the procurement procedure documents regarding a specified amount, which a tenderer submits to the public service provider together with a tender as the security for the validity of the tender;

16) **supplier** – a natural person or a legal person or a public authority, an association of such persons in any combination thereof, which offers on the market, respectively, the performance of works, supply goods or provision of services;

17) **buyer profile** – the publicly accessible Internet homepage of the public service provider in which the public service provider places periodic indicative notices, information regarding ongoing invitations to tender or scheduled purchases, contracts concluded, procedures cancelled or suspended, as well as other general information related to purchases;

18) **tenderer** – a supplier who has submitted a tender or an indicative tender;

19) **public authority** – a State or local government institution, a local government, another derived public person or a body thereof, as well as a legal person governed by private law, which concurrently conforms to the following criteria:

a) it is established or operates in order to ensure the needs of the public, which are not of a commercial or industrial nature; and

b) it is subordinate or subject to the decisive influence of a State or local government institution, a local government, another derived public person or a body thereof, or subject to the decisive influence of a legal person governed by private law conforming to these criteria (this influence is manifested as the majority of voting rights in the election of members of the supervisory or executive body or when appointing the administration) or more than 50 per cent of the activities of such a legal person governed by private law are financed from the State, local government, another derived public person, a body thereof or another legal person governed by private law conforming to these criteria;

20) **public authority undertaking** – any merchant subject to direct or indirect decisive influence of a public authority on the basis of participation or a contract. A public authority in particular has decisive influence, if it directly or indirectly holds the majority (more than 50 per cent) of the subscribed fixed capital of the capital company or if it controls the majority of votes related to the issued capital shares (stocks), or if such an authority is entitled to appoint more than half of the members of the supervisory body or executive body;

21) **public service provider:**

a) a public authority or a public authority undertaking that performs the activities referred to in Chapter II of this Law in the fields referred to in Chapter II of this Law, or

b) any private-law entity that performs the activities referred to in Chapter II of this Law in the fields referred to in Chapter II of this Law or in any combination thereof on the basis of special or exclusive rights that have been conferred by a competent authority on the basis of such regulatory or administrative enactments the norms of which restrict the performance of activities in the aforementioned fields, granting the right to perform activities in any of these fields only to one entity or some entities, and which significantly affects the opportunities of other entities to act in these fields;

22) **negotiated procedure** – a procurement procedure in which the public service provider consults the suppliers of its choice and negotiates the terms of the contract with one or more of them;

23) **restricted contest** - a procurement procedure in which all interested suppliers may request the right to participate, however, tenders may only be submitted by those candidates, which are invited by the public service provider;

24) **technical reference** – any product of European standardisation bodies, other than official standards, according to procedures adapted to developments in market needs;

25) **framework agreement** – such agreement between one or more public service providers and one or more suppliers, the purpose of which is to determine and characterise the contracts to be entered into during a given time period and to provide for the provisions with which such contracts shall be entered into (especially in relation to prices and, if necessary, the intended quantity); and

26) **report** – a review reflecting the course of the procurement procedure.

Section 2. Purpose of this Law

The purpose of this Law is to ensure:

- 1) transparency of the procurement process;
- 2) free competition of suppliers, as well as equal and fair treatment thereof; and
- 3) effective use of the resources of public service providers and public persons.

Chapter II

Areas of Activities of Public Service Providers

Section 3. Activities of Public Service Providers in the Field of Heat Supply, Gas Supply and Electricity Supply

(1) In the field of heat supply and gas supply, this Law shall be applied to the provision or management of the public networks of gas or heat energy production, transport or distribution, as well to the supply of gas or heat energy to such networks, except the cases where the production of gas or heat energy is the unavoidable consequence of the types of activities of a public authority undertaking or private-law entity, which is referred to in Section 1, Clause 21, Sub-clause (b) of this Law, not referred to in this Section and other types of activities not referred to in Section 4, 5, 6 or 7 of this Law and the public authority undertaking or the private-law entity, which is referred to in Section 1, Clause 21, Sub-clause (b) of this Law, performs the supply to the public networks only in order to economically exploit the gas or heat energy obtained through such activity. Moreover, the amount of such supply in terms of money shall not exceed 20 per cent of the turnover of the relevant public authority undertaking or private-law entity, which is referred to in Section 1, Clause 21, Sub-clause (b) of this Law, taking into account the average turnover of the preceding three accounting years, including the current year.

(2) In the field of electricity supply, this Law shall be applied to the provision and management of the public networks of electricity production, transmission and distribution, as well as to the supply of electricity to such networks, except the cases where a public authority undertaking or private-law entity, which is referred to in Section 1, Clause 21, Sub-clause (b) of this Law, need the production of electricity in order to ensure the electricity consumption in other types of activities not referred to in this Section and in Section 4, 5, 6 or 7 of this Law, and the supply to a public network depends only on the home consumption of electricity and does not exceed 30 per cent of the average amount of electricity produced in a year, taking into account the amount of electricity produced in the preceding three accounting years, including the current year.

Section 4. Activities of Public Service Providers in the Field of Water Supply

(1) In the field of drinking water supply, this Law shall be applied to the provision or management of the public networks of drinking water obtaining, supply, transport or distribution, or to the supply of drinking water to such networks, except the cases where the obtaining of drinking water for a public authority undertaking or private-law entity, which is referred to in Section 1, Clause 21, Sub-clause (b) of this Law, is necessary in order to ensure the consumption of drinking water in a type of activity not referred to in this Section and in Section 3, 5, 6 or 7 of this Law, and the supply to a public network depends only on the home consumption of drinking water and does not exceed 30 per cent of the amount of water obtained, taking into account the amount of water obtained in the preceding three accounting years, including the current year.

(2) This Law shall be applied by a public service provider which performs any of the activities referred to in Paragraph one of this Section, including procurements related to hydraulic engineering projects, irrigation or drainage of farming land, provided that the volume of drinking water supplied exceeds 20 per cent of the total volume of water obtained as a result of the installation of the hydraulic engineering structure, irrigation or drainage of farming land, and procurements related to the disposal or treatment of sewage.

Section 5. Activities of Public Service Providers in the Field of Transport Services

(1) In the field of transport services this Law shall be applied to the provision or management of public railway, automated system, tramway, trolleybus, bus and ropeway transport networks, or for provision of the services thereof.

(2) Within the meaning of this Section, a transport network exists, if transport services are provided in accordance with the regulations issued by an institution regulating the provision of these services, including regulations regarding the routes to be served, the quantities to be carried or the frequency of the carriages.

Section 6. Activities of Public Service Providers in the Field of Postal Services

In the field of postal services this Law shall be applied to a universal postal service for which the provider thereof has reserved special rights in accordance with the Postal Law, and other postal services which are provided by this universal postal service provider.

Section 7. Activities of Public Service Providers in the Field of the Exploitation of a Geographical Area

In the field of the exploitation of a geographical area this Law shall be applied with regard to the exploitation of a specific geographical area for the exploration or extraction of oil, gas or solid fuel, as well as to the management of airports or sea ports.

Section 8. Contracts that Cover Several Activities in Several Fields

(1) If a contract applies to activities in several fields, the procurement procedures shall be regulated by the norms of such a field to which the most essential part of the contract applies.

(2) If a contract applies to activities in several fields, such a contract may not be divided into several contracts individually for each field (and to enter into an individual contract for each field) with the purpose of avoiding the application of this Law or the Public Procurement Law.

(3) If a contract applies to activities in the field of application of both this Law and the Public Procurement Law and it is impossible to objectively determine to which field the essential part of the contract applies, procurement procedure shall be performed in accordance with the Public Procurement Law.

(4) If a contract applies to activities in the field of the application this Law and to other activities that are neither included in this Law nor in the Public Procurement Law, and it is impossible to objectively determine to which field the essential part of the contract applies, procurement procedure shall be performed in accordance with this Law.

Chapter III

Exceptions to the Application of this Law

Section 9. General Exceptions to the Application of this Law

- (1) This Law shall not be applied if a public service provider enters into a contract regarding:
- 1) the purchase or lease of land, existing structure or other immovable property or the acquisition of other rights to such immovable property with any financial resources. This exception shall not apply to financial service contracts, which are related to the purchase or lease of immovable property or the acquisition of other rights to immovable property and which have been entered into before or after entering into a purchase or lease contract or concurrently with entering into a purchase or lease contract;
 - 2) the services of arbitration and the services, which are provided for the conciliation of parties;
 - 3) for financial services related to the issue, purchase, sale or transfer of securities or other financial instruments to other persons, including the attraction of cash or capital;
 - 4) a loan from international financial organisations the Member State of which is Latvia;
 - 5) services of natural persons in accordance with employment contracts;
 - 6) scientific research services, except such research services, which are fully paid for by the public service provider and which are used solely for the needs thereof;
 - 7) services provided by a public authority which, in accordance with external regulatory enactments, has exclusive rights to provide the relevant services;
 - 8) concessions in accordance with the law regulating the granting of concessions, in order for the concessionaire to perform the activities referred to in Sections 3, 4, 5, 6 and 7 of this Law;
 - 9) works, supplies or services, if the aim of the public service provider is to sell or lease to third persons the subject-matter of the contract for profit, observing the condition that the public service provider has no special or exclusive rights to sell or lease the subject-matter of the contract and that other private-law entities are entitled to sell or lease it in compliance with the same conditions which apply to the public service provider. A public service provider shall inform the European Commission at the request thereof regarding all categories of products or activities to which such an exclusion is applied;
 - 10) the subject-matter of the contract whose aim is not the performance of the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law, or with the purpose of performing such activities in a state that is not a European Union Member State (hereinafter – third country), taking into account the condition that the public network or a territory included in the European Union shall not be used for such purpose. Public service provider shall inform the European Commission at the request thereof regarding all activities to which such an exclusion is applied;
 - 11) the subject-matter of the contract whose aim is the performance of the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law, if it is recognised in accordance with the procedures referred to in Chapter XVI of this Law that such an activity is performed under the conditions of a free contest;
 - 12) water supply, observing the condition that the public service provider ensures or manages the public networks of drinking water supply, transport or distribution, or supplies drinking water to such networks;
 - 13) supply of energy or fuel for the production of energy, taking into account the condition that the public service provider ensures or manages public networks of the

production, transport or distribution of gas, heat energy or electricity, or supplies gas, heat energy or electricity to such networks, or exploits a specific geographical area for the exploration or extraction of oil, gas or solid fuel.

(2) This Law shall not be applied if contracts are entered into in accordance with the provisions of other procedures and the right to enter therein is awarded:

1) in accordance with an international agreement, which, in accordance with the regulatory enactments of the European Union, has been entered into by a European Union Member State with one or several third countries, regarding works, supplies, services or designs so that the states having signed the agreement might participate in the implementation of a joint project or the use of the results thereof. The public service provider shall notify the European Commission regarding all such agreements;

2) in accordance with an international agreement relating to the deployment of armed forces and to undertakings of European Union Member States or undertakings of third countries; or

3) in accordance with a particular procedure of any international organisation.

(3) This Law shall not be applied if:

1) the Cabinet, in accordance with external regulatory enactments, has recognised the information regarding a contract or the implementation thereof as an official secret;

2) the application thereof may cause harm to the protection of the substantial interests of the State. The Cabinet shall decide regarding the protection of the substantial interests of the State in each specific case.

(4) This Law shall not be applied if, in accordance with the law regulating procurements in the field of defence and security, a procurement contract is entered into, whose subject-matter is:

1) goods of military significance referred to in the particular list pursuant to Article 346 of the Treaty on Functioning of the European Union;

2) goods intended for security purposes and include, process or are otherwise related to such information which has been recognised as an official secret in accordance with regulatory enactments;

3) works, goods or services which are directly related to the goods referred to in Clauses 1 and 2 of this Paragraph at any stage of the circulation thereof;

4) works or services which are directly meant for military purposes or for such structures or for the provision of such services, the information regarding which has been recognised as an official secret in accordance with external regulatory enactments.

Section 10. Contracts Entered into with an Affiliated Undertakings, Joint Ventures or Public Service Provider which is Part of the Joint Venture

(1) Within the meaning of this Section an affiliated undertaking shall be a capital company over which, pursuant to the Group of Companies Law, a service provider exercises a decisive influence or which exercises a decisive influence over a public service provider, or a capital company over which another capital company exercises a decisive influence and which concurrently exercises a decisive influence over a public service provider.

(2) In compliance with that referred to in Paragraphs three and four of this Section, this Law shall not be applied to works, supply and service contracts that a public service provider enters into with an affiliated undertaking or which a joint venture that has been established by various public service providers in order for such venture to perform some of the activities

referred to in Section 3, 4, 5, 6 or 7 of this Law enters into with one of the affiliated undertakings of such public service providers.

(3) Paragraph two of this Section shall be applied to:

1) works contracts provided that at least 80 per cent of the average turnover of the affiliated undertaking with respect to works for the preceding three years derives from the provision of such works to undertakings with which it is affiliated;

2) supply contracts provided that at least 80 per cent of the average turnover of the affiliated undertaking with respect to supplies for the preceding three years derives from the provision of such supplies to undertakings with which it is affiliated;

3) service contracts provided that at least 80 per cent of the average turnover of the affiliated undertaking with respect to services for the preceding three years derives from the provision of such services to undertakings with which it is affiliated.

(4) If the affiliated undertaking is founded later and the turnover cannot be determined for the last three years, Paragraph two of this Section shall be applied if at least 80 per cent of the average turnover of the affiliated undertaking for the works or supplies or services provided during the period of activities thereof forms the respective works, supplies or services for those undertakings with which it is affiliated and the undertaking referred to anticipates that at least 80 per cent of the turnover shall be formed by the works, supplies or services of the affiliated undertakings.

(5) If more than one undertaking affiliated with a public service provider performs the same or similar works or supplies or provides the same or similar services, the interest referred to in Paragraphs three and four of this Section shall be calculated taking into account the total turnover which is formed respectively by the works or supplies performed or services provided by such affiliated undertakings.

(6) This Law shall not be applied if the joint venture formed by a number of public service providers in order to carry out any of the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law, enters into a contract with one of those public service providers.

(7) This Law shall not be applied if a public service provider enters into a contract with a joint venture of which it is a part and which has been established in order to perform any of the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law for at least three years, observing the condition that each public service provider is a part of the joint venture at least throughout this period.

(8) Upon request by the European Commission a public service provider shall inform it of the affiliated undertakings and joint ventures entering into contracts, applying the exclusions referred to in this Section, regarding the subject-matter of the contract and the contract price, and shall also submit to the European Commission the necessary evidence that relations between the public service provider and affiliated undertaking or joint venture complies with the regulations of this Section.

Chapter IV

General Regulations for the Application of Procurement Procedures

Section 11. Types of Procurement Procedures and Application Thereof

(1) This Law shall be applied to procurement procedures if the contract price of works, supply or service contracts is the same as or greater than the contract price thresholds specified by the Cabinet. A public service provider is also entitled to apply this Law if the contract price of a

works, supply or service contract is lower than the contract price thresholds specified by the Cabinet.

(2) For entering into a works, supply and service contract, a public service provider is entitled to select an open contest, restricted contest or negotiated procedure, by publishing an invitation to participate. If a public service provider forms a dynamic purchasing system, it shall apply the regulations of an open contest insofar as not otherwise specified by this Law.

(3) A public service provider is entitled to choose a negotiated procedure without publishing an invitation to participate, in the following cases:

1) when no tenders or applications to the procurement procedure have been submitted for a procurement procedure regarding which an invitation to participate has been published or the submitted tenders do not comply with the requirements specified in the procurement procedure documentation, and the conditions of a contract anticipated by the previously announced procurement procedure are not substantially altered;

2) when the contract is only intended for research, experiments or for development without the purpose of making a profit or covering the costs of research or development, observing the condition that such contract does not affect free competition in respect of entering into subsequent contracts;

3) when due to technical or artistic reasons or due to reasons connected with the protection of exclusive rights, the contract may only be entered into with a specific supplier;

4) in an extraordinary situation that has come about due to events unforeseeable by the public service provider, where, as a result of time limits, it is not possible to apply the open contest, restricted contest or negotiated procedure by publishing an invitation to participate, – insofar as it is necessary in order to prevent the extraordinary situation;

5) when the public service provider needs additional supplies from the initial supplier (manufacturer) of goods in order to supplement or partly change the goods or equipment already at the disposal thereof because, upon selecting another supplier (manufacturer) of goods, the public service provider would have to procure goods, which would differ technically from those goods already at the disposal thereof and such difference would cause difficulties associated with the maintenance and operation of the goods or equipment;

6) when the public service provider requires additional works or services, which were not initially included in the contract or building project, but have become necessary for the implementation of the contract previously entered into, due to unforeseen circumstances, and the following conditions are observed:

a) the necessary additional works are performed or services provided by the implementer of the contract previously entered into, and

b) additional works or services cannot be technically or economically separated from the works or services provided for in the contract previously entered into, without causing significant difficulties to the public service provider, or also the additional works or services are significantly necessary for the implementation of the contract previously entered into, even though it is possible to separate them from the works or services provided for in this contract;

7) when the subject-matter of the contract is repeated performance of works provided for in the contract previously entered into, which are entrusted to the implementer of this contract, and the repeatedly necessary works conform to the existing project at the basis of the contract previously entered into. This condition shall apply to cases where the public service provider has entered into the initial works contract as a result of such procurement procedure for which it has published an invitation to participate, the repeat entering of a contract is

provided for and, determining the estimated contract price, the value of the repeatedly necessary works has also been taken into account;

8) when the subject-matter of the contract is the supply of such goods, which are quoted and which the public service provider purchases on the commodity market;

9) when entering into contracts, within the scope of a framework agreement;

10) it is possible to procure goods under especially advantageous conditions:

a) in the time period which is shorter than the time periods for the submission of applications and tenders specified in this Law for prices which are considerably lower than market prices, or

b) from a supplier of goods which, when terminating his or her commercial activity, organises an auction or from a liquidator or administrators of the insolvency process which are organising an auction of the merchant property in accordance with regulatory enactments;

11) when entering into a services contract with the winner or one of the winners of a design contest where the design contest is organised in accordance with the requirements of this Law. If several winners are specified in the design contest, all winners shall be invited to negotiations.

(4) A design contest shall be applied in the cases and according to the procedures referred to in Chapter X of this Law.

(5) If a contract is entered into for the services referred to in Part B of Annex 2 to this Law, the public service provider is entitled not to apply the procurement procedures specified in this Law, however he or she shall observe the requirements specified in Sections 20, 32, 56 and 60 of this Law. Prior to the performance of a procurement a public service provider shall publish a notice regarding the relevant procurement on its Internet homepage, indicating the time period for the submission of a tender and the place where the technical specifications are available.

