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If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*¹ has adopted and the President has proclaimed the following Law:

On Prevention of Conflict of Interest in Activities of Public Officials

Chapter I General Provisions

Section 1. Terms Used in this Law

The following terms are used in this Law:

1) **office** – work or service within the scope of specified authorisation in a State or self-government institution, public, political or religious organisation, as well as in a commercial company;

2) **work-performance contract** – a contract governed by civil law by which a public official undertakes to perform work of a specified amount for the benefit of another person for certain remuneration;

3) **authorisation** – a set of rights which has been granted to a public official by another person in order that the public official shall act in the name and interests of the authorising person;

4) **counterparty** – a natural or legal person or an association of natural or legal persons established on the basis of a contract, which in accordance with the provisions of this Law is in declarable business relations with a public official;

5) **conflict of interests** – a situation where in performing the duties of office of the public official, the public official must take a decision or participate in taking of a decision or perform other activities related to the office of the public official which affect or may affect the personal or financial interests of this public official, his or her relatives or counterparties;

6) **relative** – father, mother, grandmother, grandfather, child, grandchild, adoptee, adopter, brother, sister, half-sister, half-brother, spouse;

7) **creative work** – journalistic, literary or artistic work for which royalties or fees are received;

8) **State or self-government authority** – a State or self-government institution (a unit thereof) or capital company (a branch thereof);

9) **head of a State or self-government authority** – the head of a State or self-government institution (in a Ministry – State Secretary) or the executive board of a capital company.

¹ The Parliament of the Republic of Latvia

Section 2. Purpose of the Law

The purpose of this Law is to ensure that the actions of public officials are in the public interest, prevent the influence of a personal or financial interest of any public official, his or her relatives or counterparties upon the actions of the public official, to promote openness regarding the actions of the public officials and their liability to the public, as well as public confidence regarding the actions of public officials.

Section 3. Scope of Application of this Law

This Law provides for:

- 1) restrictions and prohibitions upon public officials;
- 2) prevention of conflict of interest in actions of public officials; and
- 3) declaration of the financial status of public officials and a mechanism for the verification of the declarations of public officials.

Section 4. Public Officials

(1) Public officials are:

- 1) the President;
- 2) members of the *Saeima*;
- 3) the Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, and Parliamentary Secretaries;
- 4) the head of the Chancellery of the President of Latvia and his or her deputy, the Director of the *Saeima* Chancellery and his or her deputy;
- 5) advisors to the President, advisors, consultants and assistants, as well as heads of the Offices of the Prime Minister, Deputy Prime Ministers, Ministers, and Ministers for Special Assignments;
- 6) the Governor of the Bank of Latvia, his or her deputy and members of the Board of Governors of the Bank of Latvia;
- 7) the Auditor General, members of the Council of the State Audit Office, and the sector head of the audit department of the State Audit Office;
- 8) the Chairperson of the Central Electoral Commission, his or her deputy and the Secretary of the Central Electoral Commission;
- 9) the Director of the Constitution Protection Bureau and his or her deputy;
- 10) the head of the Prevention and Combating of Corruption Bureau, his or her deputies, central administration divisional heads and their deputies, heads of territorial offices and investigators;
- 11) the head of the Prevention of the Laundering of Proceeds from Crime Service and his or her deputy;
- 12) the Ombudsman and his or her deputy;
- 13) members of the National Broadcasting Council of Latvia, members of the Council of the Public Utilities Commission, members of the Council of the Finance and Capital Market Commission;
- 14) the chairperson of a self-government council and his or her deputy, the executive director of a self-government and his or her deputy, as well as the head of the administration of a rural territory (or *pagasts*) or town in the municipality self-government;
- 15) councillors of self-government councils;
- 16) heads of State or self-government institutions and their deputies;
- 17) civil servants of the general or specialised State Civil Service;

18) members of councils of capital companies who represent the interests of the State or self-governments in a capital company in which the State or self-government share of the equity capital separately or in aggregate exceeds 50 percent;

19) members of councils or executive boards of State or self-government capital companies;

19¹) member of the board of such capital company, in which the share of the equity capital of one or several State or self-government capital companies in aggregate or separately exceeds 50 percent, and such member of the council of such capital company, who represents the interests of the State or self-government capital company;

20) representatives of the holder of the State or self-government share of capital and their authorised persons;

21) judges, prosecutors, sworn notaries and sworn bailiffs;

22) professional service soldiers and military employees of the National Armed Forces.;

23) [12 November 2009]

24) member of the Public Procurement Commission; and

25) officials with special service ranks of the Ministry of the Interior system institutions and the Prisons Administration.

(2) Persons who in the performance of the duties of office in the State or self-government authorities, in accordance with regulatory enactments, have the right to issue administrative acts, as well as to perform supervision, control, inquiry or punitive functions in relation to persons who are not under their direct or indirect control, or to deal with the property of the State or self-government, including financial resources, shall also be considered to be public officials.

(2¹) As public officials shall be considered also persons who in fulfilling the duties of office in State security authorities perform at least one of the following activities:

1) intelligence;

2) counter-intelligence;

3) investigatory operations; or

4) the processing, analysis or protection of information acquired through intelligence, counter-intelligence or investigatory operations.

(2²) As public officials shall considered to be also persons who in fulfilling the duties of office in institutions involved in the management of European Union or foreign financial aid perform at least one of the following activities:

1) fulfil supervisory, control or punishment functions in relation to persons who are not directly or indirectly subordinate to them;

2) take decisions regarding the submitted project or project application; or

3) take such a decision, which affects the use of the granted financial aid.