(6) If the subject-matter of a contract is the services referred to both in Part A of Annex 2 and Part B of Annex 2 to this Law, the public service provider shall apply the procurement procedures referred to in this Law, if the contract price of the services referred to in Part A of Annex 2 to this Law exceeds the contract price of the services referred to in Part B of Annex 2. If the contract price of the services referred to in Part B of Annex 2 to this Law exceeds the contract price of the services referred to in Part A of Annex 2 to this Law, the public service provider shall apply the conditions of Paragraph five of this Section.

Section 12. Determination of the Estimated Contract Price in Procurement Procedures

(1) The estimated contract price shall be determined prior to the commencement of a procurement procedure as the anticipated total payment for the implementation of the contract by the public service provider. A public service provider, when planning the total cost, shall take into account any option and any additions to the contract, as well as the value of awards and payments if the public service provider intends to confer awards or payments to candidates or tenderers.

(2) The division of foreseeable work projects, supplies or services into parts in order to avoid the application of this Law shall not be allowed. The use of a method for the determination of the estimated contract price, which is aimed towards the non-application of this Law, shall not be allowed.

(3) In the case of works contracts, the estimated contract price shall be the total value of all works or structures, including the contract price of the supplies or services necessary for the

performance of the works contract and which are intended to be performed or provided to the contractor by the public service provider. The public service provider shall not add the estimated contract price of the supplies and services, which are not necessary for the implementation of the specific public works contract, to the estimated contract price of the works contract, if thereby the application of the requirements of this Law may be avoided to the relevant supply or service contracts.

(4) If the possible subject-matter of a works or service contract may be divided into parts, when entering concurrently into contracts for each of the parts, the estimated contract price shall be determined as the total amount of all the parts. The public service provider shall apply the requirements of this Law to each part, if the total amount of the parts is equal to or exceeds the thresholds of contract prices referred to in Section 11 of this Law. The public service provider is entitled not to apply procurement procedures to those parts whose estimated contract price is lower than the thresholds of contract prices specified by the Cabinet, if the total estimated contract price of the respective parts is lower than 20 per cent of the total estimated contract price of all the parts.

(5) If similar goods are intended to be purchased, when entering into several supply contracts concurrently so that they are contracts concerning parts, the estimated contract price shall be determined as the total amount of all parts. The public service provider shall apply the requirements of this Law to each part, if the total amount of the parts is equal to or exceeds the thresholds of contract prices referred to in Section 11 of this Law. The public service provider is entitled not to apply procurement procedures to those parts whose estimated contract price is lower than the thresholds of contract prices specified by the Cabinet, if the total estimated contract price of the respective parts is lower than 20 per cent of the total estimated contract price of all the parts.

(6) The estimated contract price for supply contracts providing for lease, hire purchase or leasing shall be determined as follows:

1) in the case of fixed-term contracts:

a) if the term is less than or equal to twelve months – as the total contract value for the period of the operation of the contract; or

b) if the term is greater than 12 months – as the total contract value for the period of the operation of the contract, taking into account the residual value; and

2) in the case of contracts without a fixed term or the contracts, the term of which cannot be specified – as the estimated monthly payment multiplied by 48.

(7) If the expected contract includes both supplies and services, the estimated contract price shall be determined as the total amount of the supplies and services, irrespective of the amount of the parts thereof. In such case, the estimated contract price shall also include the siting and installation costs.

(8) In the case of entering into regular supply or service contracts or in the case where the time period of a contract shall be extended within a given period, the estimated contract value shall be determined as follows:

1) as the total actual value of the successive contracts of the same type during the preceding twelve months or the preceding financial year, taking into account the possible changes in quantity or value during the subsequent twelve months; or

2) as the total estimated value of the successive contracts of the same type during the subsequent twelve months after the initial supply or during the next financial year (if it is longer than twelve months).

(9) The estimated contract price for services shall be determined:

1) in the case of insurance services – as the total sum of the premium payable and other forms of remuneration;

2) in the case of banking and other financial services – as the total sum of the fee for services, commissions, interest to be paid and other forms of remuneration; and

3) for service contracts, which include the drafting, the design and modelling of the architecture or engineering structures – as the total sum of the fee for services, commission and other forms of remuneration.

(10) If the total contract price is not indicated for service contracts, the estimated contract price shall be determined as follows:

1) for contracts with a fixed term, which is less than or equal to 48 months – as the total contract price for the term of the contract; and

2) for contracts without a fixed term or with a term exceeding 48 months – as the estimated monthly payment multiplied by 48.

(11) The estimated contract price in the case of a framework agreement and for the dynamic purchasing system shall be the total contract price of contracts envisaged during the term of the framework agreement or the dynamic purchasing system.

Section 13. Thresholds of Contract Prices

The Cabinet shall determine the thresholds of contract prices referred to in Section 11, Paragraph one, Section 12, Paragraphs four and five, Section 28, Paragraph one, Clauses 1, 2 and 3, Section 62, Paragraph one, Section 82, Paragraph one, Clause 5 and Section 86, Paragraph one, Clause 2 of this Law, based on the international liabilities of the European Union in respect of the thresholds of contract prices which the public service provider shall observe. The Cabinet shall determine the referred to thresholds of contract prices at least once in every two years within one month after the European Commission has announced the relevant thresholds of contract prices in the *Official Journal of the European Union*.

Section 14. Privileged Contracts

(1) If the subject-matter of an anticipated contract allows it, the public service provider is entitled to reserve the opportunity of participating in procurement procedures only for those candidates or tenderers, which mainly (more than 50 per cent of the average number of employees per year) employ persons with special needs requiring specific working conditions.

(2) When applying Paragraph one of this Section, reference to this Section shall be made in the invitation to tender.

Section 15. General Conditions in Relation to a Supplier

(1) The public service provider shall not reject a candidate or a tenderer if it does not have the specific legal status in accordance with the regulatory enactments of Latvia, however, it is entitled to perform works, supply goods or provide services in accordance with the regulatory enactments of the European Union Member State where it has been founded.

(2) If a works or service contract is being entered into or if a supply contract also includes the siting or installation of a product, the public service provider is entitled to request that the tenderer indicates in the tender or the candidate indicates in the application regarding the participation in the procurement procedure, the persons responsible for the implementation of the specific contract and the professional qualifications thereof.

(3) The supplier is entitled to rely on the capacity of other suppliers if it is necessary for the implementation of the particular contract, regardless of the legal nature of mutual relations thereof. In such a case, the supplier, who participates in the procurement, shall prove to the public service provider that it will have the necessary resources at the disposal thereof, by submitting an attestation of these suppliers or an agreement regarding co-operation for the implementation of the particular contract.

(4) Supplier associations may submit tenders or apply as candidates. A public service provider may not put forth a request that a specific legal status be necessary for such an association in order for it to submit a tender or a submission regarding the participation in a procurement procedure as a tenderer or a candidate. However, the public service provider may request that the association, in relation to which a decision has been taken to enter into a contract, establishes in accordance with a specific legal status, if this is necessary for successful implementation of the contract.

(5) A supplier, which has participated in any previous stage of the relevant procurement project or in the development of the procurement procedure documents, is not entitled to participate in the next stages of the same project or in the relevant procurement procedure if the referred to conditions provide the supplier with advantages in this procurement procedure, thus hindering, restricting or distorting the competition. Stages of a procurement project shall mean several successively performed procurements, which ensure the achievement of a unified end result.

(6) The public service provider, having established the conditions referred to in Paragraph five of this Section, prior to the potential rejection of a candidate or a tenderer, shall allow it to prove that there are no conditions, which would provide this candidate or tenderer any advantages in the relevant procurement procedure, thus hindering, restricting or distorting the competition.

Section 16. Conditions in Relation to the Public Procurement Agreement of the World Trade Organisation

In relation to suppliers from the Member States of the European Union, the public service providers shall apply at least as favourable conditions as those in relation to suppliers from third countries to which the public procurement agreement within the scope of the World Trade Organisation is related.

Section 17. Confidentiality

(1) A public service provider may put forth conditions for the protection of such information that such public service provider has forwarded to suppliers together with technical specifications, as well as during a procurement procedure.

(2) In notifying regarding the entering into of a contract and in informing tenderers and candidates, a public service provider may not disclose such information that has been forwarded to such public service provider as a commercial secret by other suppliers.

Section 18. Procurements Conducted by Central Purchasing Bodies

(1) The public service provider may procure works, goods and services from a central purchasing body or receive works, supplies and services with the intermediation thereof.

(2) In cases when the public service provider procures works, goods or services from the central purchasing body or with the intermediation thereof, it shall be considered that it has applied the requirements of this Law if the central purchasing body, when conducting the relevant procurements or organising the relevant procurement procedures, has applied the requirements of this Law or the Public Procurement Law.

(3) The public service provider need not apply the requirements of this Law if the procurement for the needs thereof is conducted by a central purchasing body, which is located in another European Union Member State and, when conducting the relevant procurement, it applies the requirements of such regulatory enactments, which conform with the European Union law in the field of public service providers or public procurement.

Section 19. Special Regulations for Procurements in the Field of Road Transport

(1) A public service provider, when organising procurements of road transport, shall take into account the effect of the putting into operation thereof on energy and the environment, evaluating at least the energy consumption and the amount of the emission of carbon dioxide, nitric oxides, methane-free hydrocarbons and aerosols.

(2) The Cabinet shall determine the road transport categories for the procurement of which the requirements of this Section shall apply, as well as the methodology for the calculation of the costs for the putting into service of the road transport referred.

(3) The public service provider shall implement the requirements referred to in Paragraph one of this Section in one of the following ways:

1) requirements in respect of energy consumption and the amount of the emissions of the substances referred to in Paragraph one of this Section shall be included in the technical specification, as well as, if necessary, other aspects of the effect on the environment; or

2) evaluate the effect of the putting into service on energy and environmental factors, determining the tender evaluation criteria in accordance with Section 51 of this Law. The public service provider is entitled to express and evaluate the factors referred to in monetary terms, using the methodology determined by the Cabinet for calculating the cost of putting road transport into service.

Chapter V

Rules for Technical Specifications and the Procurement Procedure Documentation

Section 20. Technical Specifications

(1) Technical specifications shall be included in the documents of a procurement procedure. Technical specifications shall ensure equal opportunities for all tenderers and shall not create unjustified restrictions for the competition in procurement procedures.

(2) Technical specifications for works contracts shall be a summary of technical descriptions, which determines the requirements of the public service provider in relation to materials, goods, technical equipment or objects and which characterises materials, goods, technical equipment or objects so that, upon acquisition thereof, they would conform to the purposes intended by the public service provider. These descriptions shall include environmental protection provisions, design requirements (also requirements in relation to availability to persons with special needs), requirements for conformity assessment and implementation, safety rules, quality assurance system, terminology, measurements, symbols, testing rules and methods, pre-packaging, labelling, instructions for use, manufacturing processes and methods.

Technical specifications shall also include rules regarding work completion tests and work acceptance, requirements in relation to methods and technology for performance of works and other technical rules which the public service provider has provided for works or the structure in aggregate, or for materials and objects, which are intended to be used in the structure. The amount of works shall be determined in accordance with the technical project and shall be included in the list of the amount of works.

(3) In technical specifications for supply and service contracts the requirements specified by the public service provider for the product or service such as the level of quality, environmental protection provisions, construction requirements (also requirements in relation to access to persons with special needs), performance requirements, requirements for product use, safety rules, measurements, terminology, symbols, testing rules and methods, requirements in relation to the product name, under which it is sold, the packaging and labelling, instructions for user, manufacturing processes and methods, as well as the conformity assessment methods. Service contracts shall, in addition, specify the objective, methods and resources to be used (if necessary), as well as the end result of services.

(4) Technical specifications shall be prepared in one of the following ways:

1) with reference to the technical specifications referred to in Paragraphs two and three of this Section and to the standards in the following order: the European standards adapted in the status of Latvian national standard, European technical approvals, common technical specifications, other international standards, as well as other technical reference systems established by the European standardisation institutions, or if the standards referred to do not exist, then in the following order: the Latvian national standards, the national technical approvals or the national technical specifications. Each reference shall include the words “or equivalent”;

2) in determining the functional requirements or performance requirements, which may also include the requirements for environmental protection. The requirements shall be precisely defined so that the tenderer might ascertain the subject-matter of the contract, and the public service provider – compare tenders;

3) by specifying the functional or performance requirements in accordance with Clause 2 of this Paragraph and with reference to the specifications in accordance with Clause 1 of this Paragraph in order to ensure the conformity with the functional or performance requirements; or

4) by referring to specifications in accordance with Clause 1 of this Paragraph, but specifying other requirements as functional requirements or performance requirements in accordance with Clause 2 of this Paragraph.

(5) If the public service provider prepares the technical specification in accordance with Paragraph four, Clause 1 of this Section, it shall not reject a tender because the goods or services tendered do not conform to the standards or technical specifications specified in the reference, if the tenderer can prove by means of the documentation of the manufacturer or an attestation issued by a competent authority regarding test results, that the tender is equivalent and satisfies the requirements of the public service provider defined in the technical specification. Within the meaning of this Section a competent authority shall be considered to be a national testing and calibration laboratory and certification and inspection institution of Latvia or another country conforming to the European standards.

(6) If the public service provider prepares the technical specification by specifying the functional requirements or performance requirements, it shall not reject tenders, which comply to the European standards adapted in the status of Latvian national standard and European technical approvals, common technical specifications, other international standards,

other technical reference systems established by European standardisation institutions, Latvian national standards or other technical reference systems, if these standards, technical specifications or reference systems determine the same functional or performance requirements, which have been set out by the public service provider. In such case the tenderer shall prove in its tender by means of the documentation of the manufacturer or an attestation issued by the competent authority regarding the test results that the tendered works, goods or services, which conform to the standards previously referred to, satisfy the functional requirements or performance requirements specified by the public service provider.

(7) If the public service provider determines the requirements for environmental protection as the functional requirements or performance requirements in accordance with Paragraph four, Clause 2 of this Section, it may apply detailed specifications, which are defined with European, multi-national or any other eco-labelling, or parts of specifications, if:

1) these specifications are sufficient in order to describe goods or services which are the intended subject-matter of the contract;

2) the requirements for eco-labelling have been prepared on the basis of scientific information;

3) the eco-labelling has been approved, using procedures in which any interested organisations – State institutions, consumers, manufacturers, distributors and environmental organisations – may participate; or

4) the specifications defined by the eco-labelling are available to all interested persons.

(8) When applying Paragraph seven of this Section, the public service provider may indicate that it assumes that the goods or services, which have an eco-label, conform with the requirements indicated in the technical specifications and procurement procedure documentation. As another proof of conformity, the public service provider shall accept the documentation of the manufacturer or an attestation issued by a competent authority regarding the test results.

(9) Technical specifications shall be prepared, taking into account the rules for availability to persons with special needs.

(10) If it is not decisive for the existence of the subject-matter of the contract, technical specifications need not specify a specific origin, special process, brand, patents or specific types of products, which create advantages or a reason for rejection of certain suppliers or products. Such reference may be included in exceptional cases if it is not possible to prepare a sufficiently precise and clear description of the subject-matter of the contract in accordance with Paragraphs four and five of this Section. In such a case, the reference shall be used together with the words “or equivalent”.

Section 21. Accessibility of Technical Specifications

(1) The public service provider, upon the request of interested suppliers, shall issue to them technical specifications, which are regularly used in works, supply or service contracts, or technical specifications which it is preparing to apply to contracts, regarding which the periodic indicative notice has been published.

(2) Where the technical specifications have been drawn up on the basis of documents available to the interested suppliers, the public service provider shall refer to those documents.

Section 22. Variants of Tenders

- (1) If the criteria for tender selection is the economically most advantageous tender, the public service provider may consider the option of submitting variants of tenders.
- (2) In the invitation to participate or the procurement procedure documentation the public service provider shall indicate whether variants of tenders may be submitted. Without such an indication the submission of variants shall not be allowed.
- (3) The public service provider shall indicate the level of minimum requirements in the procurement procedure documentation for variants and specific requirements for indicating variants in a tender.
- (4) The public service provider shall only review those variants of tenders, which conform to the minimum level of requirements specified thereby.
- (5) If it is intended to enter into a supply or service contract in procurement procedures and the public service provider has allowed the submission of variants of tenders in accordance with Paragraph two of this Section, it shall not reject a variant of a tender only on the basis of the fact that in case of tender selection a service contract shall be entered into instead of a supply contract or a supply contract – instead of a service contract.

Section 23. Open Contest Regulations, Documents for the Dynamic Purchasing System, Regulations for the Selection of Candidates for a Restricted Contest and Negotiated Procedure, when Publishing the Request to Participate, and Regulations for the Qualification System for the Selection of Qualified Suppliers

(1) Prior to publishing a notice regarding a contract, the public service provider shall prepare the regulations for an open contest (except the case referred to in Section 58 of this Law). The following shall be included in the regulations:

- 1) general information:
 - a) the identification number of the procurement,
 - b) the name, address and other details of the public service provider,
 - c) the location, date, time and procedure for the submission and opening of tenders,
 - d) the period of validity of a tender,
 - e) the tender security, if such is anticipated, the type, amount, term and conditions for disbursement thereof in accordance with Section 24 of this Law,
 - f) the requirements in relation to the documentation and submission of a tender, the type of financial tender, as well as information regarding the language or languages, in which the tender is to be submitted; and
 - g) other information;
- 2) information regarding the object of the procurement:
 - a) the description and amount of the object of the procurement,
 - b) the technical specifications,
 - c) the time and location for the implementation of the contract, and
 - d) other information regarding the object of the procurement;
- 3) the requirements, which are specified in accordance with Section 42 of this Law, as well as the information to be submitted, which is necessary in order to evaluate the tenderer in accordance with the Section referred to;
- 4) the requirements in relation to the capacity of a tenderer to perform professional activities, the economic and financial situation and the technical and professional abilities of the tenderer in accordance with the requirements specified in Sections 43, 44 and 45 of this

Law, as well as the information to be submitted, which is necessary in order to evaluate the tenderer in accordance with the requirements referred to;

5) the selection criteria and evaluation criteria of a tender in accordance with Section 51 of this Law, as well as an indication whether the tenderer may submit variants of tenders in accordance with Section 22 of this Law; and

6) the draft of the procurement contract or the framework agreement.

(2) Prior to publishing a notice regarding a contract, in which it is indicated that a dynamic purchasing system is being developed, the public service provider shall prepare procurement procedure documentation containing information regarding the dynamic purchasing system, the electronic equipment which may be used, the connection rules and specifications, the nature of the procurement anticipated within the scope of the system, the information referred to in Paragraph one, Clauses 3 and 4 of this Section, information regarding the tender selection criteria and evaluation criteria in accordance with Section 51, Paragraph one of this Law, and other information.

(3) Prior to publishing a periodic indicative notice as an invitation to participate or notice regarding a contract, or a notice regarding the qualification system, the public service provider shall accordingly prepare the regulations for the selection of candidates for a restricted contest or negotiated procedure or regulations for the selection of qualified suppliers. The following shall be included in the regulations:

1) the name, address and other details of the public service provider;

2) the object of the procurement;

3) the requirements, which are specified in accordance with Section 42 of this Law, as well as the information to be submitted, which is necessary in order to evaluate the candidate or supplier in accordance with the requirements referred to;

4) the requirements in relation to the capacity of a candidate or supplier to perform professional activities, the economic and financial situation and the technical and professional abilities of the candidate in accordance with the requirements specified in Sections 43, 44 and 45 of this Law, as well as the information to be submitted, which is necessary in order to evaluate the candidate or supplier in accordance with the requirements referred to;

5) the methodology of the candidate or supplier evaluation system if Section 41, Paragraph three of this Law is being applied;

6) information regarding the tender selection criteria and the evaluation criteria in accordance with Section 51, Paragraph one of this Law; and

7) other information regarding the selection of candidates or the selection of suppliers for the inclusion in the qualification system.

Section 24. Tender Security

(1) A public service provider is entitled to request that a tenderer submits a tender security, if:

1) the requirement is applicable to all tenderers equally and without exceptions; and

2) the tender security type and time-limits are specified in the procurement procedure documentation.

(2) A tender security shall be in effect for the shortest of the following time limits:

1) until the period of validity of a tender referred to in the procurement procedure documentation commencing from the day of opening the tender, or to any extension of the period of validity of the tender, regarding which the tenderer and guarantor have notified the public service provider in writing;

2) if the public service provider declares any tenderer as the winner of the procurement procedure – until the day when the selected tenderer submits a contract security (if such is provided for in the procurement procedure documentation and in the contract); or

3) until the entering into the procurement contract.

(3) The security provider shall pay the public service provider or the public service provider shall withhold the amount of tender security paid by the tenderer, if:

1) the tenderer withdraws his or her tender while the tender security is in effect;

2) a tenderer whose tender has been selected in accordance with the tender selection criteria has not submitted the tender security provided for in the procurement procedure documentation and procurement contract within the time-limit specified by the public service provider; or

3) a tenderer whose tender has been selected in accordance with the tender selection criteria does not sign the procurement contract or the framework agreement within the time-limit specified by the public service provider.

(4) The tender security shall not exceed five per cent of the estimated contract price. The amount and type of the tender security shall be determined commensurately, taking into account the estimated contract price of the relevant procurement and the subject-matter of the contract.

Section 25. Contracts of Sub-contractors

In the procurement procedure documentation the public service provider may request that a tenderer indicates in its tender those parts of the contract, which will be transferred to sub-contractors for performance, as well as all proposed sub-contractors.

Section 26. Regulations for Implementation of a Contract

The public service provider is entitled to provide for special regulations for the implementation of a contract mainly in connection with social circumstances or requirements of environmental protection, providing that these regulations are not in contradiction with European Union law and are indicated in the invitation to tender or in the technical specifications.

Section 27. Duties Related to Environmental Protection, Labour Protection and Working Conditions

(1) The public service provider shall indicate in the procurement procedure documentation the institutions from which candidates or tenderers may obtain information regarding the applicable rules in relation to taxes, environmental protection, labour protection and working conditions in the administrative territory in which the services are to be provided or the works are to be performed.

(2) If the public service provider indicates the institutions referred to in Paragraph one of this Section, then it shall set out the requirements in the procurement procedure documentation that the tenderer shall indicate in the tender that all the regulations regulating the ensuring of appropriate working conditions and labour protection in the relevant administrative territory have been taken into account.

Chapter VI

Provisions for Announcement and Observation of Transparency

Section 28. Periodic Indicative Notice

(1) At least once a year the public service provider shall publish a periodic indicative notice in accordance with Section 34, Paragraph two of this Law or shall publish it in the buyer profile. Publication of the referred to notice is mandatory if the public service provider uses the reduced time-limits for the submission of tenders in accordance with Section 35, Paragraph two, Clause 2 of this Law. The following shall be indicated in a periodic indicative notice:

1) for supply contracts – the total estimated contract price of such contracts or framework agreements, which the public service provider intends to enter into during the subsequent 12 months regarding a specific [with a reference to the Common Procurement Vocabulary (CPV)] group of products, if the total estimated contract price of these contracts and framework agreements is equal to or exceeds the thresholds of contract prices specified by the Cabinet;

2) for service contracts – the total estimated contract price of such contracts or framework agreements, which the public service provider intends to enter into during the subsequent 12 months regarding a specific service category in accordance with Part A of Annex 2 to this Law, if the total estimated contract price of these contracts and framework agreements is equal to or exceeds the thresholds of contract prices specified by the Cabinet; or

3) for works contracts – a general description of such contracts or framework agreements, which the public service provider intends to enter into during the subsequent 12 months if the estimated contract price of these contracts or framework agreements is equal to or exceeds the thresholds of contract prices specified by the Cabinet.

(2) The public service provider shall publish a periodic indicative notice regarding supply and service contracts in accordance with Section 34, Paragraph two of this Law or shall publish it in the buyer profile immediately after acceptance of the proposed annual budget.

(3) The public service provider shall publish a periodic indicative notice regarding works contracts in accordance with Section 34, Paragraph two of this Law, or publish it in the buyer profile as soon as a decision is taken regarding the necessity to perform a procurement procedure or to enter into a works contract or a framework agreement.

(4) Prior to publishing a periodic indicative notice in the buyer profile, a public service provider shall submit a notice regarding the buyer profile to the Procurement Monitoring Bureau for publication, in accordance with Section 34, Paragraph two of this Law.

(5) The public service provider may publish periodic indicative notices regarding the planned works, supplies or services without repeating information previously included in another periodic indicative notice. In such a case, the public service provider shall indicate clearly that this is an additional notice.

(6) The regulations of this Section shall not be applied in the cases referred to in Section 11, Paragraph three of this Law.

Section 29. Notice Regarding the Qualification System

If the public service provider wishes to develop a qualification system in accordance with Section 46 of this Law, it shall publish a notice regarding the qualification system, indicating the aim of the qualification system and the place for obtaining information regarding the operational rules of the qualification system. If the qualification system is intended for a time period for operation exceeding three years the relevant notice shall be

published each year. If the time period for operation is shorter, an initial notice shall be sufficient.

Section 30. Invitation to Participate

(1) In the case of a works, supply and service contract, except the cases referred to in Section 11, Paragraph three of this Law, the public service provider shall invite suppliers to participate in the procurement procedure, using one of the following notices:

- 1) a periodic indicative notice;
- 2) a notice regarding the qualification system; or
- 3) a notice regarding the contract.

(2) If a public service provider includes an invitation to participate in a periodic indicative notice, it shall make reference in the notice specifically to those supplies, works or services which are to be the anticipated subject-matter of the contract and indicate that a contract shall be entered into as a result of a restricted contest or negotiated procedure without a subsequent invitation to participate, and also request that interested suppliers submit their applications in writing. Such a periodic indicative notice shall be published in accordance with Section 34, Paragraph two of this Law no sooner than 12 months prior to the invitation to submit a tender in a restricted contest or invitation to participate in a negotiated procedure, observing the time-limits for the submission of the tender referred to in Section 35 of this Law.

Section 31. Notice Regarding a Contract, a Simplified Notice Regarding a Contract and a Notice Regarding Amendments, the Termination or Suspension of a Procurement Procedure

(1) If a public service provider applies an open contest for the entering into a works, supply or service contract, it shall publish a notice regarding the contract as an invitation to participate. If a public service provider applies a restricted contest or negotiated procedure (except the negotiated procedure referred to in Section 11, Paragraph three of this Law), it is entitled to publish a notice regarding a contract as an invitation to participate.

(2) The public service provider shall notify of the development of a dynamic purchasing system, by publishing a notice regarding a contract. When notifying of the anticipated entering into a contract within the scope of a dynamic purchasing system, the public service provider shall publish a simplified notice regarding a contract, inviting to submit indicative tenders.

(3) If a public service provider makes amendments to procurement procedure documentation or extends the specified time-limits for the submission of applications or tenders, terminates or suspends a procurement procedure or does not develop a dynamic purchasing system, it shall publish a notice regarding amendments, the termination or suspension of a procurement procedure.

(4) If a procurement procedure is terminated or suspended or a dynamic procurement system is not developed, the public service provider shall, as soon as possible, but not later than within three working days following the sending of the information referred to in Section 56, Paragraph three of this Law to candidates or tenderers, submit a notice for publication regarding amendments, the termination or suspension of a procurement procedure. If tenders or applications have not been submitted for a specific procurement procedure, a notice regarding amendments, the termination or suspension of a procurement procedure shall be submitted for publication within three working days following the taking of a decision

regarding the termination or suspension of a procurement procedure or regarding the non-development of a dynamic purchasing system.

Section 32. Notice Regarding the Results of a Procurement Procedure

(1) A public service provider shall submit for publication a notice regarding the results of a procurement procedure as soon as possible but not later than within three working days following informing of the tenderers in accordance with Section 56, Paragraph two of this Law, if a decision is taken regarding the entering into of a procurement contract or framework agreement. These regulations shall not apply to procurement contracts, which are entered into within the scope of a framework agreement.

(2) When taking a decision within the scope of a dynamic purchasing system, the public service provider shall submit a notice regarding the results of the procurement procedure for publication in accordance with Paragraph one of this Section in respect of each contract. It is permitted not to apply this condition if a public service provider combines notices regarding the results of a procurement procedure within the scope of the year quarter. Such combined notices regarding the results of the procurement procedure shall be submitted for publication within three working days after the end of each quarter.

(3) If the subject-matter of a contract is the services referred to in Part B of Annex 2 to this Law, the public service provider shall indicate in the notice regarding the results of the procurement procedure whether it agrees to the complete publication of this notice. If the public service provider does not agree to the complete publication of this notice, the Procurement Monitoring Bureau shall publish the name of the public service provider, the subject-matter of the contract and the date of the publication of this notice.

(4) If a public service provider applies the negotiated procedure for entering into a research and development service contract, without publishing an invitation to participate, it is entitled to restrict the information to be published in the notice regarding the results of the procurement procedure, regarding the nature and extent of the service with the note "research and development service". If the public service provider enters into a research and development service contract as a result of such procurement procedure regarding which an invitation to participate has been published, it is entitled to restrict the information regarding the type and extent of the service to be provided, on the grounds of a commercial secret. In such cases the public service provider shall ensure that any information referred to in this Section is not less detailed than that contained in the invitation to participate.

(5) By using the qualification system the public service provider shall ensure that in the case referred to in Paragraph four of this Section, the information referred to in the notice of the procurement procedure results is not less detailed than the category of services referred to in the list of qualified service providers.

Section 33. Voluntary Notice Regarding Procurement Results

(1) A public service provider is entitled to submit a voluntary notice regarding procurement results for publication in the exceptional cases of the application of this Law or the procurement procedure or in the cases referred to in Section 11, Paragraphs three or five of this Law in addition to the submission of the notice for publication referred to in Section 32, Paragraph one of this Law.

(2) A voluntary notice regarding procurement results shall be published in order that interested persons may dispute the grounds for procurement which has been performed

without application of the relevant procurement procedure and without publishing an invitation to participate, and to concurrently prevent the consequences referred to in Section 83, Paragraph one of this Law.

Section 34. Publication of Notices

(1) The Cabinet shall determine the content and procedures for the preparation of the notice referred to in Section 28, Paragraphs one and four, Sections 29, 30 and 31, Section 32, Paragraph one and Section 33, Paragraph one, Section 67 and Section 72, Paragraph two of this Law. If a public service provider publishes the periodic indicative notice referred to in Section 28, Paragraph one of this Law in the buyer profile, the sample notice form shall be determined by Commission Regulation (EC) No 1564/2005 of 7 September 2005 establishing standard forms for the publication of notices in the framework of public procurement procedures pursuant to Directives 2004/17/EC and 2004/18/EC of the European Parliament and of the Council.

(2) The public service provider shall prepare the relevant notice referred to in Paragraph one of this Section and submit it to the Procurement Monitoring Bureau for publication, using the electronic means available on the Internet home page of the Procurement Monitoring Bureau. The Procurement Monitoring Bureau shall, within three working days after receipt of the notice referred to in Paragraph one of this Section, examine the conformity of the content thereof with the requirements of this Law and place it on the Internet home page of the Procurement Monitoring Bureau.

(3) The Procurement Monitoring Bureau shall send notices for publication in the Official Journal of the European Union and concurrently place them on the Internet home page of the Procurement Monitoring Bureau.

(4) Information regarding a procurement contract or a framework agreement, the publication of which might delay the application of the Law or restrict competition among suppliers, or harm justified commercial interests of suppliers, need not be published. The public service provider, when submitting a notice for publication, shall indicate which information contained in the notice (in respect of the number of tenders, supplier identity or prices) may harm the interests referred to, and is not to be published.

Section 35. Deadlines for Submission of Applications and Tenders

(1) The public service provider, when determining the deadlines for submission of applications or tenders, shall take into account the level of complexity of the potential contract and the time period, which is necessary for preparation of candidate selection documents and tenders, as well as the restrictions of the deadlines specified in this Law.

(2) The deadline for the submission of tenders for an open contest shall be determined as follows:

1) if a periodic indicative notice has not previously been published or a published periodic indicative notice contains only general information and does not contain the other information referred to in Clause 2 of this Paragraph, the deadline for the submission of tenders following the publication of a notice regarding the contract on the Internet home page of the Procurement Monitoring Bureau, shall not be less than 52 days;

2) if a periodic informative notice is published not later than 52 days and not sooner than 12 months before the day when the notice regarding the contract is published on the Internet home page of the Procurement Monitoring Bureau, containing not only general

information, but also information necessary if the periodic informative notice is to be used as an authorisation to reduce the deadline for the submission of a tender, the deadline for the submission of a tender following the publication of the notice regarding the contract referred to on the Internet home page of the Procurement Monitoring Bureau, shall not be less than:

a) 36 days,

b) 22 days, if there are reasonable grounds for such a deadline reduction.

(3) In the case referred to in Paragraph two, Clause 1 of this Section, the public service provider is entitled to make amendments to the open contest documentation if thereby the technical specifications or other requirements are not significantly altered. If half the deadline referred to in Paragraph two, Clause 1 of this Section, or a longer period has passed, the deadline for the submission of a tender shall not be less than 26 days following the publication of a notice regarding amendments, the termination or suspension of the procurement procedure on the Internet home page of the Procurement Monitoring Bureau.

(4) The deadline for the submission of an application in a restricted contest and negotiated procedure, following the publication of a notice regarding the contract on the Internet home page of the Procurement Monitoring Bureau, shall not be shorter than:

1) 37 days;

2) 15 days, if there are reasonable grounds for such a deadline reduction.

(5) If a periodic indicative notice is published as an invitation to participate, the deadline for the submission of a tender for a restricted contest and negotiated procedure following the sending of the invitation to submit an application shall not be shorter than 37 days.

(6) In a restricted contest and in a negotiated procedure, when publishing an invitation to participate, a public service provider shall agree with all the selected candidates on the deadline for the submission of a tender which shall be determined in the invitation to submit a tender or participate in negotiations. If a public service provider cannot agree with the candidates on the deadline for the submission of tenders, it shall determine the deadline for the submission of tenders which, following the sending of the invitation to submit a tender or participate in negotiations, is not shorter than:

1) 24 days; or

2) 10 days, if there are reasonable grounds for such a deadline reduction.

(7) A public service provider is entitled to extend the specified deadlines for the submission of applications and tenders, publishing a notice regarding amendments, the termination or suspension of a procurement procedure or by sending a repeated invitation to submit applications or a repeated invitation to submit tenders or to participate in negotiations. The minimum time period by which a public service provider is entitled to extend the deadline for the submission of applications or tenders, shall be seven days. Such an extension of a deadline shall not be regarded as amendments to the procurement procedure documentation within the meaning of Paragraph three of this Section.

(8) If a notice to participate is prepared and sent to the Official Journal of the European Union electronically, using the electronic document receipt system of the Official Journal of the European Union, the deadline for the submission of tenders to an open contest referred to in the Paragraph two, Clause 1 and Clause 2, Sub-clauses (a) and (b) of this Section and the deadline for the submission of tenders to a restricted contest and a negotiated procedure referred to in Paragraph four, Clauses 1 and 2 of this Section, may be reduced by seven days.

(9) If a public service provider ensures free and direct electronic access to procurement procedure documentation and all additional necessary documents, the deadline for the submission of tenders referred to in Paragraph two, Clause 1 and Clause 2, Sub-clauses (a) and (b) and Paragraph six, Clauses 1 and 2 of this Section may be reduced by five days. The

Internet home page address on which the information referred to is available shall be indicated in the invitation to participate. The reduction of the deadline referred to in this Paragraph may be added to the reduction of the deadline referred to in Paragraph eight of this Section.

(10) When using the opportunities referred to in Paragraphs eight and nine of this Section to reduce the deadline for the submission of tenders referred to in Paragraph two, Clause 2, Sub-clause (b) of this Section, this may not be specified as shorter than 15 days following the day when the notice regarding the contract is published on the Internet home page of the Procurement Monitoring Bureau.

(11) When using the opportunity referred to in Paragraph eight of this Section to reduce the deadline for the submission of tenders referred to in Paragraph four, Clause 2 of this Section, this may not be specified as shorter than 15 days following the day when the notice regarding the contract is published on the Internet home page of the Procurement Monitoring Bureau.

(12) When using the opportunity referred to in Paragraph nine of this Section to reduce the deadline for the submission of tenders referred to in Paragraph six, Clause 2 of this Section, this may not be specified as shorter than 10 days following the day when the public service provider has sent the selected candidates an invitation to submit tenders or participate in negotiations.

(13) If for some reason technical specifications and other documents or additional information are requested, however, are not issued within the time periods specified in Section 36 of this Law or if tenders may only be prepared after examination of the contract implementation site or familiarisation with additional procurement procedure documentation in person, the public service provider shall extend the deadline for the submission of tenders, giving the suppliers an opportunity to acquire all the information which is necessary for the preparation of tenders.