(2³) As public officials shall considered to be also persons who hold the offices of chairperson of the board of a port, port manager or member of the board of a port. Persons employed in private ports shall be considered to be public officials only if such is provided for in Paragraph three of this Section.

(3) Persons who perform duties of office externally of the State or self-government authorities shall also be considered as public officials if in accordance with the regulatory enactments the State or self-government has permanently or temporary delegated to them any of the functions referred to in Paragraph two of this Section.

(4) A member of the board of such capital company, in which the share of the equity capital of one or several State or self-government capital companies in aggregate or separately exceeds 50 percent, and such member of the council of such capital company, who represents the interests of the State or self-government capital company, shall not be considered to be a public official, if the relevant capital company is registered in a foreign state. Prevention of conflict of interest in the activities of the board or council members of such capital companies

shall be ensured according to the procedures and amount prescribed by regulatory enactments and statutes by the State or self-government capital company, which owns capital shares in the referred to capital company registered in a foreign state.

[8 May 2003; 15 December 2005; 14 September 2006; 7 June 2007; 26 March 2009; 12 November 2009; 27 May 2010]

Section 5. Control of the Implementation of this Law

(1) The Prevention and Combating of Corruption Bureau, as well as other authorities and public officials in conformity with the competence specified in this Law or other regulatory enactments shall control the implementation of this Law.

(2) The activities of the Prevention and Combating of Corruption Bureau shall be regulated by the Prevention and Combating of Corruption Bureau Law.

Chapter II.

Restrictions and Prohibitions with Respect to Public Officials

Section 6. General Restrictions On Combining Offices of Public Officials

Public officials are permitted to combine an office of the public official with another office, in the performance of a work-performance contract or authorisation if restrictions on the combining of the offices of the public official are not provided for in this Law or other regulatory enactments.

Section 7. Special Restrictions On Combining Offices of Public Officials

(1) Combining the office of the President with another office shall be determined by the Constitution of the Republic of Latvia.

(2) Members of the *Saeima*, the Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, and Parliamentary Secretaries are permitted to combine their office as public officials only with:

1) offices that they hold in accordance with laws, or international agreements ratified by the *Saeima*;

2) offices in a trade union, an association or foundation, a political party, a political party union or a religious organisation if it is not otherwise prescribed by Paragraph 14 of this Section;

3) the work of a teacher, scientist, doctor, professional sportsperson and creative work;

4) other offices or work in the *Saeima* or the Cabinet, if such is specified in decisions of the *Saeima* and its institutions, or regulations or orders of the Cabinet; or

5) offices that they hold in international organisations and institutions if such has been determined by a decision of the *Saeima*, Cabinet regulations or orders.

(3) The Governor of the Bank of Latvia, his or her deputy and members of the Board of Governors of the Bank of Latvia, the Auditor General, members of the Council of the State Audit Office, and the sector head of the audit department of the State Audit Office, the Chairperson of the Central Electoral Commission, his or her deputy and the Secretary of the Central Electoral Commission, the Director of the Constitution Protection Bureau and his or her deputy, the Ombudsman and his or her deputy, the head of the Chancellery of the President of Latvia and his or her deputy, the Director of the *Saeima* Chancellery and his or her deputy, members of the National Broadcasting Council of Latvia, members of the Council of the Public Utilities Commission, the chairperson of the Finance and Capital Market Commission, his or her deputies and members of the Council of the Finance and Capital Market Commission, the Director-General, directors of administration of the State Revenue

Service and their deputies, directors of territorial authorities and their deputies, judges, prosecutors, sworn notaries and sworn bailiffs, the head of the Prevention and Combating of Corruption Bureau, his or her deputies, central administration divisional heads and their deputies, heads of territorial offices and investigators, the head of Prevention of the Laundering of Proceeds from Crime Service and his or her deputy, are permitted to combine the office of a public official only with:

1) offices which they hold in accordance with laws, or international agreements ratified by the *Saeima*, Cabinet regulations and orders;

2) the work of a teacher, scientist, professional sportsperson and creative work; and

3) the work of an expert (consultant) performed in the administration of another state, international organisation or a representation (mission) thereof, if it does not result in a conflict of interests and a written permit has been received from the public official or collegial authority which has elected, appointed or approved the relevant person in the office or which is referred to in Section 8.¹, Paragraph eleven of this Law.

(4) The Chief of the State Police and his or her deputy, the Chief of the Security Police and his or her deputy, the Chief of the State Border Guard and his or her deputy, the Chief of the State Fire-fighting and Rescue Service and his or her deputy, the Chief of the Self-government Police and his or her deputy is permitted to combine the office of public official only with:

1) offices which they hold in accordance with the Law or international agreements ratified by the *Saeima*, Cabinet regulations and orders; and

2) the work of teacher, scientist, professional sportsperson and creative work.