Section 36. Issuance of Procurement Procedure Documentation and Provision of Additional Information

(1) If the public service provider cannot ensure free and direct electronic access to procurement procedure documents and all additional necessary documents, the public service provider shall, within six days after the receipt of the request for these documents, send them or issue them to the interested suppliers, observing the condition that the request for documents has been sent in due time prior to the deadline for the submission of applications or tenders. However, the public service provider shall provide the interested suppliers with an opportunity to become acquainted on site with the procurement procedure documentation, starting from the time of the announcement of the relevant procurement procedure.

(2) If an interested supplier has requested additional information in due time regarding the requirements for candidate selection, the public service provider shall provide it as soon as possible, but not later than four days prior to the expiry of the deadline for the submission of applications.

(3) If an interested supplier has requested additional information in due time regarding the requirements contained in the procurement procedure documents in respect of the preparation and submission of tenders or the selection of candidates, the public service provider shall provide it as soon as possible, but not later than six days prior to the expiry of the deadline for the submission of tenders. If a candidate has requested the additional information referred to in the case specified in Section 35, Paragraph six, Clause 2 of this Law, in due time, the public service provider shall provide it as soon as possible, but not later than four days prior to the expiry of the deadline for the submission of tenders.

(4) If the public service provider provides additional information, it shall concurrently send this information to all suppliers, which have received the procurement procedure documentation, indicating also the question asked. If the public service provider ensures free and direct electronic access to procurement procedure documentation, it shall concurrently with sending additional information to the supplier, which has asked the question, insert this information on the Internet home page where the procurement procedure documentation is accessible, indicating also the question asked.

(5) If the public service provider has made amendments to the procurement procedure documentation, it shall send information regarding the amendments to all suppliers, which have received the procurement procedure documentation. If the public service provider ensures free and direct electronic access to the procurement procedure documentation, it shall insert this information on the Internet home page where this documentation is accessible. The public service provider shall send this information to suppliers or place it on the Internet home page not later than one day after the submission of the notice regarding amendments, the termination or suspension of a procurement procedure to the Procurement Monitoring Bureau for publication.

(6) Procurement procedure documentation is available in electronic form, free of charge. The public service provider may request payment for the issuance of the procurement procedure documentation, which cannot be issued in electronic form, not exceeding the actual costs for copying and sending the documents.

Section 37. Information Exchange in Procurement Procedures

(1) An exchange of information between the public service provider and suppliers shall take place by post, fax, electronically (in accordance with the provisions referred to in Paragraphs five and six of this Section), by telephone (in the cases specified in Paragraph eight, Clauses 1 and 2 of this Section), depending on the choice of the public service provider.

(2) The public service provider shall choose such means for the exchange of information, which are generally accessible, in order not to hinder the access by the supplier to the procurement procedure. The public service provider shall choose such method of sending the documents referred to in this Law, which ensures as quick receipt of information by the addressee as possible.

(3) The exchange and storage of information shall be carried out in such a way as to protect the data included in tenders and applications and that the public service provider might examine the content of tenders and applications only after the expiry of the deadline for the submission of tenders or applications.

(4) The public service provider shall not provide information regarding the existence of other tenders or applications from the day of submission of tenders or applications until the time of opening thereof. During the period of evaluation of tenders and applications until the notification of results, the public service provider shall not provide information regarding the evaluation process.

(5) If electronic means are used for the exchange of information, such means shall be chosen, which are publicly accessible and compatible with generally used products of information and communication technologies, thereby avoiding the possibility of discriminating suppliers on these grounds.

(6) The provisions of Section 36 of this Law shall be applied to electronic equipment, which is used for the receipt and sending of tenders, applications and designs.

(7) If tenders and applications are submitted electronically, the candidates or tenderers shall submit the certificates, confirmations and other documents provided for in Section 15, Paragraph three, Sections 42, 43, 44 and 45 of this Law by the end of the deadline for the submission of tenders or applications, if these documents are not in electronic form.

(8) The following provisions shall be observed in sending applications:

1) applications for participation in procurement procedures may be sent in writing or notified by telephone;

2) if an application is notified by telephone, a written confirmation shall be submitted prior to the end of the deadline for the submission of the application; and

3) the public service provider may request that applications, which are sent by fax, be confirmed by post or electronically, if necessary, in order to give them lawful force (if it is necessary as legal means of proving). The public service provider shall include any such requirement, as well as for the sending of confirmation of the deadline, in the invitation to participate or in the invitation referred to in Section 48, Paragraph two of this Law.

Section 38. Requirements in Respect of the Receipt of Electronic Documents

When using electronic equipment by which applications, tenders and designs are received for procurement procedures, the following regulations shall be observed:

1) all interested suppliers shall have access to the information regarding the specifications that are related to the electronic submission of applications, tenders and designs;

2) electronic documents shall be submitted pursuant to the requirements of the Electronic Documents Law;

3) the date and time may be precisely determined when applications, tenders or designs were submitted in the procurement procedure or applications to the qualification system;

4) the public service provider shall ensure that nobody is able to access the information submitted prior to the end of the specified deadline;

5) a violation may be disclosed if somebody has violated the prohibition referred to in Paragraph 4 of this Section;

6) only authorised persons shall have an opportunity to determine or change the time for opening the documents received;

7) the documents or a part thereof submitted during several stages of the qualification system or procurement procedure shall be accessible only after activities performed simultaneously by authorised persons;

8) the submitted documents may be accessed only on a specific date after activities performed simultaneously by authorised persons; and

9) the submitted and opened documents shall remain accessible only to those authorised persons who have been granted such access.

Section 39. Notice Regarding a Procurement Procedure

(1) A public service provider shall document each procurement procedure and prepare a notice regarding a procurement procedure following the taking of a decision regarding the results of this procedure.

(2) At least the following information shall be included in the notice regarding a procurement procedure:

1) the name and address of the public service provider, the procurement identification number, the type of the procurement procedure, as well as the subject-matter of the contract, framework agreement or dynamic purchasing system;

2) the date when the request to participate was published on the Internet home page of the Procurement Monitoring Bureau;

3) the qualification requirements specified for candidates and tenderers, the criterion for the selection of a tender, as well as the evaluation criteria and their proportion according to the sequence of significance thereof, if the economically most advantageous tender has been specified as the selection criterion of tenders;

4) deadline for submission of applications or tenders;

5) the names of the suppliers, which have applied for candidate selection, and the names of the tenderers which have submitted tenders, as well as the prices tendered and other information characterising the tender;

6) the location, date and time for the opening of tenders and applications;

7) the name of the tenderer (or tenderers) with whom it has been decided to enter into a procurement contract or framework agreement, the contract price, as well as a summary of the evaluation of tenders and justification for the selected tender, if the economically most advantageous tender has been specified as the selection criterion for tenders;

8) the names of the persons, who have been selected in accordance with the rules for candidate selection and invited to submit tenders or participate in negotiations, as well as the justification of the relevant decisions;

9) information (if any) regarding the part of the contract or framework agreement, which the selected supplier has planned to transfer to sub-contractors;

10) the justification of the decision regarding the rejected candidates or tenderers, as well as regarding tenders not conforming to the procurement procedure documents;

11) if a public service provider has taken a decision to terminate or suspend the procurement procedure – the grounds for this decision;

12) the justification for rejecting a tender, if the public service provider has recognised the tender as abnormally low; or

13) if a negotiated procedure is applied – the justification for the application of the procedure in accordance with Section 11, Paragraph three of this Law.

(3) The public service provider shall prepare a notice not later than on the day when the notice regarding the results of the procurement procedure is submitted for publication.

(4) The notice, on the basis of a request, shall be issued within two working days. Other procurement procedure documents, except tenders, shall be issued in accordance with the terms and procedures specified by the Freedom of Information Law, unless otherwise prescribed by this Law. Tenders are not to be issued or presented to suppliers and other persons not involved in the evaluation thereof.

(5) The public service provider shall send a notice to the European Commission, if it is requested by the European Commission.

Section 40. Storage of Procurement Procedure Documentation

A public service provider shall store all the original copies of procurement procedure documentation, as well as the original copies of tenders, for at least four years following the taking of the decision in a procurement procedure.

Chapter VII Selection of Candidates and Tenderers and Selection of a Tender

Section 41. General Rules for the Selection of Candidates and Tenderers

(1) A public service provider shall select candidates and tenderers, observing the conditions for exclusion referred to in Section 42 of this Law and the qualification requirements specified in the invitation to participate and in the procurement procedure documents in respect of the economic and financial situation, as well as the technical and professional abilities and requirements in accordance with Sections 43, 44 and 45 of this Law.

(2) The amount of requirements, as well as the requested minimum level of capability for the implementation of the particular contract shall be determined commensurate to the subject-matter of the contract. Such minimum conformity requirements shall be included in the invitation to participate, as well as in the procurement procedure documentation.

(3) If a restricted contest or negotiated procedure is applied, when publishing the invitation to participate, the public service provider is entitled to anticipate in advance how many candidates it will invite to submit a tender or participate in negotiations, if a sufficient number of appropriate candidates is available. The public service provider shall indicate the objectives and non-discriminatory criteria or regulations it has decided to apply, as well as the minimum and, where necessary, maximum number of candidates it has anticipated to invite, in the invitation to participate, as well as in the procurement procedure documentation.

(4) If Paragraph three of this Section is applied, a sufficiently high number of candidates shall be selected in order to ensure competition.

(5) If Paragraphs three and four of this Section are applied, the public service provider shall invite a specific number of candidates which shall not be less than that anticipated in the invitation to participate. If the number of candidates which conform to the qualification requirements is less than that anticipated, the public service provider is entitled to invite candidates which conform to the requirements referred. A public service provider is entitled not to invite such suppliers which have not submitted applications or do not conform to the specified requirements.

Section 42. Provisions for Exclusion of Candidates and Tenderers

(1) A public service provider shall reject the application of a supplier to the qualification system or exclude a supplier from subsequent participation in the procurement procedure, or from the qualification system, or not examine the tender of a tenderer in any of the following cases:

1) the candidate, tenderer or person having the right of a candidate or the representative of a candidate or the right to take a decision or monitoring rights in respect of the candidate or tenderer, by court judgment or punishment prescription of the prosecutor, which has come into effect and is no longer disputable, is recognised as guilty of money laundering, in fraudulent activities in the field of finance, in the legalisation of criminally acquired funds or participation in a criminal organisation;

2) a candidate or tenderer by decision of such competent authority or court judgment which has come into effect and is no longer disputable, is recognised as guilty of a significant violation of employment rights, in the form of the employment of one person without entering into a written employment contract, if this is determined repeatedly within one year or the simultaneous employment of one or several persons without entering into a written employment contract;

3) a candidate or tenderer by decision of such competent authority or court judgment, which has come into force and is no longer disputable, has been found guilty of violating competition rights, by way of a vertical agreement, whose aim is to restrict the option of purchasers to determine the resale price or a horizontal cartel agreement, except the case where the relevant institution, determining the violation of competition rights has released the candidate or tenderer from the fine;

4) if insolvency proceedings have been declared for the candidate or tenderer, the economic activity of the candidate or tenderer has been suspended or discontinued, legal proceedings have been initiated regarding the bankruptcy of the candidate or tenderer or it is determined that the candidate will be liquidated until fulfilment of the intended expiry date of the contract;

5) the candidate or tenderer has tax debts, including mandatory State social insurance payments, in Latvia and in the country in which it is registered or in which the permanent place of residence is located (if it is not registered in Latvia or if the permanent place of residence is outside Latvia), the total amount of which exceeds LVL 100 in each country;

6) the candidate or tenderer has provided false information for evaluation of its qualification or has not provided the requested information at all;

7) the conditions referred to in Clauses 1, 2, 3, 4, 5 and 6 of this Paragraph are applied to the persons indicated by the candidate or tenderer, on whose abilities the candidate or tenderer is relying on in order to confirm that the qualification thereof conforms with the requirements specified in the notice regarding a contract or in the procurement procedure documentation.

(2) If reorganisation or an aggregate of similar measures is applied during the insolvency process of the candidate, tenderer or persons referred to in Paragraph one, Clause 7 of this Section, aimed towards the prevention of the potential bankruptcy of the debtor and the renewal of solvency, the public service provider is entitled, when evaluating the potential economic risks and taking into account the subject-matter of the contract, to decide on the non-exclusion of the relevant candidate or tenderer from the procurement procedure in accordance with Paragraph one, Clause 4 of this Section.

(3) In respect of a candidate, tenderer and the person referred to in Paragraph one, Clause 7 of this Section, the conditions of exclusion referred to in Paragraph one, Clauses 1, 2 and 3 of this Section shall not be applied, if:

1) from the day when a court judgement or punishment prescription of a prosecutor is no longer disputable in relation to the violations referred to in Paragraph one, Clause 1 of this Section, until the day of the submission of an application or tender, three years have passed;

2) from the day when a court judgement or decision of another competent authority concerning the violations referred to in Paragraph one, Clause 2 of this Section is no longer disputable, until the day of the submission of an application or tender, 18 months have passed;

3) from the day when a court judgement or decision taken by another competent authority is no longer disputable in relation to the violations referred to in Paragraph one, Clause 3 of this Section, until the day of the submission of an application or tender, 12 months have passed.

(4) If the public service provider cannot acquire the information referred to in Paragraph one, Clauses 2, 4 and 5 of this Section, it shall request that the candidate or tenderer submits the following:

1) a statement of a competent authority which certifies that insolvency proceedings have not been declared for the candidate or tenderer and the person referred to in Paragraph one, Clause 7 of this Section and they are not in the stage of liquidation;

2) a statement issued by the State Revenue Service or local government in Latvia and which certifies that a candidate or tenderer and the person referred to in Paragraph one, Clause 7 of this Section (regardless of whether they are registered in Latvia or the permanent place of residence thereof is in Latvia) has no tax debt in Latvia, including debts of mandatory State social insurance payments, whose total amount exceeds LVL 100;

3) a statement that the candidate or tenderer and the person referred to in Paragraph one, Clause 7 of this Section, if they are registered in a foreign country or the permanent place of residence thereof is in a foreign country, has no tax debts in the relevant foreign country, including debts of mandatory State social insurance payments, whose total amount exceeds LVL 100; and

4) a statement issued by the State Labour Inspectorate and which certifies that a candidate or tenderer and the person referred to in Paragraph one, Clause 7 of this Section in Latvia and in a foreign country has not been punished for the violations of employment rights referred to in Paragraph one, Clause 2 of this Section.

(5) If such documents, with which a supplier may confirm that the conditions indicated in Paragraph one of this Section do not apply thereto and to the person referred to in Paragraph one, Clause 7 of this Section, are not issued or if these documents are insufficient in order to confirm that the conditions indicated in Paragraph one of this Section do not apply to the supplier and the person referred to in Paragraph one, Clause 7 of this Section, such documents may be replaced with an oath or, if regulatory enactments of the relevant country do not provide for giving of an oath, with an attestation of the supplier itself or the person referred to in Paragraph one, Clause 7 of this Section to the competent executive body or judicial authority, a sworn notary or a competent organisation in the relevant sector in the country of registration (permanent place of residence) thereof.

Section 43. Conformity for the Performance of Professional Activities

(1) A public service provider may request evidence that the relevant supplier is registered, licensed or certified in accordance with the requirements of regulatory enactments of the relevant country.

(2) In case of a public service contract, insofar as the suppliers have to be specially authorised or have to be members of a specific organisation so that they might provide the particular service in the relevant country, the public service provider may request evidence regarding such authorisation or participation.

Section 44. Quality Assurance Standards

If the public service provider requests that the quality system of a supplier be inspected, it shall refer to the quality assurance systems, which conform to specific European certification standards and which have been certified by the relevant institutions, which conform to European certification standards. The public service provider shall recognise equivalent certificates, which have been issued by institutions in other European Member States, as well as accept other evidence submitted by the supplier regarding equivalent quality assurance measures.

Section 45. Environmental Management Standards

If a public service provider, taking into account the nature, quantity and importance of works or services, requests that a supplier certifies the ability, when fulfilling a contract, to implement measures for ensuring the requirements for environmental protection, the supplier is entitled to certify this:

- 1) by registering in the Environmental Management and Audit System (EMAS);
- 2) with a certificate of a competent authority of Latvia or another European Union Member State, which attests the conformity thereof to European or international environmental management system standards; or
- 3) with other evidence of equivalent measures ensuring the requirements for environmental protection.

Section 46. Qualification Systems

(1) A public service provider who publishes a notice regarding a qualification system is entitled to develop and maintain the qualification system of suppliers. The public service provider which has established and is maintaining a qualification system shall ensure that the suppliers are able to request the inclusion thereof in the system at all times during the maintenance of the system.

(2) A qualification system may involve several qualification stages. The system shall be applied, based on the objective qualification evaluation criteria specified by the public service provider and conditions in respect of the economic and financial situation, technical and professional abilities of the supplier. When determining these criteria and conditions, the public service provider shall take into account Section 41, Paragraphs two and three, Sections 42, 43, 44 and 45 of this Law. If the criteria and conditions include technical specifications, Section 20 of this Law shall be applied.

(3) The public service provider shall issue qualification criteria and conditions upon request of the supplier. If the public service provider feels that the qualification system of another public service provider complies with the requirements thereof, it shall notify the name of the public service provider to interested suppliers.

(4) If necessary, the specified criteria and conditions may be supplemented or altered. All interested suppliers shall be notified of amendments to the criteria and conditions.

(5) If the qualification criteria and conditions set out requirements in respect of the economic and financial situation, technical and professional abilities of the supplier, the supplier is entitled to rely on the possibilities of other suppliers regardless of the legal nature of the mutual relations. In such case the supplier, who has submitted the application, shall prove to the public service provider that it will have the necessary resources at the disposal thereof, throughout the period of operation of the qualification system, by submitting an attestation of these suppliers or an agreement regarding co-operation.

(6) The public service provider who is creating a qualification system, shall evaluate the conformity of the qualification of the applicant within six months following the submission of the application and inform regarding the decision taken, observing the conditions of Section 56, Paragraph one of this Law. If a period exceeding four months is necessary for the taking of the decision after the submission of the application, the public service provider shall within two months after the submission of the application notify the applicant of the reasons due to which a longer period of time is required for the taking of the decision, as well as of the time period by which the relevant decision will be taken.

(7) The public service provider shall maintain lists of the qualified suppliers. Suppliers may be divided into categories according to the type of contract for which the qualification is valid.

(8) The public service provider which maintains the qualification system may exclude the supplier from the system if it fails to conform to the qualification criteria and conditions which have been specified upon the establishment of the system. Participants of the qualification system shall be excluded from the system no sooner than on the day following the sending of the information referred to in Section 56, Paragraph five of this Law to this participant and the time period referred to in Section 77, Paragraph one, Clause 1 or 2 and Paragraph five of this Law has passed, if a complaint regarding violations of the procurement procedure has not been submitted in accordance with the procedures specified in Section 77 of this Law.

(9) If a notice regarding a qualification system has been published as an invitation to participate, in order to select candidates for entering into specific contracts, regarding which an invitation to participate is to be published, the public service provider shall select suppliers in accordance with the qualification criteria and conditions put forward, and in accordance with the candidate evaluation methodology, if Section 41, Paragraph three of this Law is applied and they shall be included in the qualification system.

(10) If a notice regarding the qualification system has been published as an invitation to participate, the tenderers of a restricted contest and participants of negotiated procedures shall be selected from the suppliers qualified in the system.

Section 47. Examination of Information Submitted and the Right to Request Additional Information

(1) Statements and other documents, which are issued by competent authorities in the cases specified by this Law, shall be accepted and considered by the public service provider, if they have been issued not earlier than three months prior to the day of submission.

(2) The public service provider is entitled to check the necessary information in the competent authority, publicly accessible databases or other publicly accessible sources. If a public service provider has acquired information in such manner, but the information acquired by the public service provider does not conform to the actual situation, the relevant candidate or tenderer is entitled to submit a statement or another document regarding the respective fact.

(3) If the public service provider has a reason to doubt the authenticity of the document copy submitted, it shall request that the candidate or tenderer presents the original copy of the document or submits an attested copy of the document.

(4) The public service provider is entitled to request that the supplier or competent authority supplements or explains certificates and documents submitted in compliance with the requirements put forward in the procurement procedure documents, including the requirements of Sections 42, 43, 44 and 45 of this Law, and to request during the course of the evaluation of tenders, that the information contained in the technical or financial tender is explained or that product samples are submitted.

Section 48. Candidate Selection in a Restricted Contest and in a Negotiated Procedure, when Publishing a Notice of Participation, and an Invitation to Submit Tenders or Participate in Negotiations

(1) After expiry of the deadline for the submission of applications, the public service provider shall select candidates in accordance with the qualification requirements specified in the candidate selection regulations, as well as in accordance with the methodology of the candidate evaluation system, if Section 41, Paragraph three of this Law is applied.

(2) If a periodic indicative notice is published as an invitation to participate in the case of a restricted contest and negotiated procedure, the public service provider, prior to the selection of candidates shall invite all candidates in turn to confirm the interest in the anticipated contract. The following information shall be included in the invitation to submit a tender:

1) the subject-matter of the contract and the amount thereof, including all possible additional contracts, the anticipated period in which contracts may be extended, the subsequent type of notice and amount in respect of works, supplies or services and, if possible, the dates by which these notices are intended to be published;

2) the type of procurement procedure – restricted contest or negotiated procedure;

3) if necessary, the start and finish time periods for the implementation of the contract;

4) the address where the application is to be submitted, the deadline for the submission thereof, a note regarding the language or languages in which it is to be submitted;

5) the address of the public service provider who is organising the procurement procedure and information regarding the options for acquiring technical specifications and other procurement procedure documentation;

6) economic and technical conditions which have to be complied with by the suppliers, and financial guarantees and information required from the suppliers;

7) the amount of payment for the receipt of procurement procedure documentation, observing Section 36, Paragraph six of this Law, and the procedures for payment;

8) in respect of supply contracts – the type of contract in respect of which tenders are invited for submission or to participate in negotiations - purchase, leasing, rental, or hire-purchase with the option to buy or any combination of such contracts;

9) the proportion or order of importance of the tender selection criteria and evaluation criteria, if they are not referred to in a periodic indicative notice or in the procurement procedure documents or if they are not intended to be referred to in the invitation to submit a tender or participate in negotiations.

(3) Following candidate selection in a restricted contest and negotiated procedure, when publishing a request to participate, the public service provider shall concurrently invite, in writing, all the selected candidates to submit tenders or participate in negotiations. The invitation to submit a tender or participate in negotiations shall contain technical specifications and other required documents or a reference to the Internet address where these documents are available if the public service provider ensures unrestricted and direct electronic access to the procurement procedure documentation and to all additional documents required.

(4) If the procurement procedure documentation and all additional necessary documents are available not from the public service provider, but in another institution, the address where these documents may be requested as well as, if necessary, the date by which they may be requested, the amount of payment, taking into account Section 36, Paragraph six of this Law, and the procedures for payment, shall be referred to in the invitation to submit a tender or participate in negotiations. The responsible authority shall issue or send the documents immediately upon the receipt of a request.

(5) In addition to the information referred to in Paragraph three of this Section, at least the following information shall be included in the invitation to submit a tender or participate in negotiations:

- 1) the date by which a candidate is entitled to request additional documents;
- 2) the deadline for the submission of tenders, the address to which tenders shall be sent and the language or languages in which a tender shall be submitted, and in case of a negotiated procedure – also information regarding the time and place of commencement of negotiations;
- 3) in case of a restricted contest – the requirements for the documentation and submission of a tender, the type of a financial tender, the date, time and place of opening of the tenders, as well as information regarding the tender security, if any;
- 4) if a notice has been published regarding a contract – reference to this notice;
- 5) an indication of the documents to be attached;
- 6) the tender selection criterion and evaluation criteria, if they are not referred to in the notice regarding the qualification system, which has been published as an invitation to participate; and
- 7) the proportion or order of importance of the tender evaluation criteria, if they are not referred to in the notice regarding a contract, the notice regarding the qualification system or in the procurement procedure documentation.

Section 49. Submission and Opening of Tenders in an Open and Restricted Contest

- (1) A supplier shall submit a tender and tender security (if such is provided for), which has been prepared and documented in accordance with the requirements specified, in the time and location indicated in the open contest regulations or in the invitation to a restricted contest.
- (2) The public service provider shall open the submitted tenders immediately after expiry of the deadline for the submission of tenders in the location and time indicated in the open contest regulations or in the invitation to a restricted contest. The public service provider shall organise a meeting for the opening of tenders. The opening of tenders shall be open.
- (3) Tenders shall be opened in the order of submission thereof, naming the tenderer, the time of the submission of the tender, the price tendered and other information, which characterises the tender. Upon the request of participants of the meeting, the public service provider shall present a financial tender in which the price tendered is indicated in accordance with the type of the financial tender requested.

Section 50. Examination and Selection of the Conformity of Tenders

- (1) In an open contest, the public service provider shall select tenderers in accordance with the qualification requirements to be met, shall check the conformity of tenders with the requirements specified in the open contest regulations and select a tender or tenders in accordance with the selected selection criteria of the tender.
- (2) The public service provider shall check the conformity of tenders in a restricted contest with the requirements specified in the invitation to a restricted contest and shall select a tender or tenders in accordance with the selected selection criteria of a tender.
- (3) During negotiated procedures, when publishing the request to participate, the public service provider shall discuss the submitted tenders with the tenderers in order to co-ordinate them with the requirements, which are referred to in the request to participate and in other procurement procedure documentation, and to select the most conforming tender in accordance with the previously specified selection criterion for the tender.
- (4) If the tenderer selected declines from entering into a procurement contract with the public service provider, the public service provider shall take a decision to enter into a contract with

the next tenderer, who has tendered the lowest price or submitted the economically most advantageous tender, or suspend the procurement procedure, without selecting any tender. If a decision is taken to enter into a contract with the next tenderer who has tendered the lowest price or submitted the economically most advantageous tender, but it declines to enter into a contract, the public service provider shall take a decision to suspend the procurement procedure, without selecting any tender.

(5) Prior to taking a decision regarding entering into a contract with the next tenderer, who has tendered the lowest price or submitted the economically most advantageous tender, the public service provider shall evaluate whether it is not to be regarded as one market participant together with the initially selected tenderer, which declined from entering into a procurement contract with the public service provider. If necessary, the public service provider is entitled to request confirmation from the next tenderer and, if necessary, evidence that it is not to be regarded as one market participant together with the initially selected tenderer. If the next tenderer is regarded as one market participant together with the initially selected tenderer, the public service provider shall take a decision to suspend the procurement procedure, without selecting any tender.

Section 51. Criteria for Selection of a Tender

(1) The criteria for selection of tenders shall be as follows:

1) the economically most advantageous tender, in which such factors are taken into account as the deadlines for the implementation of supplies or a contract, operational costs and other costs, the effectiveness thereof, the quality of works, goods or services, the aesthetic and functional description, observation of the environmental requirements, technical advantages, accessibility of spare parts, safety of supplies, the price and other factors associated with the subject-matter of a contract, which must be specifically expressed and objectively comparable or assessable; and

2) the tender with the lowest price.

(2) In case the economically most advantageous tender is selected, the public service provider shall indicate in the request to participate or in the procurement procedure documentation all evaluation criteria in the order of significance thereof, the proportion and numerical value of the criteria, as well as shall indicate in the procurement procedure documentation the selection algorithm of a tender in accordance with these criteria and a description of how each of the evaluation criteria indicated will be evaluated. The numerical value granted to criteria may be indicated in the specific range.

Section 52. Electronic Auction

(1) If the technical specifications may be defined very precisely, then in case of open and restricted contests, as well as if a negotiated procedure is applied with advance publication of a request to participate, the public service provider may decide to apply an electronic auction prior to the selection of a tender. An electronic auction may also be organised prior to the selection of a tender within the scope of a dynamic purchasing system, in accordance with Section 58 of this Law.

(2) An object of an electronic auction may be as follows:

1) the price or the price and the new value of the characteristics referred to in the technical specifications, if the selection criteria of a tender is the economically most advantageous tender; or

2) only the price, if the selection criteria of a tender is the tender with the lowest price.
(3) The public service provider shall inform of the decision to organise an electronic auction in the invitation to participate.

(4) If an electronic auction is being organised, the following shall be indicated in addition to other information in the procurement procedure documentation:

1) characteristics of the object of the electronic auction, if these characteristics are quantifiable and their value is expressed in figures or per cent;

2) any limits on the values (which may be submitted and changed), taking into account the technical specifications of the object of the contract;

3) the information, which will be conveyed to tenderers during the electronic auction and, if necessary, when this information will be conveyed;

4) the information required, which concerns the organisation of the electronic auction;

5) the regulations, which the tenderers must comply with when bidding on the electronic auction, particularly in relation to the minimum steps of the auction, which will be requested, if necessary; and

6) the information required in relation to the electronic equipment used and the specifications and organisation of the connection.

(5) Prior to the launching of an electronic auction, the public service provider shall perform a complete initial evaluation of tenders in accordance with the specified selection criterion of the tender.

(6) The public service provider shall concurrently invite all tenderers, which have submitted admissible tenders, to submit new prices or prices and values by electronic means. The invitation shall contain all necessary information regarding the individual connection to the electronic equipment being used in the auction and the date and time when the electronic auction will be initiated. The electronic auction may take place in a number of successive stages. It shall not be initiated earlier than two working days after sending of the invitation to participate in this auction.

(7) If it is intended to select the economically most advantageous tender, a summary of the evaluation of tenders shall be appended to the invitation. The mathematical formula or algorithm to be used in the electronic auction shall be included in the invitation, which reflects the notional values of all the criteria and which, taking into account the initially specified proportion of the criteria, shall determine the re-ranking of positions, using the newly submitted values and prices or only prices. If tender variants are permitted, a separate formula shall be specified for each variant.

(8) During any stage of an electronic auction the public service provider shall constantly provide all tenderers with information, which allows them to ascertain their relative rankings at any time. The public service provider may also provide information regarding other prices or values tendered, if it is provided for in the procurement procedure documentation. The public service provider may also at any time announce the number of participants of the auction in the particular stage of the auction, however, the public service provider is not entitled to disclose the identities of the participants.

(9) The public service provider shall close an electronic auction observing one or more of the following conditions:

1) on the date and time, which is specified in the invitation to the auction;

2) after receipt of the final bid, if the specified time has passed since the invitation to auction and a new bid during this period is not placed; or

3) if all the stages referred to in the invitation have been completed.

(10) If the public service provider wishes to terminate the auction, observing both the provisions of Paragraph nine, Clauses 2 and 3 of this Section, it shall indicate the time for each stage of the auction in the invitation.

(11) When the electronic auction is completed, the public service provider, using the results of this auction, shall select a tender in accordance with the specified selection criterion of the tender.

(12) The public service provider is not entitled to use an electronic auction in order to hinder, restrict or distort the competition or change the object of procurement, which is specified in the invitation to participate and in the procurement procedure documentation.

Section 53. Tender of Abnormally Low Cost

(1) The public service provider shall reject the tender of a tenderer if it determines, in accordance with the procedures specified in this Section, that the tender of the tenderer is of abnormally low cost.

(2) If a tender for a specific works, supply or service contract is abnormally low, the public service provider shall, prior to the potential rejection of this tender, request in writing a detailed explanation from the tenderer regarding the significant conditions of the tender.

(3) The detailed explanation may relate in particular to:

1) the costs of the methods of works, the manufacturing process, or of the services to be provided;

2) the technical solutions selected and exceptionally favourable conditions for the performance of works, supply of goods or provision of services, which are available to the tenderer;

3) the features and originality of the tendered works, goods or services;

4) the labour protection provisions and the conformity of working conditions with the location where the works are performed, goods supplied or services provided; and

5) the possibility of the tenderer to obtain aid for commercial activities.

(4) The public service provider shall evaluate all the elements referred to in Paragraph three of this Section by consulting the tenderer.

(5) If the public service provider establishes that the tender is abnormally low because the tenderer has received aid for commercial activities, the tender may be rejected following consultations with the tenderer, only on the basis of the tenderer being unable to prove within a reasonable period of time specified by the public service provider that the received aid for commercial activities is lawful. If the public service provider rejects the tender due to this reason, it shall inform the European Commission and the Procurement Monitoring Bureau regarding the rejection of the tender and the reason for rejection.

Section 54. Tenders which Include Goods Originating in Third Countries

(1) This Section shall be applied to tenders which include goods originating in third countries, with which the European Union has not entered into bilateral or multilateral agreements regarding the comparable and effective access of the European Union to the market of these countries or in respect of which the European Union Council has not taken a decision regarding Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors. This Section is without prejudice to the international obligations of the European Community and Latvia in respect of third countries.

(2) Any tender submitted for the entering into a supply contract may be rejected if the goods referred to in Paragraph one of this Section exceed 50 per cent of the total value of the goods included in the tender. Within the meaning of this Section, software for telecommunications network equipment shall be considered as goods.

(3) Taking into account Paragraph two of this Section, if two or several tenders, when evaluating them in compliance with the requirements of Section 51 of this Law, are equivalent, preference shall be given to the tenders which are not to be rejected in accordance with Paragraph two of this Section. The prices shall be considered equivalent for the purposes of this Section, if they do not differ by more than three per cent. A tender shall not be given preference in relation to another tender if such tender imposes a duty on the public service provider to acquire equipment the technical characteristics of which differ significantly from the characteristics of the equipment that is at the disposal of the public service provider, thereby resulting in incompatibility of the equipment, technical difficulties in the operation and maintenance of the equipment, as well as disproportionate costs.

Section 55. Termination and Suspension of a Procurement Procedure

(1) If tenders or applications have not been submitted for a specific procurement procedure or if the tenders submitted do not comply with the requirements specified in the procurement procedure documentation or the candidates do not comply with the qualification requirements put forward, the public service provider shall take a decision to terminate the procurement procedure, send the information referred to in Section 56, Paragraph three of this Law to all candidates or tenderers and in accordance with Section 31, Paragraph four and Section 34, Paragraph two of this Law, submit a notice for publication regarding amendments, the termination or suspension of the procurement procedure.

(2) The public service provider may, at any time, suspend the procurement procedure if it has an objective justification. The public service provider shall send the information referred to in Section 56, Paragraph three of this Law to all candidates or tenderers and in accordance with Section 31, Paragraph four and Section 34, Paragraph two of this Law, submit for publication a notice regarding amendments, the termination or suspension of the procurement procedure.

(3) If a public service provider has taken the decision to terminate the procurement procedure, in accordance with Section 11, Paragraph three, Clause 1 of this Law, it may apply a negotiated procedure without publishing an invitation to participate. If a procurement procedure is suspended, it may not be continued.

Section 56. Procedures by which Candidates and Tenderers Shall be Informed Regarding Results

(1) A public service provider shall concurrently inform all the candidates of the decision taken in respect of the candidate selection results within five working days following the taking of the decision (a rejected candidate shall also be given the reasons for the rejection of the application submitted thereby) or tenderers of the inclusion in the dynamic purchasing system (a rejected tenderer shall also be given the reasons for the rejection of the indicative tender submitted thereby). A public service provider shall inform all the candidates or tenderers of the deadline by which a person is entitled to submit an application to the Procurement Monitoring Bureau regarding violations of the procurement procedure, in accordance with Section 77, Paragraph two, Clause 1 or 2 of this Law. Within the meaning of this Section, it

shall be considered that the information has been handed over to all the candidates or all the tenderers concurrently, if the information is handed over thereto on one day.

(2) A public service provider shall concurrently inform all the tenderers of a decision taken in respect of the entering into a procurement contract or framework agreement within five working days following the taking of the decision. A public service provider shall notify the name of the selected tenderer or the names of the participants selected for the framework agreement, indicating:

1) for the rejected tenderer the reasons for rejecting the tender submitted thereby, but in the cases specified in Section 20, Paragraphs five and six of this Law, shall justify the decision regarding non-conformity with equivalence or the decision regarding the non-conformity of the relevant tender with functional requirements or performance requirements;

2) for the tenderer who has submitted an appropriate tender, the nature of the selected tender and the advantages established, if the economically most favourable tender has been specified as the selection criterion of the tender; and

3) the deadline by which a tenderer may submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure, in accordance with Section 77, Paragraph two, Clauses 1 or 2 of this Law.

(3) If a procurement procedure is terminated or suspended, or if a dynamic purchasing system is not formed, the public service provider shall concurrently inform all the candidates or tenderers of all the reasons due to which the procurement procedure is terminated or suspended or a dynamic purchasing system is not formed, within three working days following the taking of the decision. A public service provider shall inform all the candidates or tenderers of the deadline by which a person is entitled to submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure, in accordance with Section 77, Paragraph two, Clauses 1 or 2 of this Law.