(5) Chairpersons of self-government councils, deputy chairpersons of city councils, executive directors of self-governments and their deputies, heads of State and self-government institutions and their deputies, heads of rural territory (or *pagasts*) or town administration in municipality self-governments, as well as members of executive boards of such State and self-government capital companies, in which the State or self-government share of the equity capital separately or in aggregate exceeds 50 percent, and members of councils of capital companies who represent the interests of the Latvian State or self-governments in a capital company are permitted to combine their office of public official only with:

1) offices which such persons hold in accordance with laws, or Cabinet regulations and orders;

2) offices in a trade union, an association or foundation, a political party, a political party union or a religious organisation, if it is not prescribed otherwise in Paragraph fourteen of this Section;

3) the work of teacher, scientist, doctor, professional sportsperson and creative work;

3¹) offices in a capital company in which the State or self-government is a shareholder, if it is associated with the representation of State or self-government interests in such company, does not create a conflict of interest and a written permission has been received from the public official or collegial authority, which has appointed, elected or approved in office the relevant person;

3²) offices in a capital company in which the State or self-government capital company is a shareholder, if it is associated with the representation of State or self-government interests in such company, does not create a conflict of interest and a written permission has been received from the public official or collegial authority, which has appointed, elected or approved in office the relevant person;

4) other offices in a State or self-government institution if such combination does not result in a conflict of interests and written permission has been received from the public official or collegial authority which has elected, appointed or approved the relevant person in the office; or

4¹) the work of an expert (consultant) performed in the administration of another state, international organisation or a representation (mission) thereof, if it does not result in a

conflict of interests and written permission has been received from the public official or collegial authority which has elected, appointed or approved the relevant person in the office. (5¹) The officials referred to in Section 4, Paragraph one, Clause 19.¹ and Paragraph 2.³ of this Law for whom special conditions for combining of the office are not specified in this Section, may combine the office of public official only with:

1) offices which such persons hold in conformity with laws, and Cabinet regulations and orders;

2) offices in an association or foundation, a political party, a political party union or a religious organisation;

3) the work of teacher, scientist, doctor, professional sportsperson and creative work; or

4) other offices, in the performance of a work-performance contract or authorisation if combination thereof does not result in a conflict of interests and written permission has been received from the public official or collegial authority which has elected, appointed or approved the relevant person in the office.

(6) Civil servants of the general or specialised State Civil Service, officials with special service ranks of the Ministry of the Interior system institutions and the Prisons Administration, as well as officials of the self-government police and the officials referred to in Section 4, Paragraphs two and 2.¹ of this Law for whom special conditions for combining of the office are not specified in this Section, may combine the office of public official only with:

1) offices which such persons hold in conformity with laws, and Cabinet regulations and orders;

2) the work of teacher, scientist, doctor, professional sportsperson and creative work;

3) other offices, in the performance of a work-performance contract or the fulfilment of authorisations not referred to in Paragraph eleven of this Section if combination thereof does not result in a conflict of interests and written permission of the head of the relevant State or self-government institution or a person authorised by him or her has been received;

4) economic activity in the status of an individual merchant, or by registering with the State Revenue Service as a person performing economic activity in accordance the Law On Personal Income Tax, if such combination does not create a conflict of interest and a written permission of the head of the relevant State or self-government authority or of his or her authorised person has been received.

(7) National Armed Forces commander and his or her deputies, National Armed Forces Chief of Staff and his or her deputies, heads of departments and administrations, National Armed Forces type commanders, unit commanders (heads) and heads of garrisons are permitted to combine the office of public official with another office only with:

1) an office which they hold in accordance with laws, or international agreements ratified by the *Saeima*, Cabinet regulations and orders; or

2) the work of teacher, scientist, doctor, professional sportsperson and creative work.

(8) Other National Armed Forces professional service soldiers, military employees and civil employees are permitted to combine the office of public official with another office, the performance of the work-performance contract, authorisation not mentioned in Paragraph eleven of this Section or economic activity in the status of an individual merchant or by registering with the State Revenue Service as a person performing economic activity in accordance with the Law On Personal Income Tax, if such combination does not create a conflict of interest and a written permission has been received from the National Armed Forces commander or from his or her authorised official.

(9) [7 June 2007]

(10) A public official is permitted to combine the office of a public official with the economic activity in the status for an individual merchant or by registering as a person performing economic activity in accordance with the Law On Personal Income Tax, if in the scope of

such activity the income is derived only from farming, forestry, fishery, rural tourism or professional activity of a general practitioner.

(10¹) A public official, who has registered with the State Revenue Service as a performer of economic activity in accordance with the Law On Personal Income Tax, shall be permitted to combine his or her office with such economic activity, which is performed by administering the immovable property which belongs to this public official.

(11) A public official shall be permitted to combine his or her office with the fulfilment of such authorisation on the basis of which such official acts in the name of his or her kin, if it does not result in a conflict of interest.

(12) If no stricter restrictions are prescribed by the law, a State official, by observing the special office combination restrictions prescribed in Paragraphs two, three, four, five, 5.¹, six, seven, eight and thirteen of this Section, is permitted to combine his or her State official office with no more than two other offices paid or compensated in some other way by other State or self-government institutions, capital companies, in which the State or self-government share in the equity capital separately or in aggregate exceeds 50 percent, or in capital companies in which the State or self-government or the State or self-government capital company is a shareholder. The work of teacher, scientist, doctor, professional sportsperson and creative work shall not be regarded as the offices referred to in this Paragraph. The combining of offices referred to in this Paragraph shall be permitted, if it does not create a conflict of interest, is not in conflict with the ethical norms binding on the public official and does not interfere with the performance of the direct duties of the public official.

(13) A public official shall be permitted to combine his or her office with service in the National Guard, if it is not prescribed otherwise by law.

(14) In addition to those public officials, who by other laws and by this Section are not permitted to combine their public official office with an office in a political party or association of political parties, this type of combination of offices is also not permitted for the Director of the State Chancellery and his or her deputies, State Secretaries and their deputies, as well as members of boards and councils of State capital companies.