(4) A public service provider shall inform a supplier of the decision taken in respect of the inclusion thereof in the qualification system (the rejected tenderer shall also be given the reasons for the rejection of the tender submitted thereby) within three working days following the taking of the decision and of the deadline by which a supplier may submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure in accordance with Section 77, Paragraph two, Clauses 1 or 2 of this Law.

(5) The public service provider shall inform participants of the qualification system following the taking of the decision in respect of the exclusion thereof from the qualification system in the case referred to in Section 46, Paragraph eight of this Law, indicating the grounds for exclusion and the deadline by which a person may submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure.

(6) When informing of the results, a public service provider is entitled not to disclose specific information, if it may harm the interests of society or if, by disclosing it, the commercial interests of a supplier or the rules of fair competition would be violated.

(7) A public service provider shall send information regarding the results by post, fax or electronically, using a secure electronic signature or hand it over in person.

(8) When informing of results, the public service provider shall keep the evidence of the sending of the information or the date and time of handing it over.

Chapter VIII

Application of Framework Agreement and Dynamic Purchasing System

Section 57. Framework Agreements

(1) In order to enter into a framework agreement, the public service provider shall observe the procurement procedures provided for in this Law in all stages up to the entering into a contract within the scope of a framework agreement. The public service provider shall determine the participants of the framework agreement, taking into account the specified selection criteria of a tender.

(2) The framework agreement shall be entered into for a period of time up to four years, except cases when a longer period of time is necessary due to objective reasons (particularly, if it is required by the subject-matter of the contract).

(3) It is prohibited to use framework agreements in order to hinder, limit or distort competition.

(4) Within the scope of a framework agreement, contracts shall be entered into observing the regulations of Section 11, Paragraph three, Clause 9 of this Law and without making significant improvements to these regulations. When entering into contracts within the scope of a framework agreement, the public service provider shall not publish a notice regarding the results of a procurement procedure.

Section 58. Operation of the Dynamic Purchasing System

(1) All tenderers conforming to the qualification requirements to be met and which have submitted an indicative tender conforming to the procurement procedure documentation, shall be included in the dynamic purchasing system. Tenderers are entitled at any time to supplement the indicative tender. The public service provider throughout the whole period of the system activity from the establishment thereof until the entering into contracts, shall only use electronic means in accordance with the provisions of Section 37, Paragraphs two, three, five and six of this Law.

(2) In order to establish a dynamic purchasing system, the public service provider shall:

1) publish a notice regarding a contract indicating that a dynamic purchasing system is being established;

2) prepare procurement procedure documentation in accordance with Section 23, Paragraph two of this Law; and

3) during the entire period of the system operation (commencing with publication of the notice regarding the contract) offer unrestricted, direct and full access to the procurement procedure documentation, using electronic means. The public service provider shall indicate in the notice the Internet home page address at which such documentation is available.

(3) During the entire period of operation of the dynamic purchasing system, the public service provider shall give the opportunity to any supplier to submit an indicative tender and to be included in the system in accordance with the provisions of Paragraph one of this Section. The indicative tender shall be evaluated within 15 days from the date of submission thereof. The public service provider is entitled to extend the deadline for the evaluation of indicative tenders, if no invitations to submit tenders have been sent by the deadline within the scope of the system. The public service provider shall inform a tenderer of the inclusion thereof in the dynamic purchasing system or of the rejection of an indicative tender, observing the regulations of Section 56, Paragraph one of this Law.

(4) Prior to sending an invitation to submit tenders for each specific contract within the scope of the dynamic purchasing system, the public service provider shall publish a simplified notice regarding the contract in accordance with Section 34, Paragraph two of this Law, inviting all interested suppliers to submit indicative tenders in accordance with Paragraph

three of this Section. The deadline for the submission of an indicative tender, following the publication of a simplified notice on the Internet home page of the Procurement Monitoring Bureau, may not be shorter than 15 days.

(5) Following the evaluation of the indicative tenders received until the deadline referred to in Paragraph four of this Section, the public service provider shall invite all the suppliers included in the dynamic purchasing system to submit tenders, determining the deadline for the submission of tenders, for entering into each specific contract within the scope of the dynamic purchasing system. The public service provider shall enter into a contract with the tenderer whose tender is selected in accordance with the tender selection criterion. If necessary, the public service provider may clarify the evaluation criteria in the invitation, which are specified in the notice regarding the contract, in which it is indicated that a dynamic purchasing system is being formed, or in the procurement procedure documentation.

(6) The period of operation of the dynamic purchasing system may not exceed four years, except cases when a longer period of time is necessary due to objective reasons (particularly, if it is required by the subject-matter of the contract).

(7) It is prohibited to use the dynamic purchasing system in order to hinder, restrict or distort competition.

(8) The public service provider shall not accept payment from the interested suppliers regarding the inclusion thereof in the dynamic purchasing system, as well as from the participants of this system.

Chapter IX

Regulations of a Procurement Contract and Framework Agreement

Section 59. Procurement Contract

(1) A procurement contract shall determine the legal relations between the public service provider or public service providers and a supplier or suppliers.

(2) The public service provider shall prepare a procurement contract specifying:

- 1) the name of the public service provider;
- 2) the name of the supplier;
- 3) the object of the procurement, the amount thereof, the quality requirements and other necessary information;
- 4) the contract price and the procedures for payment thereof;
- 5) the time period, location and conditions for implementation of the contract;
- 6) liability of the contracting parties for failure to implement the contract;
- 7) the procedures for amending the contract and the procedures by which withdrawal from the contract shall be permitted; and
- 8) other provisions.

(3) A service contract and a supply contract shall be entered into for a time period not exceeding five years. The referred to restriction shall not apply to procurement contracts in the cases of public and private partnership.

Section 60. Entering into a Procurement Contract and Framework Agreement

(1) A procurement contract or framework agreement shall be entered into no sooner than on the day following the expiry of the waiting deadline, if a complaint regarding violations of the

procurement procedure has not been submitted to the Procurement Monitoring Bureau in accordance with the procedures specified in Section 77 of this Law.

(2) The waiting deadline referred to in Paragraph one of this Section is:

1) 10 days following the day when the information referred to in Section 56 of this Law has been sent to all the tenderers by fax or electronically, using a secure electronic signature or handed over in person, and an additional working day; or

2) 15 days following the day of sending the information referred to in Section 56 of this Law if even one tenderer has been sent it by post, and an additional working day.

(3) A procurement contract or framework agreement may be entered into, without observing Paragraph one of this Section, if:

1) the only tenderer has been granted rights for entering into a contract and there are no candidates entitled to submit a submission in accordance with the procedures specified in Section 77 of this Law;

2) if a negotiated procedure is applied, without publishing an invitation to participate, in accordance with Section 11, Paragraph three of this Law; or

3) the contract is entered into within the scope of the dynamic purchasing system, in accordance with Section 58 of this Law.

Section 61. Change of the Staff and Sub-contractors Involved in Contract Implementation

The staff of a supplier which it has involved in contract implementation, for which it has provided information to the public service provider and whose qualification conformity with the requirements put forward has been evaluated by the public service provider, as well as the sub-contractors regarding which it has informed the public service provider and on whose abilities it has relied in order to certify that the qualification thereof complies with the requirements specified in the invitation to participate or the procurement procedure documentation, may only be changed following the entering into the contract with the written consent of the public service provider. The public service provider is entitled to give consent to the change of a sub-contractor only if the proposed sub-contractor does not comply with the exclusion provisions referred to in Section 42 of this Law.

Chapter X

Application and Course of a Design Contest

Section 62. General Regulations of a Design Contest

(1) A design contest shall be applied if the estimated contract price is equal to or greater than the contract price thresholds specified by the Cabinet. A public service provider is also entitled to apply a design contest if the estimated contract price is lower than the contract price thresholds specified by the Cabinet.

(2) A design contest shall not be applied if a public service provider acquires a design in the cases referred to in Section 9, Paragraph one, Clauses 10 and 11, Paragraphs two and three of this Law in respect of service contracts.

(3) The public service provider shall not reject a design contest candidate if it does not have the specific legal status in accordance with the regulatory enactments of Latvia, however, it is entitled to perform works, supply goods or provide services in accordance with the regulatory enactments of the European Union Member State where it has been founded. The public

service provider shall also not restrict the participation in the design contest with a reference to any territory of the State or part thereof.

(4) If the participation in a design contest is limited to a particular number of participants, the public service provider shall specify clear selection criteria which do not create discrimination of the potential participants, in the notice regarding the design contest or in the regulations of the design contest. In any event, the number of the participants invited must be sufficient to ensure competition.

Section 63. Determination of the Estimated Contract Price of a Design Contest

The estimated contract price shall be determined prior to the commencement of a design contest:

1) if a design contest is being organised as part of the procurement procedure of a service contract – the estimated contract price of the service contract shall be taken into account, as well as all the possible awards and payments to the participants; and

2) if a design contest is being organised, anticipating participant awards and payments, the total amount of the awards and payments shall be taken into account, as well as the estimated contract price of the service contract to be entered into in accordance with Section 11, Paragraph three, Clause 11 of this Law, if the public service provider has specified that such a contract shall be entered into, in the notice regarding the design contest.

Section 64. Jury Commission

(1) The public service provider shall ensure the course of the design contest and be responsible for ensuring the anonymity of the submitted designs and identification codes of the participants until the end of the evaluation of designs.

(2) In order to professionally evaluate the submitted designs, the public service provider shall establish a jury commission consisting of at least three members. The jury commission shall be independent when taking decisions and expressing opinions.

(3) The jury commission shall be composed exclusively of natural persons who do not represent the interests of the participants. If a requirement is to be met by participants of the design contest for a specific professional qualification, at least one third of the members of the jury commission shall need to have the same or equivalent professional qualification.

Section 65. Exchange of Information in a Design Contest

(1) The information exchange in a design contest shall take place in accordance with the provisions of Section 37, Paragraphs one, two and five of this Law.

(2) The exchange and storage of information shall be performed so as to ensure that all data transmitted by the participants to the public service provider during the course of the design contest are protected, and the jury commission shall become acquainted with the content of the designs only after the expiry of the deadline for the submission thereof.

(3) Information related to specifications and necessary for presentation of designs with the aid of electronic means, including encryption, shall be available to the interested persons. Equipment intended for the electronic receipt of the designs shall conform with the requirements of Section 38 of this Law.

Section 66. Design Contest Regulations

(1) Prior to the publication of a notice regarding a design contest, the public service provider shall establish the design contest regulations.

(2) The following shall be included in the design contest regulations:

- 1) general information:
 - a) the identification number of the procurement,
 - b) the name, address and other details of the public service provider,
 - c) the place, deadline and procedures for the submission of a design and disclosure of the identification code, observing the regulation of Sections 68 and 69 of this Law, and
 - d) other information;
 - 2) the description and objective of the project;
 - 3) the composition of the design to be submitted (drawings, models, explanatory memorandum), the scale and level of development of the drawings or drafts, as well as the requirements specified for the explanatory memorandum;
 - 4) the requirements for the professional qualification of participants, if any;
 - 5) the requirements specified for the documentation of the design and disclosure of identification code;
 - 6) evaluation criteria for designs;
 - 7) information regarding the number and value of awards, payments, if any, and the principles of division thereof, as well as the time period and procedures for the issuance of awards;
 - 8) the procedures by which designs shall be received following the announcement of the design contest results, if the public service provider decides not to keep them in the ownership thereof;
 - 9) a reference to whether the winners of prizes have the right to enter into a service contract, as well as the number of winners to be invited to a negotiated procedure; and
 - 10) the composition of the jury commission.
- (3) The materials necessary for work (topographical plan, situation plan, technical regulations, photographs and other materials) shall be appended to the design contest regulations.

Section 67. Notice regarding a Design Contest

A public service provider who is organising a design contest in accordance with Section 34, Paragraph two of this Law shall submit a notice regarding a design contest for publication.

Section 68. Deadline for the Submission of Designs, the Issuance of Documents and Provision of Information

(1) When determining the deadline for the submission of designs, the public service provider shall take into account the level of complexity of the project and the time period, which is necessary for the preparation of a design.

(2) The design contest documentation shall be issued and information provided in accordance with the provisions of Section 36, Paragraphs one, five and six of this Law.

(3) If an interested supplier has requested additional information regarding the requirements included in the design contest regulations or in the notice regarding the design contest, in due

time, the public service provider shall provide it not later than six days prior to the expiry of the deadline for the submission of designs. Additional information shall be provided in accordance with the provisions of Section 36, Paragraph four of this Law.

Section 69. Submission of Designs

(1) In order to ensure the anonymity of participants, the designs and materials attached thereto shall be submitted in a sealed form, marked with an identification code. The identification code shall mean an aggregation of letters or words, which does not identify the participant and which is used in order to ensure anonymity.

(2) The design and disclosure of the identification code shall be submitted in an anonymous form at the place, until the deadline and according to the procedures specified by the design contest regulations. Disclosure of the identification code shall be submitted concurrently with the design in a separate sealed envelope.

(3) The name of the contest, identification number, as well as the words “Disclosure of the identification code” shall be indicated on the sealed envelope containing the disclosure of the identification code. The author of the design shall not be indicated on the envelope.

(4) No labelling shall be allowed on the submitted design or materials attached thereto that may in any way identify the participant. If such labels are established on the submitted sealed envelopes, they shall be returned unopened to the submitter.

(5) The disclosure of the identification code shall contain information regarding the relevant design author or authors.

(6) The authorised person of the public service provider shall register the contact persons, which submit the designs, and the designs received in the order of submission thereof and shall ensure storage of the designs.

Section 70. Design Evaluation

(1) The jury commission shall evaluate the submitted designs in accordance with the evaluation criteria specified in the design contest regulations and observe anonymity until the taking of a decision. If the jury commission establishes labels on the design or the materials attached thereto, which might in any way identify the participant, it shall exclude the design from further evaluation, indicating this in the opinion of the jury commission.

(2) The jury commission shall compile the results of the design contest, take a decision regarding the best designs, nominate these for awarding, decide the division of the awarded places, as well as prepare recommendations for further use of the designs.

(3) The jury commission may take a decision regarding the award of several first places. If the jury commission does not recognise any design as implementable, it shall not award the first place.

(4) The jury commission shall prepare an opinion containing:

- 1) information regarding the designs evaluated;
- 2) the evaluation of the jury commission regarding each design;
- 3) a decision regarding the awarding of prizes if such is provided for in the design contest regulations; and
- 4) a recommendation addressed to the public service provider regarding further use of a design.

Section 71. Notice of a Design Contest

- (1) A public service provider shall open the disclosure of the identification code only after the completion of the evaluation of the designs.
- (2) Following the opening of the disclosure of the identification codes, a public service provider shall prepare the design contest notice which shall contain at least the following:
 - 1) the description and objective of the project;
 - 2) the name, address and other details of the public service provider;
 - 3) information regarding the participants of the design contest; and
 - 4) information regarding the winners, as well as the decision regarding the awarding of prizes, if it is provided for in the design contest regulations.
- (3) The opinion of the jury commission referred to in Section 70, Paragraph four of this Law shall be appended to the notice of the design contest.
- (4) The notice, on the basis of a request, shall be issued within two working days.

Section 72. Notification of Results

- (1) Within three working days following the opening of the disclosure of the identification codes, the public service provider shall inform all the participants of the design contest of the decision taken in respect of the design contest results and indicate the deadline by which a person may submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure in accordance with Section 77, Paragraph two, Clauses 1 or 2 of this Law. When informing the participants of a design contest, the public service provider shall observe the requirements of Section 56, Paragraphs six, seven and eight of this Law.
- (2) A public service provider shall submit a notice of the design contest results in accordance with Paragraph one of this Section as soon as possible, but not later than within three working days following the informing of the participants of the design contest, in accordance with Section 34, Paragraph two of this Law.
- (3) It is allowed not to publish information regarding the results of the design contest, the publication of which might delay the application of the Law or restrict competition among suppliers, or harm justified commercial interests of suppliers. The public service provider, when submitting a notice for publication, shall indicate which information contained in the notice (in respect of the number of designs submitted, the identity of design contest participants or prizes) may harm the interests referred to and is not to be published.
- (4) The copyright of participants in relation to the participation in further development of designs and further use of designs shall be observed in accordance with the Copyright Law.
- (5) Prizes shall be issued within the time period specified in the design contest regulations.

Section 73. Termination of a Design Contest

- (1) If designs have not been submitted to a design contest or if the designs submitted do not comply with the requirements specified in the design contest documentation or the participants of the design contest do not comply with the requirements for the professional qualifications put forward, or if the public service provider has another objective reason, the public service provider shall take a decision to terminate the design contest and send the information referred to in Paragraph two of this Section to all the participants of the design contest. If a design contest is terminated, it may not be continued.
- (2) Within three working days the public service provider shall concurrently inform all the participants of the design contest of all the reasons due to which the design contest is

terminated and the deadline by which a person may submit a complaint to the Procurement Monitoring Bureau regarding violations of the procurement procedure in accordance with Section 77, Paragraph two, Clauses 1 or 2 of this Law. When informing the participants of a design contest, the public service provider shall observe the requirements of Section 56, Paragraphs six, seven and eight of this Law.

Section 74. Storage of Design Contest Documentation and Designs

The public service provider shall keep all the original copies of documents and designs or the visual representation thereof referred to in Section 71, Paragraph three of this Law in the digital form for at least four years following the taking of a decision in the design contest.

Chapter XI Procurement Monitoring Bureau

Section 75. Competence of the Procurement Monitoring Bureau

- (1) The Procurement Monitoring Bureau shall perform the monitoring of the compliance with this Law and the regulatory enactments arising therefrom.
- (2) The legal status, rights and duties of the Procurement Monitoring Bureau shall be determined by the Public Procurement Law.

Section 76. Submission Examination Commission

The creation, operational procedures and competence of the Submission Examination Commission (hereinafter – Commission) shall be determined by the Public Procurement Law, insofar as is not otherwise prescribed by this Law.

Chapter XII Procedures for Examination of Complaints Regarding Violations of the Procurement Procedure

Section 77. Right to Submit a Complaint regarding Violations of the Procurement Procedure

- (1) A person who is or has been interested in acquiring the right to enter into a procurement contract or framework agreement, who is qualifying for winning and who, in relation to the specific procurement procedure, to which this Law applies, regards that his or her rights have been infringed upon or infringement of these rights is possible, which is caused by a potential violation of European Union regulatory enactments or other regulatory enactments, is entitled to submit a complaint regarding the provisions for selection of candidates or tenderers, technical specifications and other requirements related to the specific procurement procedure, or regarding the activities of the public service provider during the course of the procurement procedure. Within the meaning of this Chapter the application of the requirements provided for in Section 11, Paragraph five of this Law and the creation and operation of a qualification system shall also be considered to be a procurement procedure.