[8 May 2003; 15 December 2005; 14 September 2006; 7 June 2007; 13 November 2008; 26 March 2009; 12 November 2009; 30 September 2010]

Section 8. Procedures for Fulfilment of Restrictions On Combining the Offices of Public Officials if Combination of Offices is Prohibited

(1) A person who, after assuming office as a public official, concurrently holds an office the combining of which with the office of public official is not permitted, has a duty within seven days in writing:

1) to notify a higher public official or collegial authority of the fact that he or she holds one or more offices (performs a work-performance contract or authorisation) the combining of which with the office of public official is prohibited; and

2) to submit to the authority in which the person holds an office the combining of which with the office of public official is prohibited a submission requesting the release of him or her from the relevant office.

(2) If the person who after assuming office as a public official at the same time fulfils obligations, which arise from a work-performance contract or authorisation the combining of which with the office of public official is prohibited, continues to fulfil the office of the public official referred to in Paragraph one of this Section, such person shall, within three months from the day of assuming office, terminate the work-performance contract or authorisation.

(3) The authority (person), which has received the submission of a public official referred to in Paragraph one, Clause 2 of this Section, has a duty, within one month, to take a decision regarding the release of the person from the office. The decision shall be sent to the relevant public official.

(4) If a public official has not received the decision referred to in Paragraph three of this Section due to circumstances beyond his or her control, he or she has a duty after the expiry of the time period referred to in Paragraph three of this Section:

1) to notify in writing a higher public official or collegial authority, as well as the Prevention and Combating of Corruption Bureau thereof;

2) to suspend the performance of the duties of the relevant office; and

3) to notify the authority (person) referred to in Paragraph one, Clause 2 of this Section regarding the suspension of receipt of remuneration and to not utilise further payments of remuneration.

(5) If the authority referred to in Paragraph one, Clause 2 of this Section has not fulfilled the provisions of Paragraph three of this Section, the public official shall be considered as having observed the requirements of this Law.

[7 June 2007]

8.¹ Procedures for Fulfilment of Restrictions On Combining the Offices of Public Officials if for the Performance of the Combination of Offices, Work, Work-performance Contract or Authorisation Permission is Necessary

(1) A person who upon assuming an office of a public official at the same time holds another office (performs a work-performance contract or authorisation) and such combining of offices is permitted upon receipt of a written permission from the officials (authorities) has a duty prior to appointment, election or approval to office, to submit in writing to such official (authority) a request to permit the combination of the public official office with another office (the performance of a work-performance contract or authorisation).

(2) If a person whose public official status is specified after a decision regarding his or her appointment, election or approval to office has been taken, at the same time holds another office (performs a work-performance contract or authorisation) and such combining of offices is permitted upon receipt of written permission from officials (authorities), the relevant person has a duty within seven days from the day of specification of public official status to submit in writing a request to permit the combination of the public official office with another office (the performance of a work-performance contract or authorisation).

(3) A public official who wishes to combine a public official office with another office (the performance of a work-performance contract or authorisation), and such combining of offices is permitted upon receipt of a written permission from officials (authorities) prior to the commencement of the combination of offices (the entering into a work-performance contract or the assuming of an authorisation) to submit in writing to the referred to official (authority) a request to permit the combination of the public official office with another office (the performance of a work-performance contract or authorisation).

(4) If a public official holds several public official offices, written permission shall be received for each office the combining of which with another office in accordance with this Law permission is necessary.

(5) In the cases specified in this Law, a public official (authority) upon receipt of the request referred to in Paragraph one, two or three of this Section to permit a public official to combine a public official office with another office (the performance of a work-performance contract or authorisation) has a duty to:

1) evaluate whether the combination of the office (the performance of a work-performance contract or authorisation) will not give rise to a conflict of interest, will not be in contradiction with ethical norms binding upon the public official and will not harm the performance of the direct duties of the public official;

1¹) evaluate whether the combination of the office (the performance of a work-performance contract or authorisation) will not harm the interests of the State of Latvia, if the

performance of the work is intended in a foreign state, international organisation, the representation (mission) thereof or on their behalf; and

2) within one month, take a decision regarding the issuing of permission or a refusal to issue permission for the combination of offices (the performance of a work-performance contract or authorisation).

(6) If after the coming into effect of the decision regarding the issuing of permission for the combination of offices, the legal or factual circumstances, which are referred to in Paragraph five, Clause 1 of this Section and which were the basis for the taking of the relevant decision, have changed, and the change of such circumstances does not permit the continued combination of offices, the relevant public official (authority) shall revoke the decision regarding the issuing of permission for the combination of offices.

(7) The decisions referred to in Paragraph five, Clause 2 and Paragraph six of this Section shall be taken and drawn up according to the procedures specified in the Administrative Procedure Law, indicating the justification for the decision in accordance with the requirements of Paragraph five, Clause 1 of this Section and other regulatory enactments.

(8) If with a decision the issuing of permission to combine offices (the performance of a work-performance contract or authorisation) is refused or a decision is taken, which revokes a decision regarding the issuing of permission for the combination of offices, the relevant official may dispute and appeal such decisions according to the procedures specified in the Administrative Procedure Law. The dispute or appeal of a decision shall not suspend the operation thereof.