(2) A complaint regarding the violations referred to in Paragraph one of this Section (except the cases referred to in Paragraph three of this Section) may be submitted to the Procurement Monitoring Bureau until the entering into a procurement contract or framework agreement until the following deadlines:

1) within 10 days following the day when the information referred to in Section 56, Section 72, Paragraph one or Section 73, Paragraph two of this Law has been sent to the relevant person by fax or electronically, using a secure electronic signature, or handed over in person;

2) within 15 days following the day when the information referred to in Section 56, Section 72, Paragraph one or Section 73, Paragraph two of this Law has been sent to the relevant person by post; or

3) within 10 days following the day when the notice referred to in Section 33, Paragraph one of this Law is published in the Official Journal of the European Union.

(3) A complaint regarding the contract and restricted contest or negotiated procedure in the open contest regulations and notice, when publishing an invitation to participate, in the requirements included in the invitation to submit a tender or participate in negotiations may be submitted to the Procurement Monitoring Bureau not later than four working days prior to the expiry of the deadline for the submission of tenders, or regarding the requirements included in a restricted contest or negotiated procedure, when publishing an invitation to participate, in the candidate selection regulations, in the invitation to participate and in the invitation to submit an application, may be submitted to the Procurement Monitoring Bureau not later than four working days prior to the expiry of the deadline for the submission of an application. A complaint regarding the requirements included in the design contest regulations and in the notice regarding a design contest may be submitted to the Procurement Monitoring Bureau not later than four working days prior to the expiry of the deadline for the submission of designs.

(4) Complaints shall be submitted in writing and shall include the following information:

1) the name and address of the submitter of the complaint;

2) the name and address of the public service provider regarding which the complaint has been submitted;

3) the facts, regarding which the complaint is being submitted, indicating the violation;

4) the claim of the submitter of the complaint; and

5) the legal basis for the complaint.

(5) The Procurement Monitoring Bureau, within one working day following the receipt of a complaint regarding violations of the procurement procedure, shall place information regarding this on its Internet home page, indicating the submitter of the complaint, the public service provider and the procurement procedure, the legality of which is being disputed by the submitter of the complaint, as well as inform the public service provider of the initiation of an administrative case, sending a notice regarding the complaint received and a copy of the complaint to the fax number or e-mail address indicated by the public service provider, and the public service provider shall not enter into a procurement contract or framework agreement, until the decision of the Commission is received regarding the results of the examination of the complaint or the termination of the administrative case.

(6) If a complaint is submitted regarding activities of the public service provider with respect to the legality of the procurement procedure and a complaint regarding the same procurement procedure has already been submitted earlier by another submitter of a complaint but such a

complaint has not yet been examined, such complaints may be combined and examined together.

(7) The submitter of a complaint is entitled to revoke the complaint submitted, in writing, at any time, while the commission has not taken a decision regarding the relevant complaint.

Section 78. Dismissed Complaints

(1) The Procurement Monitoring Bureau is entitled to dismiss a complaint in any of the following cases:

1) the complaint does not comply with the requirements of Section 77, Paragraphs one, two, three or four of this Law;

2) if a complaint has already been submitted and examined with respect to a procurement procedure for the same object and on the same grounds; or

3) the information included in the complaint is evidently insufficient to satisfy the requirements of the submitter or the complaint is evidently inadmissible according to substance.

(2) A decision may be appealed to a court in accordance with the procedures specified in the Administrative Procedure Law. The appeal of the decision shall not suspend the operation thereof.

Section 79. Examination of a Complaint

(1) The commission shall examine a complaint within one month after the receipt thereof in the Procurement Monitoring Bureau. If due to objective reasons it is not possible to observe this time period, the Commission may extend the time period, notifying the submitter of the complaint and the public service provider thereof.

(2) When examining a complaint regarding violations of a procurement procedure, the Commission is entitled with its decision:

1) to allow the entering into a procurement contract or framework agreement and to leave the requirements specified in the procurement procedure documentation or the decision of the public service provider in effect, if the complaint is unjustified or justified, but the violations determined by the Commission cannot affect the decision regarding the awarding of procurement rights;

2) to prohibit the entering into a procurement contract, if a public service provider has not observed the requirements of Section 56 or Section 72, Paragraph one of this Law;

3) to prohibit the entering into a procurement contract or framework agreement and to revoke the requirements specified in the procurement procedure documentation or the decision of the public service provider, if the complaint is justified, and the violations determined by the Commission may affect the decision regarding the awarding of procurement rights;

4) to leave in effect the decision of the public service provider regarding the termination or suspension of the procurement procedure, the non-inclusion of a supplier in the qualification system or the exclusion from the qualification system, if the complaint is unjustified; or

5) to revoke the decision of the public service provider regarding the termination or suspension of the procurement procedure, the non-inclusion of a supplier in the qualification system or the exclusion from the qualification system, if the complaint is justified.

(3) In the cases referred to in Paragraph two, Clauses 2, 3 and 5 of this Section, the Commission shall decide on the measures for the elimination of the violations determined.

(4) If the Commission determines that the complaint is to be dismissed without examination, it shall take a decision to terminate the administrative case. If a submitter revokes a complaint, the respective administrative procedure shall be considered to have been terminated.

(5) The Commission shall invite the submitter of a complaint, the public service provider and the tenderer whose tender has been selected in accordance with the specified tender selection criterion (hereinafter - participants) to a meeting for the examination of the complaint. The commission shall invite participants to the meeting for the examination of the complaint at least six working days before the meeting.

(6) The commission shall hear the opinion of all the participants present. After hearing the participants, the commission shall continue work without the presence of the participants.

(7) The commission shall evaluate a complaint on the basis of the facts referred to by the participants, and the opinion or statement of the expert. If participants do not attend the meeting for the examination of the complaint, the commission shall examine the complaint on the basis of the facts available thereto. The commission shall take a decision and, within three working days, send it to the submitter of the complaint, the public service provider, as well as other participants, which have participated in the meeting for the examination of the complaint.

(8) The decision of the commission shall specify:

- 1) the justification for the creation of the commission;
- 2) the members of the commission and experts who have participated in the meeting of the commission;
- 3) representatives of the submitter of the complaint, the public service provider and other participants who have participated in the meeting of the commission;
- 4) the identification number of the procurement procedure, regarding which the complaint has been submitted;
- 5) the facts, regarding which the complaint has been submitted, and the claim of the submitter of the complaint;
- 6) the most important arguments of the submitter of the complaint and the public service provider;
- 7) the justification of the decision;
- 8) the legal norms applied;
- 9) the duty delegated to the public service provider and the deadline, until which it must be fulfilled if the commission takes a decision regarding measures for elimination of the violations determined;
- 10) the prohibition or authorisation for the public service provider to enter into a procurement contract or framework agreement; and
- 11) where and within what time period such decision may be appealed.

(9) If the commission has decided upon measures for the elimination of the violations determined, the public service provider shall eliminate the violations, take a decision and notify in accordance with the procedures specified by this Law, as well as send all the information regarding the taking of the decision and the elimination of the violations determined by the commission to the Procurement Monitoring Bureau.

Section 80. Appealing a Decision of the Commission

- (1) Participants may appeal a decision of the commission at the district administrative court in accordance with the procedures prescribed by the Administrative Procedure Law. The case shall be examined in the composition of three judges.
- (2) The decision of the district administrative court may be appealed in accordance with the cassation procedure in the Department of Administrative Cases of the Supreme Court Senate. Other court adjudications may be appealed in accordance with the Administrative Procedure Law.
- (3) The appeal of a decision of the commission shall not suspend the implementation thereof.

Chapter XIII

Recognition of a Procurement Contract or Framework Agreement as Ineffective, the Amendment or Revocation of the Regulations Thereof, the Reduction of the Time Period of a Contract or Framework Agreement

Section 81. Submission of an Application and Examination of the Case Concerning Recognition of a Procurement Contract or Framework Agreement as Ineffective, the Amending or Revocation of the Regulations Thereof or the Reduction of the Time Period of a Contract or Framework Agreement

- (1) The persons referred to in Section 77, Paragraph one of this Law may submit applications for the recognition of a procurement contract or framework agreement as ineffective, the amending or revocation of the regulations thereof or the reduction of the time period of a contract or framework agreement.
- (2) An application shall be submitted to the district administrative court where the case shall be examined in the composition of three judges. The norms of the Administrative Procedure Law shall be applied to the examination of the application and case, including the norms regarding the examination of contracts governed by public law, insofar as is not otherwise prescribed by this Law.
- (3) A complaint regarding the violations referred to in Section 82, Paragraph one of this Law may be submitted within the following time periods:
 - 1) within six months following the day of entering into a procurement contract or framework agreement, except the cases referred to in Clauses 2, Sub-clauses (a) and (b) of this Paragraph;
 - 2) within one month following the day when:
 - a) a notice is published in the Official Journal of the European Union regarding the procurement procedure results, in which the public service provider has included the justification for the decision to grant the rights to enter into a procurement contract or framework agreement, without publishing an invitation to participate,
 - b) the public service provider has informed the relevant tenderer regarding the entering into a procurement contract or framework agreement, indicating thereto the information referred to in Section 56, Paragraph two, Clauses 1 or 2 of this Law, or the relevant candidate regarding the entering into of a procurement contract or framework agreement, indicating the reasons for rejecting the application submitted thereby.
- (4) Concurrently with the submission of a complaint or during the examination of the case, the submitter may request, in accordance with the cases and procedures specified by the Administrative Procedure Law, that a temporary regulation is applied, prohibiting the performance of specific activities connected to the implementation of a procurement contract or framework agreement.

(5) The decision of the district administrative court may be appealed in accordance with the cassation procedure in the Department of Administrative Cases of the Supreme Court Senate. Other court adjudications may be appealed in accordance with the Administrative Procedure Law.

(6) If a case is related only to cases of the ineffectiveness of a procurement contract or framework agreement, which are not referred to in Section 82 of this Law, a claim shall be submitted to general jurisdiction court in accordance with the procedures specified by the Civil Procedure Law.

Section 82. Cases when a Procurement Contract or Framework Agreement may be Recognised as Ineffective, the Regulations Thereof may Be Amended or Revoked or the Time Period of a Contract or Framework Agreement may Be Reduced

(1) A court may recognise a procurement contract or framework agreement as ineffective, amend or revoke the regulations thereof or reduce the time period of a contract or framework agreement in any of the following cases:

1) a procurement contract or framework agreement has been entered into without applying the procurement procedures specified in this Law or the procedure for the performance of the procurement referred to in Section 11, Paragraph five of this Law, if the public service provider had to apply it;

2) a procurement contract or framework agreement has been entered into, unjustifiably awarding the rights to enter into a procurement contract or framework agreement, without publishing an invitation to participate in the Official Journal of the European Union;

3) a procurement contract or framework agreement has been entered into without observing the time period specified in Section 60, Paragraph one of this Law;

4) a procurement contract or framework agreement has been entered into by violating the prohibition to enter into a procurement or framework agreement specified in Section 77, Paragraph five of this Law;

5) a procurement contract has been entered into, without observing the requirements of Section 58, Paragraphs four or five of this Law, if the contract price of the specific contract is equal to or greater than the contract price thresholds specified by the Cabinet.

(2) In the cases specified in Paragraph one, Clauses 1 and 2 of this Section, a procurement contract or framework agreement is not recognised as ineffective, the regulations thereof are not amended or revoked, the time period of a contract or framework agreement is not reduced, even if violations of the law are permitted, if the following conditions exist concurrently:

1) the public service provider has published the notice referred to in Section 33, Paragraph one of this Law;

2) a procurement contract or framework agreement has been entered into no sooner than after ten days and an additional working day following the day when the notice referred to in Section 33, Paragraph one of this Law is published in the Official Journal of the European Union; and

3) the prohibition to enter into a procurement contract or framework agreement specified in Section 77, Paragraph five of this Law has been observed.

(3) In the case specified in Paragraph one, Clause 5 of this Section, a procurement contract shall not be recognised as ineffective, the regulations thereof shall not be amended or revoked, the time period thereof shall not be reduced, even if violations of the law have taken place, if the following conditions exist concurrently:

- 1) the public service provider has informed the tenderers in accordance with Section 56 of this Law;
- 2) the specific contract has been entered into, observing the deadline referred to in Section 60, Paragraph one of this Law; and
- 3) the prohibition to enter into a procurement contract specified in Section 77, Paragraph five of this Law has been observed.

Section 83. Court Judgment Regarding a Procurement Contract or Framework Agreement

(1) If a court determines that a procurement contract or framework agreement has been entered into by violating the norms of this Law, and concludes that a complaint is justifiable, it shall, observing the provisions of this Law, select one of the following types of judgment:

- 1) recognise the procurement contract or framework agreement as ineffective from the moment of entering into thereof; or
- 2) amend or revoke the regulations of the procurement contract or framework agreement, which have not yet been implemented. Moreover, when rendering this judgment, the court shall reduce the time period of the procurement contract or framework agreement; or
- 3) reduce the time period of the procurement contract or the framework agreement.

(2) The court, when selecting one of the types of judgment referred to in Paragraph one of this Section, shall not be connected to the subject-matter of the complaint and thresholds of the claim indicated by the submitter of the complaint. The court shall evaluate which type of judgment in a specific case is commensurate, effective and preventive, in order to ensure that the public service provider does not commit violations of this Law in future. The court shall only render the judgment referred to in Paragraph one, Clause 3 of this Section in the cases referred to in Paragraphs three and four of this Section.

(3) The court shall not render the judgment referred to in Paragraph one, Clauses 1 or 2 of this Section, if it is important in the interests of society to maintain the consequences caused by the procurement contract or framework agreement. Financial consequences (for example, due to a delay in the performance of payment, a change in the executor, sanctions or other legal liabilities) themselves shall not be considered to be sufficient grounds not to render the judgment referred to in Paragraph one, Clauses 1 or 2 of this Section.

(4) If a procurement contract or framework agreement has been entered into without observing the time period referred to in Section 60, Paragraph one of this Law, or by violating the prohibition to enter into a procurement contract or framework agreement specified in Section 77, Paragraph five of this Law, and it is established that a procurement procedure, until the moment when a decision was taken regarding the winner, has been performed in accordance with the requirements of this Law and the decision referred to has not affected the opportunities for the tenderer who has submitted a complaint, to acquire the right of entering into a contract, the court shall render the judgment referred to in Paragraph one, Clauses 2 or 3 of this Section.

(5) When rendering any of the judgments referred to in Paragraph one, Clauses 1 and 2 of this Section, the court shall decide on the effectiveness of the contracts which have been entered into based on the relevant framework agreement.

(6) A true copy of the court judgment shall be sent to the Procurement Monitoring Bureau.

Chapter XIV Compensation for Damages

Section 84. Compensation for Damages

(1) Damages caused within the scope of an administrative procedure, shall be recovered in accordance with the Administrative Procedure Law and the Law On Compensation for Damages Caused by State Administrative Institutions. Cases regarding the compensation for damages by way of court proceedings shall be examined by a district administrative court in the composition of three judges.

(2) If damages have been caused outside the administrative procedure, the court shall decide on the compensation therefor upon request of the submitter of the complaint, by examining the respective complaint and rendering one of the judgments referred to in Section 83, Paragraph one of this Law. The submitter shall be responsible for the duty to prove the existence of such damages and the amount of the compensation. From the day of the entering into effect of the judgment the compensation for damages may be requested in accordance with civil legal procedures.

(3) When submitting a submission to the Procurement Monitoring Bureau in accordance with Section 77 of this Law, the compensation for damages shall not be requested. The compensation for damages caused by a public service provider may be requested concurrently with the submission of a complaint to court or by turning to the public service provider in accordance with the procedures specified by the Law On Compensation for Damages Caused by State Administrative Institutions. The Procurement Monitoring Bureau shall not be responsible for the damages caused by the public service provider.

Chapter XV Statistical Reports

Section 85. Statistical Reports

Each year by 1 March, the public service provider shall submit statistical reports to the Procurement Monitoring Bureau in accordance with Section 86 of this Law.

Section 86. Content of Statistical Reports

(1) At least the following information shall be indicated in a statistical report:

1) the number of works, supply and service contracts entered into in accordance with this Law, and the amount for which the contracts have been entered into;

2) the total amount of the works, supply and service contracts entered into whose contract price is lower than the contract price thresholds specified by the Cabinet, but which would be entered into in accordance with the requirements of this Law, if the contract price thereof would be equal to or greater than the contract price thresholds specified by the Cabinet, as well as the type and field of activities in accordance with Sections 3, 4, 5, 6 and 7 of this Law; and

3) the total amount of the contracts which have been entered into in accordance with Section 11, Paragraph five of this Law.

(2) The information referred to in Paragraph one, Clause 1 of this Section shall be divided into categories:

1) according to the procurement procedures applied;

2) for each procedure according to the categories for works, product groups and service categories in accordance with the Common Procurement Vocabulary (CPV); and

3) according to the nationality of the suppliers, with which procurement contracts have been entered into.

(3) If contracts are entered into on the basis of a negotiated procedure, the information referred to in Paragraph one, Clause 1 of this Section shall be divided additionally into categories in accordance with the provisions referred to in Section 11, Paragraph three of this Law and the number of contracts and the amount grouped according to the nationality of suppliers shall be included in this information.

(4) Information regarding contracts which have been entered into for the telecommunication services included in Annex 2, Part A, Category 5 to this Annex, whose positions in the Common Procurement Vocabulary (CPV) comply with the CPC nomenclature reference numbers 7524, 7525 and 7526 and the research and development services included under Category 8, shall not be included in the information referred to in Paragraph one, Clause 1 of this Section.

(5) Other information shall also be included in the statistical report, if it is provided for by the Public Procurement Agreement of the World Trade Organisation, as well as if it is requested by the European Commission.

Chapter XVI

Procedures by Which a Specific Activity Shall Be Recognised as Being Performed Under the Conditions of Free Competition

Section 87. Recognition of a Specific Activity as Being Performed Under the Conditions of Free Competition

(1) In order to apply Section 9, Paragraph one, Clause 11 of this Law, the case regarding whether any of the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law are being performed under the conditions of free competition shall be decided based on the criteria determined by the Cabinet and which comply with the rules on competition of the Treaty on the Functioning of the European Union.