(9) If a public official has been refused the issuing of permission to combine offices and such official already holds the office to be combined, as well as in the case if the decision regarding the issuing of permission for the combination of offices has been revoked in accordance with Paragraph six of this Section, the public official shall, within one month, submit a request to release him or her from one or several offices in order to observe the restriction regarding the combination of offices specified in this Law. To the further actions of authorities (persons) and the public official, Section 8, Paragraphs three, four and five of this Law shall be applicable.

(10) If a public official has been refused the issuing of permission to combine offices with the fulfilment of obligations, which arise from a work-performance contract or authorisation, and the work-performance contract has already come into effect or such official has assumed the authorisation, as well as in the case, if the decision regarding the issuing of permission for the fulfilment of the referred to obligations has been revoked in accordance with Paragraph six of this Section, the relevant official if he or she continues to perform the office of public official in relation to which the combination of offices has been refused with the fulfilment of obligations referred to in this Paragraph, shall within three months terminate the work-performance contract or cease the authorisation.

(11) A decision regarding the issue of the permit referred to in Section 7, Paragraph three, Clause 3 of this Law shall be taken by the Governor of the Bank of Latvia – for the members of the Council of the Bank of Latvia, the Auditor General – for the members of the Council of the State Audit Office, the Chairperson of the Central Electoral Commission – for his or her deputy and the Secretary of the Central Electoral Commission, the Prime Minister – for the head of the Corruption Prevention and Combating Bureau and the Director of the Constitution Protection Bureau, the assignments sitting of the Constitutional Court – for the judges of the Constitutional Court (also for the Chairperson and his or her deputy), the Chairperson of the relevant court – for other judges, the Minister for Justice – for the Chairpersons of district (town) and regional courts, the Chairperson of the Supreme Court – for the Prosecutor General, the Minister for Economy – for the members of the Council of Public Utilities Commission (also for the Chairperson), the Chairperson of the relevant council – for the members of the National Broadcasting Council, Council of the Finance and Capital Market Commission (also for the Deputy Chairperson). The Presidium of the *Saeima* shall take a

decision regarding the issue of the relevant permits for other public officials referred to in Section 7, Paragraph three of this Law, who have been elected, appointed or approved in the office by the *Saeima*.

[7 June 2007; 13 November 2008; 27 May 2010; 30 September 2010]

Section 9. Restrictions on the Obtaining of Income

(1) A public official is permitted to concurrently receive remuneration for the performance of duties of office as public official and remuneration for the performance of such duties of office, work-performance contract or authorisation as are not prohibited to the official by this Law and other laws, as well as to obtain income from commercial activity or other sources of income, which are not prohibited to him or her by this Law and other laws.

(2) If the performance of the duties of office of a member of the *Saeima* is combined with the office of the Prime Minister, Deputy Prime Minister, Minister for Special Assignments, or Parliamentary Secretary, he or she is permitted to receive the remuneration intended only for one office.

(3) A public official shall not obtain income from capital shares and stock, as well as from any kind of securities in commercial companies that are registered in tax-free or low-tax countries and territories in accordance with Cabinet regulations.

(4) A public official while he or she is a representative of the holder of the State or self-government capital share in a capital company, as well as three years after the fulfilment of these duties is prohibited:

1) to receive, directly or through the intermediation of third parties, any kind of financial benefit, including financial resources, not related to the performance of his or her duties ;

2) to accept gifts from the relevant capital company or members of its supervisory or executive bodies;

3) to acquire capital shares, stocks or property of the relevant capital company; and

4) to hold other offices in the relevant capital company.

(5) A State official, who in accordance with Section 7, Paragraph five, Clause 3.² of this Law holds an office in a capital company, in which a State or self-government is a shareholder, is prohibited from gaining income from such capital company, in which the State or self-government capital company is a shareholder and in which the State official holds the relevant office.

[15 December 2005; 7 June 2007; 13 November 2008; 12 November 2009]

Section 10. Restrictions on Commercial Activities

(1) The President, members of the *Saeima*, the Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, or Parliamentary Secretaries and their deputies, the Governor of the Bank of Latvia and his or her deputy, members of the Board of Governors of the Bank of Latvia, the Auditor General, members of the Council of the State Audit Office, sector heads of the Audit Departments of the State Audit Office, the Director of the Constitution Protection Bureau and his or her deputy, the head of Corruption Prevention and Combating Bureau and his or her deputy, the Director-General and the directors of administration of the State Revenue Service, members of the Council of Public Utilities Commission, members of the Council of the Finance and Capital Market Commission, as well as relatives of the public officials referred to shall not be the shareholders, stockholders and partners of such commercial companies or such individual merchants as receive orders for procurement for State and self-government needs, State financial resources, State-guaranteed credits or State privatisation fund resources, except the cases where they are granted as a result of an open competition.

(1¹) The heads of State authorities and their deputies referred to in Paragraph one of this Section, as well as the relatives of these public officials, shall not be shareholders, stockholders or partners of such commercial company or such individual merchants as receive orders from the respective State authority for procurements for the State authority needs or financial resources, except the cases where they are granted as a result of an open competition.

(2) The relevant public officials and their relatives shall comply with the provisions specified in Paragraphs one and 1.¹ of this Section also for two years after the public officials have ceased to perform the duties of the relevant office of the public official.

(3) A member of the board or council of a State or self-government capital company and a member of the board of such capital company, in which the share of the equity capital of one or several State or self-government capital companies in aggregate or separately exceeds 50 percent, as well as such member of the council of such capital company, who represents the interests of the State or self-government capital company, shall not be a shareholder, stockholder or partner of such commercial company or such individual merchant as receives financial resources of the relevant capital company and orders for procurements for this capital company's needs, except the cases where they are granted as a result of an open competition.

(4) Chairpersons of self-government councils, their deputies and councilors, executive directors of self-governments and their deputies, as well as the heads of the rural territory (or *pagasts*) or town administration in the municipality self-governments, shall not be the shareholders, stockholders or partners of such commercial company or such individual merchants as receive orders from the respective self-government for procurements for the self-government needs, financial resources, self-government guaranteed credits or privatisation fund resources, except the cases where they are granted as a result of an open competition.

(4¹) The heads of self-government authorities and their deputies shall not be the shareholders, stockholders or partners of such commercial company or such individual merchants as receive orders from the respective self-government authority for procurements for the self-government needs or financial resources, except the cases where they are granted as a result of an open competition.

(5) Chairpersons of city councils and municipality councils, their deputies, executive directors of these self-governments and their deputies, as well as the heads of the rural territory or town administration in municipality self-governments, shall observe the provisions of Paragraph four of this Section also two years after they have ceased to perform the duties of office of the relevant public official.

(6) The exceptions referred to in Paragraphs one, three and four of this Section are not permissible if the public official manages a State or self-government authority which has announced an open competition or if this official has appointed to the office any of the members of the procurement commission, or if any of the members of the procurement commission are under his or her direct or indirect subordination.

(7) A public official, for two years after he or she has ceased to perform the duties of the relevant office of the public official in a State or self-government authority, is prohibited to obtain the property of such merchant, as well as to become a shareholder, stockholder, partner or hold an office in those commercial companies, in relation to which during performing his or her duties this public official has taken decisions on procurement for State or self-government needs, allocation of State or self-government resources and State or self-government privatisation fund resources or has performed supervision, control or punitive functions.

[8 May 2003; 15 December 2005; 14 September 2006; 26 March 2009; 12 November 2009]

Section 11. Restrictions on Issuing Administrative Acts, Performance of Supervision, Control, Inquiry or Punitive Functions and Entering Into Contracts

(1) A public official is prohibited, in the performance of the duties of the public official, to prepare or issue administrative acts, perform the supervision, control, inquiry or punitive functions, enter into contracts or perform other activities in which such public officials, their relatives or counterparties are personally or financially interested.

(2) A public official shall not issue administrative enactments, perform supervision, control, inquiry or punitive functions, enter into contracts or perform other activities in relation to his or her counterparties also for two years after the termination of contractual relationship.

(3) A person who, prior to assuming the office of the public official, has been a member of the supervisory, executive or control body of a commercial company, is prohibited, for two years after he or she has become a public official and ceased employment or other relationship governed by civil law with the commercial company, to issue administrative acts which affect the activities of the relevant commercial company.

(4) The restrictions on the issue of administrative acts specified in Paragraph three of this Section do not apply to such public officials who, before assuming the office of public official, have been members of the supervisory, executive body or control body of a commercial company in which the State or self-government share of the equity capital separately or in aggregate exceeds 50 percent.

(5) The restrictions on the issue of administrative acts specified in this Section do not apply to members of the *Saeima* and the Cabinet in cases when the referred to public officials participate in the issue of the relevant *Saeima* or Cabinet administrative acts.

(6) The restrictions specified in Paragraphs one and two of this Section shall not apply to:

1) the President, members of the *Saeima*, members of the Cabinet or self-government council councillors in cases where the referred to public officials participate in the adoption of external regulatory enactments or political decisions; and

2) members of the *Saeima*, members of the Cabinet or self-government council councillors in cases where the referred to public officials participate in the adoption decisions of the *Saeima*, Cabinet or self-government council respectively regarding the specification of their own remuneration or the appointment, election or approval of themselves to office.

[7 June 2007; 12 November 2009]

Section 12. Prohibition to Influence Issue of Administrative Acts, as well as the Performance of Supervision, Control, Inquiry and Punitive Functions

A public official is prohibited to influence in any manner other public officials using his or her office position when preparing or issuing administrative acts or performing supervision, control, inquiry or punitive functions with respect to:

1) this official, his or her relatives or counterparties;

2) issues the deciding on which shall influence or may influence the personal or financial interests of the official, his or her relatives or counterparties;

3) those natural or legal persons from whom the official or his or her relatives obtain any type of income; and

4) such commercial company the shareholder, stockholder, partner or the member of supervisory, control or executive body of which the official is or his or her relatives are, as well as with respect to an individual merchant who is a public official himself or herself or his or her relatives.

Section 13. General Restrictions on Accepting Gifts

(1) A public official in fulfilling the duties of office is permitted to accept gifts in the cases referred to in Section 13.¹, Paragraph one of this Law. In the performance of duties external of the office the public official is permitted to accept gifts taking into account the restrictions specified in Section 13.² of this Law.

(2) Within the meaning of this Law, a gift is any financial or other kind of benefits (including services, granting and transfer of rights, release from obligations, waiver of a right, as well as other activities the result of which a benefit is created), the beneficiary of which directly or indirectly is the public official.