(2) Within the meaning of Section 9, Paragraph one, Clause 11 of this Law, the activities referred to in Sections 3, 4, 5, 6 or 7 of this Law shall be considered to have been performed under the conditions of free competition, if in respect of the transport or distribution of gas or heat energy, the production, transmission or division of electricity, in respect of public service providers operating in the field of postal services and in respect of the exploration or extraction of oil or gas, the requirements of the regulatory enactments of the respective sector are applied.

(3) If, based on Paragraph two of this Section, it cannot be accepted that the respective market is freely available, the free availability of the specific market shall be proved factually and legally.

(4) Section 9, Paragraph one, Clause 11 of this Law shall be applied if one of the following conditions is met:

1) the European Commission has taken a decision by which it recognises that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition, until the deadline specified thereby, which is notified in the Official Journal of the European Union and does not exceed three months from the working day after the day when it has received the claim referred to in Section 88, Paragraph one,

Clause 1 of this Law, except the case where an extension of the deadline is specified, which has been notified in the Official Journal of the European Union and which does not exceed one month in the case referred to in Paragraph two of this Section or three months in other cases;

2) the European Commission has taken a decision by which it recognises that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition, until the deadline specified thereby, which is notified in the Official Journal of the European Union and does not exceed three months from the working day after the day when it has received the claim referred to in Section 88, Paragraph one, Clause 2 of this Law, except the case where an extension of the deadline is specified, which has been notified in the Official Journal of the European Union and which does not exceed three months;

3) the European Commission has taken a decision during the evaluation procedure commenced at its own initiative, until the deadline specified thereby which it has notified to Latvia, with which it recognises that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition; or

4) the European Commission has not taken a decision until the deadline referred to in Paragraphs one, two or three of this Section.

Section 88. Submission of a Claim to the European Commission

(1) In order to apply Section 9, Paragraph one, Clause 11 of this Law:

1) the ministry responsible for the relevant sector is entitled to take a decision that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition. The ministry responsible for the relevant sector shall notify the European Commission of the decision taken asking for the evaluation and recognition that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition;

2) the public service provider is entitled to submit a request to the European Commission that it recognises that the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition.

(2) The criteria according to which the ministry responsible for the relevant sector or the public service provider shall evaluate whether the specific activity referred to in Sections 3, 4, 5, 6 or 7 of this Law is performed in Latvia under the conditions of free competition, the content of the request referred to in Paragraph one of this Section and the procedure by which it shall be submitted to the European Commission, shall be determined by the Cabinet.

(3) If during the examination of a request, a new request is submitted regarding the same object, it shall be examined concurrently with the previously submitted request within the scope of one procedure.

Section 89. Co-operation with the European Commission

If a public service provider has submitted a request to the European Commission or if the European Commission has commenced the evaluation of the specific activities referred to in Sections 3, 4, 5, 6 or 7 of this Law at its own initiative and has informed Latvia thereof, the necessary information shall be provided to the European Commission upon request thereby, by the ministry responsible for the relevant sector, appending, where possible, the opinion of the competent authority responsible for the supervision of the specific activity.

Chapter XVII Other Regulations

Section 90. Application of Procurement Nomenclature

If a public service provider, when interpreting the data of the Common Procurement Vocabulary (CPV) referred to in Annexes 1 and 2 to this Law, determines that the possible interpretation thereof differs from the statistical classification of economic activities (NACE) nomenclature specified in Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90, as well as certain EC Regulations on specific statistical domains, or the United Nations Central Product Classification (CPC) nomenclature data, it shall apply the CPV data interpretation which complies respectively with the NACE nomenclature or the CPC nomenclature.

Transitional Provisions

1. With the coming into force of this Law, the Law On Procurement for the Needs of Public Service Providers (*Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 2004, No.23) is repealed.
2. An announced open or restricted contest or negotiated procedure, regarding which a request to participate has been published, or a design contest shall be terminated in accordance with the Law On Procurement for the Needs of Public Service Providers. A complaint regarding violations which have taken place in such a procurement procedure, shall be submitted to the Procurement Monitoring Bureau and examined in accordance with the procedures specified in the Law On Procurement for the Needs of Public Service Providers.
3. For the appeal of such decisions of the Procurement Monitoring Bureau to a court, which have been adopted based on the Law On Procurement for the Needs of Public Service Providers, the provisions of Section 80, Paragraphs one and two, as well as Section 84, Paragraph one, sentence two of this Law shall not be applied. The procedures for the appeal of the cases referred to shall be determined by the Administrative Procedure Law.
4. The complaint referred to in Section 81, Paragraph one of this Law may be submitted if the procurement contract or framework agreement has been entered into following the coming into force of this Law.
5. The Cabinet shall issue the Regulations referred to in Section 13 and Section 34, Paragraph one of this Law by 1 October 2010.
6. Section 19 of this Law shall come into force on 4 December 2010. By 4 December 2010 the Cabinet shall issue the Regulations referred to in Section 19, Paragraph two of this Law.
7. Section 9, Paragraph one, Clause 11 and Chapter XVI of this Law shall come into force on 1 February 2011. The Cabinet shall issue the Regulations specified in Section 88, Paragraph two of this Law by 31 January 2011.

8. Section 9, Paragraph four of this Law and the informative references to European Union Directives shall come into force on 1 August 2011.

9. The procedures by which notices shall be submitted for publication, specified in Section 34, Paragraph two, sentence one of this Law shall be applicable from 1 November 2010. Until 31 October 2010 the public service provider shall prepare the appropriate notice referred to in Section 34, Paragraph one of this Law and submit it to the Procurement Monitoring Bureau for publication, completing the relevant notice form available on the Internet home page of the Procurement Monitoring Bureau, and send it to the Procurement Monitoring Bureau electronically, by fax or by post.

10. Section 42, Paragraph one, Clauses 2 and 3 of this Law shall be applied if a violation, regarding which the decision of a competent authority or a court judgment has entered into effect and cannot be disputed, has been committed following the day of the coming into force of this Law.

11. Insofar as it is not in contradiction with this Law, until the day of the coming into force of the amendments to other regulatory enactments, a reference to the Law On Procurement for the Needs of Public Service Providers used therein, shall be considered to be a reference to this Law.

Informative Reference to European Union Directives

This Law contains legal norms arising from:

1) Council Directive 92/13/EEC of 25 February 1992 co-ordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors;

2) Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 co-ordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors;

3) Commission Directive 2005/51/EC of 7 September 2005 amending Annex XX to Directive 2004/17/EC and Annex VIII to Directive 2004/18/EC of the European Parliament and the Council on public procurement;

4) Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts;

5) Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles; and

6) Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC.

This Law shall come into force on the day following the proclamation thereof.

This Law has been adopted by the *Saeima* on 25 August 2010.

President V. Zatlers

Rīga, 3 September 2010

Nomenclature of Works Contracts

Classification of Economic Activities in the European Union (NACE)					CPV code
Section F			Construction		
Division	Group	Class	Type of activity	Notes	
45			Construction	This section includes the construction of new buildings and works, restoration work and common repairs	45000000
	45.1		Construction site preparation		45100000
		45.11	Demolition and wrecking of structures; earth moving	This class includes: 1) demolition of buildings and other constructions; 2) clearing of a construction site; 3) earth removal: excavation, levelling and grading of a construction site, trench digging, rock removal, blasting and other works; 4) preparation of the mineral resource extraction site: overburden removal and other preparation works in the locations of mineral deposits and quarries This class also includes: 1) drainage of a construction site; 2) drainage of agricultural or forestry land	45110000
		45.12	Test drilling or boring	This class includes test drilling, test boring and core sampling for construction, geophysical, geological or similar purposes This class excludes: 1) drilling of production oil or gas wells (see 11.20); 2) water well drilling (see 45.25); 3) shaft sinking (see 45.25); 4) oil and gas field exploration, geophysical, geological and seismic surveying (see 74.20)	45120000
	45.2		Building of complete constructions or parts thereof and civil engineering		45200000

Classification of Economic Activities in the European Union (NACE)					CPV code
Section F			Construction		
Division	Group	Class	Type of activity	Notes	
		45.21	General works of buildings and civil engineering works	<p>This class includes:</p> <ol style="list-style-type: none"> 1) construction of all types of buildings and civil engineering structures; 2) bridges (including those for elevated motorways), viaducts, tunnels and subways: the main pipeline, communication and power supply line, construction of city communication and power supply lines, other related works in cities, the assembly and construction in construction sites. <p>This class excludes:</p> <ol style="list-style-type: none"> 1) services incidental to oil and gas extraction (see 11.20); 2) erection of complete prefabricated constructions from self-manufactured parts, not of concrete (see divisions 20,26 and 28); 3) works, other than of buildings, for stadiums, swimming pools, gymnasiums, tennis courts, golf courses and other sports installations (see 45.23); 4) building installation works (see 45.3); 5) building finishing works (see 45.4); 6) architectural and engineering activities (see 74.20); 7) project management for construction (see 74.20) 	45210000 (excluding: 45213316, 45220000, 45231000, 45232000)
		45.22	Assembly of roof covering and frames	This class includes assembly of roofs, roof covering, protection against precipitation	45261000
		45.23	Construction of motorways, roads, airfields and sport facilities	<p>This class includes:</p> <ol style="list-style-type: none"> 1) construction of motorways, streets, roads and other vehicular and pedestrian ways; 2) construction of railways; 3) construction of airfield runways; 4) works, other than for buildings, for stadiums, swimming pools, gymnasiums, tennis courts, golf courses and other sports installations; 5) marking of roads and car parking spaces <p>This class excludes previous movement of earth (see 45.11)</p>	45212212 and D A 0 3 4 5 2 3 0 0 0 0 (excluding: 4 5 2 3 1 0 0 0, 4 5 2 3 2 0 0 0, 4 5 2 3 4 1 1 5)

Classification of Economic Activities in the European Union (NACE)					CPV code
Section F			Construction		
Division	Group	Class	Type of activity	Notes	
		45.24	Construction of hydrotechnic structures	This class includes: 1) construction of waterways, harbour and river works, quaysides, locks and other constructions; 2) construction of dams and dykes; 3) dredging; 4) underwater work	45240000
		45.25	Other works requiring special skills	This class includes works of one type, which are common to different kinds of structures and performance of which requires special skills or equipment: 1) foundation works, including pile driving; 2) water well drilling and construction, shaft sinking; 3) assembly of industrially manufactured steel elements; 4) steel bending; 5) bricklaying and stone setting works; 6) assembly and dismantling of scaffolds and work platforms, including renting of scaffolds and work platforms; 7) construction of chimneys and industrial ovens This class excludes the renting of scaffolds without assembly and dismantling (see 71.32)	45250000 and 45262000
	45.3		Building installation works		45300000
		45.31	Installation and assembly of electrical wiring	This class includes: 1) installation of electrical wiring and assembly of equipment; 2) installation of telecommunication systems in buildings and structures; 3) installation of electrical heating systems in buildings and structures; 4) installation of residential antennas in buildings and structures; 5) installation of fire alarms in buildings and structures; 6) installation of security alarm systems in buildings and structures; 7) installation of lifts and escalators in buildings and structures; 8) installation of lightning-rod systems and other systems in buildings and structures	45213316 and 45310000 (excluding: 45316000)

Classification of Economic Activities in the European Union (NACE)					CPV code
Section F			Construction		
Division	Group	Class	Type of activity	Notes	
		45.32	Insulation works	This class includes the installation of thermal insulation, sound or vibration insulation in buildings and structures. This class excludes hydroinsulation (see 45.22)	45320000
		45.33	Plumbing	This class includes: 1) installation of plumbing and sanitary equipment in buildings and structures; 2) installation of gas fittings in buildings and structures; 3) heating, ventilation, refrigeration or air conditioning equipment and ducts, 4) installation of water sprinkler systems in buildings and structures. This class excludes the installation of an electrical heating system (see 45.31)	45330000
		45.34	Other structures and installations	This class includes: 1) illumination and signalling systems for motorways, railways, airports and ports; 2) other equipment and auxiliary devices in buildings or structures	45234115, 45316000 and 45340000
	45.4		Surface finishing		45400000
		45.41	Plastering	This class includes plastering of interior and exterior surfaces of buildings and structures, including plastering with plate or sheet materials	45410000
		45.42	Carpentry works	This class includes: 1) installation of industrially manufactured windows, doors, frames thereof, fitted kitchens, staircases, shop fittings and other installations, of wood or other material; 2) installation of interior ceilings, wooden wall coverings, movable partitions and completion of other wooden finishing works This class excludes the laying of parquet and other wood floor coverings (see 45.43)	45420000

Classification of Economic Activities in the European Union (NACE)					CPV code
Section F			Construction		
Division	Group	Class	Type of activity	Notes	
		45.43	Installation of floor and wall coverings	This class includes the laying, covering, hanging or assembly of floor or wall tiles, cement or stone tiles, parquet or other wood floor coverings, soft floor coverings (linoleum, carpet, rubber or plastic coverings), "teraco" cement, marble, granite or slate ceiling or wall coverings or wallpaper.	45430000
		45.44	Painting and glazing	This class includes: 1) painting of interior or external surfaces of buildings and structures or technical equipment; 2) installation of glass, mirrors This class excludes the installation of windows (see 45.42)	45440000
		45.45	Other building completion	This class includes: 1) installation of private swimming pools; 2) steam cleaning, sand blasting and similar activities for building exteriors; 3) other building and structure finishing and completion work This class excludes the interior cleaning (see 74.70)	45212212 and A04, 45450000
	45.5		Rent ing of construction or demolition equipment (with operator)		45500000
		45.50	Rent ing of construction or demolition equipment (with operator)	This class excludes renting of construction or demolition equipment (without operator) (see 71.32)	45500000

Nomenclature of Service Contracts

Part A

Category number	Service	CPC code	CPV code
1.	Technical maintenance and repair services	6112, 6122, 633, 886	From 50100000-6 to 50884000-5 (except from 50310000-1 to 50324200-4 and 50116510-9, 50190000-3, 50229000-6, 50243000-0) and from 51000000-9 to 51900000-1
2.	Land transport services, except railway transport services which are included in Category 18, and including services of armoured fitting vehicles, courier services, except postal transport services	712 (except 71235), 7512, 87304	From 60100000-9 to 60183000-4 (except 60160000-7, 60161000-4, 60220000-6) and from 64120000-3 to 64121200-2
3.	Passenger and cargo air transport services, except postal transport services	73 (except 7321)	From 60410000-5 to 60424120-3 (except 60411000-2, 60421000-5), 60500000-3 and from 60440000-4 to 60445000-9
4.	Postal transport services by land and air, except railroad transport services which are included in Category 18	71235, 7321	60160000-7, 60161000-4, 60411000-2, 60421000-5
5.	Electronic communication services	752	From 64200000-8 to 64228200-2, 72318000-7 and from 72700000-7 to 72720000-3
6.	Financial services: insurance services, banking and investment services, excluding financial services related to the issue, purchase, sale or transfer of securities or other financial instruments to other persons, including the attraction of cash or capital. Contracts, which are connected with the purchase or lease of land, existing structure or other immovable property or acquisition of other rights to such immovable property with any financial resources are also excluded; however, this Law shall be applied to financial service contracts, which are connected with the purchase or lease of immovable property or the acquisition of other rights to immovable property and which are entered into prior to or after entering into of a purchase or lease contract or concurrently with entering into thereof	ex 81, 812, 814	From 66100000-1 to 66720000-3

Category number	Service	CPC code	CPV code
7.	Services related to computer hardware	84	From 50310000-1 to 50324200-4, from 72000000-5 to 72920000-5 (except 72318000-7 and from 72700000-7 to 72720000-3) and 79342410-4
8.	Research and development services and services related thereto – only the research and development services which are fully paid for and which are used only for the personal needs of the public service provider	85	From 73000000-2 to 73436000-7 (except 73200000-4, 73210000-7, 73220000-0)
9.	Accounting, audit and bookkeeping services	862	From 79210000-9 to 79223000-3
10.	Market and public opinion research services	864	From 79300000-7 to 79330000-6 and 79342310-9, 79342311-6
11.	Management consulting services and services related thereto, except arbitration services and services which are provided for the conciliation of the parties	865, 866	From 73200000-4 to 73220000-0, from 79400000-8 to 79421200-3 and 79342000-3, 79342100-4, 79342300-6, 79342320-2, 79342321-9, 79910000-6, 79991000-7, 98362000-8
12.	Architectural services, civil engineering services and integrated civil engineering services; urban planning and environmental planning services; related scientific and consulting services; technical testing and analysis services	867	From 71000000-8 to 7190000-7 (except 71550000-8) and 79994000-8
13.	Advertising services	871	From 79341000-6 to 79342200-5 (except 79342200-3) and 79342100-4)
14.	Building cleaning services and property management services	874, 82201 to 82206	From 70300000-4 to 70340000-6 and from 90900000-6 to 90924000-0
15.	Printing and publishing services for remuneration or on a contractual basis	88442	From 7980000-2 to 79824000-6 and from 79970000-6 to 79980000-7
16.	Sewage and refuse disposal services; sanitary and similar services	94	From 90400000-1 to 90743200-9 (except 90712200-3), from 90910000-9 to 90920000-2 and 50190000-3, 50229000-6, 50243000-0

Part B

17.	Hotel and restaurant services	64	From 55100000-1 to 55524000-9 and from 98340000-8 to 98341100-6
18.	Railway transport services	711	From 60200000-0 to 60220000-6
19.	Water transport services	72	From 60600000-4 to 60653000-0 and from 63727000-1 to 63727200-3
20.	Supporting and auxiliary transport services	74	From 63000000-9 to 63734000-3 (except 63711200-8, 63712700-0, 63712710-3 and from 63727000-1 to 63727200-3) and 98361000-1
21.	Legal services	861	From 79100000-5 to 79140000-7

Category number	Service	CPC code	CPV code
22.	Personnel recruitment and provision services, except employment contracts	872	From 79600000-9 to 79635000-4 (except 79611000-0, 79632000-3, 79633000-0) and from 98500000-8 to 98514000-9
23.	Investigation and security services, except services of armoured fitting vehicles	873 (except 87304)	From 79700000-1 to 79723000-8
24.	Education and vocational training services	92	From 80100000-5 to 80660000-8 (except 80533000-9, 80533100-0, 80533200-1)
25.	Health and social care services	93	79611000-0 and from 85000000-9 to 85323000-9 (except 85321000-5 and 85322000-2)
26.	Recreation, cultural and sporting services	96	From 79995000-5 to 79995200-7 and from 92000000-1 to 92700000-8 (except 92230000-2, 92231000-9 and 92232000-6)
27.	Other services, except contracts regarding the creation, improvement, directing or transformation of programme material, if it is intended for transmission to be performed by a broadcasting organisation, and contracts regarding the broadcasting time		