(3) Within the meaning of this Law a gift shall not be deemed to be:

- 1) flowers;
- 2) souvenirs, books or representation articles if from one person within one year the received souvenirs, books or representation articles total value in monetary terms does not exceed the amount of one minimal monthly wage;
- 3) awards, prizes or honours the provision of which is provided for in external regulatory enactments;
- 4) any benefit and guarantee, which the public official in fulfilling his or her duties of office, is ensured according to the procedures specified in regulatory enactments by the State or self-government authority in which the relevant person fulfils the duties of office; and
- 5) services and various types of rebates, which are offered by commercial companies, individual merchants, as well as farms and fishery enterprises and which publicly accessible.

[7 June 2007]

13.¹ Special Restrictions on Accepting Gifts in Fulfilling the Duties of a Public Official

(1) A public official fulfilling the duties of office is permitted to accept diplomatic gifts (gifts that a foreign delegation or official representative present to a Latvian public official according to the procedures specified in diplomatic protocol), as well as gifts which are presented:

- 1) by official representatives of foreign states to a Latvian public official during official or work visits in Latvia;
- 2) by foreign delegations or official representatives of foreign states during State, official or work visits abroad;
- 3) by official representatives of foreign states to the public officials working in diplomatic and consular missions of the Republic of Latvia;
- 4) to public officials as representatives of State or self-government authorities on public holidays of the Republic of Latvia and on days of commemoration and celebration; and
- 5) to a public official by the State or self-government authority in which the relevant person fulfils the duties of office.

(2) A public official while he or she is the representative of the holder of State or self-government capital shares in a capital company, as well as two years after the end of the fulfilment of such duties is prohibited from receiving gifts from the relevant capital company and members of the administrative institutions thereof.

(3) Diplomatic gifts and gifts, which are accepted in the cases referred to in Paragraph one, Clause 1, 2, 3 or 4 of this Section are the property of the relevant State or self-government authority.

[7 June 2007]

13.² Special Restrictions on Accepting Gifts External to the Fulfilment of the Duties of a Public official

(1) A public official is prohibited from accepting gifts external to the fulfilment of the duties of office if in relation to the donor the public official has in a period of two years prior to receipt of the gift prepared or issued an administrative act or performed supervision, control, inquiry or punitive functions, as well as entered into contracts or performed other activities associated with the fulfilment of the duties of office.

(2) If a public official has accepted gifts from natural or legal persons externally of the performance of the duties of office, he or she is not entitled to prepare or issue an administrative act or perform supervision, control, inquiry or punitive functions, as well as enter into contracts or performed other activities associated with the fulfilment of the duties of office in relation to the donor for the time period of two years after the acceptance of the gift.

[7 June 2007]

13.³ Procedures for the Registration, Evaluation, Utilisation and Redemption of Gifts

(1) Diplomatic gifts shall be registered in the Unified State Protocol Register of the Ministry of Foreign Affairs, and the Minister for Foreign Affairs shall decide on their utilisation or the Prime Minister if the diplomatic gift has been accepted by the Minister for Foreign Affairs him or herself.

(2) The Cabinet shall determine the procedures by which other gifts, which have been accepted in the fulfilment of the duties of a public official, and which in accordance with this Law are the property of State or self-government authorities, shall be registered, evaluated, utilised and redeemed.

[7 June 2007]

Section 14. Restrictions on Acceptance of Donations

(1) Within the meaning of this Law, a donation is the allocation (transfer) of financial resources, goods or services without compensation for specified purposes.

(2) A public official or collegial authority is prohibited from requesting or accepting a donation from a natural or legal person, as well as other types of financial aid for public needs if the donation or aid affects the taking of a decision in relation to such natural or legal person.

(3) A public official, as well as a State or self-government authority may accept a donation and other type of financial aid for State or self-government needs – for the improvement of staff training or work organisation or technical support if the donation is provided by any non-involved third party and it has been accepted in compliance with the restrictions specified in Paragraph two of this Section, as well, it does not place the public official in a conflict of interest situation. Prior to the acceptance of the donation or financial aid, permission from a higher official or collegial authority shall be necessary.

(4) A public official or collegial authority is prohibited to take any decisions in relation to the donor for a time period of two years after the acceptance of the donation or financial aid referred to in Paragraph three of this Section.

(5) A public official is prohibited from requesting donations directly or through the intermediation of other persons or accepting donations or participating in any other way in the collection thereof:

1) for the needs of the public official himself or herself or the needs of his or her relatives, except cases where it is necessary for the treatment of a serious illness;

2) for the needs of those natural or legal persons from which the public official or his or her relatives acquire or have acquired any type of income during the performance of the duties of office of the public official, except the income from the capital shares in capital

companies if the capital share does not exceed one percent of the capital of the relevant capital company; or

3) for the needs of those merchants where the public official or his or her relatives are members of their administration or audit authorities, or where the official or his or her relatives own more than one percent of the capital.

Section 15. Prohibition to be a Representative

(1) A public official may not be a representative of a State or self-government authority:

1) if this official or his or her relatives are financially or otherwise personally interested in the matter to be examined or also if the interests of the official or his or her relatives are in conflict with the interests of the State or self-government authority which the official represents;

2) in relations with such natural or legal persons from whom the official or his or her relatives obtain any type of income;

3) in relations with the counterparties; and

4) in relations with such commercial companies the shareholder, stockholder, partner, or member of supervisory, control or executive body of which the public official is or his or her relatives are, as well as in relations with individual merchants who themselves are public officials or their relatives.

(2) A public official shall not be a representative of the holder of the State or self-government capital shares, except in the cases provided for by the Law On the Shares of the State and Self-government Capital and Capital Companies.

Section 16. Prohibition to Receive Supplementary Payments

(1) A public official who, in performing the duties of office of a public official, must provide free services or take decisions, is prohibited from accepting payments for the performance of such duties.

(2) A public official who, in performing the duties of office of a public official, must provide services or take a decision for a fee set by the State or self-government, is prohibited from accepting a supplementary payment for the performance of such duties.

(3) Within the meaning of this Law payment is:

1) the transfer without compensation of property, including financial resources, to the relevant public official or his or her relatives;

2) the transfer of property without payment or for reduced payment for the use of the relevant public official or his or her relatives; or

3) the provision of services without payment or for reduced payment to the relevant public official or his or her relatives.

Section 17. Restrictions on Advertising

(1) A public official is prohibited from working in any kind of advertising or from utilising his or her name for advertising, except in cases where such is included in the duties of office of the public official.

(2) Within the meaning of this law, advertising is the public expression of any kind of personal evaluation of a public official regarding a specific merchant or the goods produced or services provided by the merchant, if the official has received remuneration for such expression.

Section 18. Restriction to Act with regard to State or Self-government Property

(1) A public official may act with regard to State or self-government property, including financial resources, in accordance with the procedures provided for in law, Cabinet regulations, as well as in binding regulations of self-governments.

(2) Within the meaning of this Law, actions with State or self-government property, including the financial resources, are the preparing or taking of a decision of an authorised public official regarding the acquisition of the State or self-government property or transfer for ownership or use, or alienation for other persons, as well as the re-allocation of the financial resources.

[8 May 2003; 26 March 2009]

Section 19. Prohibition to Utilise Information

It is prohibited to disclose unlawfully the information accessible to the public official in connection with the performance of the duties of office of the public official or utilise such information for purposes not related to the performance of the duties of office of the public official or fulfilment of specific terms of reference.

Chapter III

Duties of the Head of a State or Self-government Authority and the Public Official in Prevention of Conflict of Interest

Section 20. Duties of the Head of a State or Self-government Authority

(1) The head of a State or self-government authority has a duty, in conformity with his or her competence, not to allow the public officials working in this authority to be in a conflict of interest situation and in such situation implement the powers of office of the public official.

(2) The head of a State or self-government authority has a duty to transfer by a written order the performance of any function or task to another public official if the public official who should perform the specified function or task in conformity with the duties of office is in a conflict of interest situation.

(3) In cases provided for in this Law and in accordance with the procedures provided for in this Law the head of a State or self-government authority has a duty to decide upon the issue regarding the possible combining of office of the public official with another office, in the performance of a work-performance contract or authorisation.

(4) *[8 May 2003]*

(5) The head of a State or self-government authority or his or her authorised person has a duty to ensure, in accordance with the procedures determined in this Law or in Cabinet regulations, the drawing up of lists of persons holding the office of public official in the State or self-government authority and submission thereof in writing or electronically within 15 days to the State Revenue Service.

(5¹) With respect to the public officials referred to in Section 4, Paragraph three of this Law, the lists of such public officials and submission of the amendments thereto shall be ensured by the head of such State or self-government authority, which has delegated the relevant functions, granted financial resources, transferred property or which is responsible for fulfilment of the delegated functions or the use of the financial resources

(6) The head of a State or self-government authority has a duty to inform without delay the Prevention and Combating of Corruption Bureau or in cases determined in this Law – the director of the Constitution Protection Bureau, regarding detected violations of this Law committed by the public officials of the relevant institution.

[8 May 2003; 15 December 2005]

Section 21. Duties of Public Officials

(1) Public officials shall without delay provide information in writing to a higher public official or collegial authority regarding:

1) their financial or other personal interest, as well as financial or other personal interest of their relatives or counter-parties regarding the performance of any action included in the duties of their office;

2) commercial companies the shareholder, stockholder, partner, member of a supervisory, control or executive body of which the public official is or his or her relatives are, or on the fact that the public official himself or herself or his or her relative is an individual merchant who receives orders from the relevant State or self-government authority for the procurement for the State or self-government needs, State or self-government financial resources, credits guaranteed by the State or self-governments or State or self-government privatisation fund resources, except the cases where they are allocated as a result of an open competition.

(2) A higher public official or collegial authority after the receipt of the information referred to in Paragraph one of this Section shall assign the performance of the functions of the relevant public official to another public official.

Section 22. Behavioural (Ethical) Rules of Public Officials

(1) Public officials shall act in conformity with the behavioural (ethical) codes approved in the relevant profession, field or sector.

(2) A public official shall refuse the performance of the duties of office or the combining the office of the public official in all cases where due to ethical reasons the impartiality and neutrality of his or her actions might be doubted.

Chapter IV Declarations of Public Officials

Section 23. Procedures for Submission of Declarations

(1) A public official has a duty to submit the following declarations of a public official within the time period specified and in accordance with the procedures specified:

1) a declaration to be submitted upon assuming the office;

2) a declaration for the current year;

3) a declaration to be submitted upon ending the duties of office; and

4) a declaration to be submitted after the performance of duties of office has been terminated.

(2) Public officials, with the exception of the public officials referred to in Paragraphs three and four of this Section, shall submit declarations to the State Revenue Service in electronic form, by using the electronic declaration system of the State Revenue Service.

(3) Public officials working in the State security authorities, with the exception of the Director of the Constitution Protection Bureau, shall submit declarations to the Director of the Constitution Protection Bureau.

(4) The head of the Prevention and Combating of Corruption Bureau shall submit his or her declaration to the Prime Minister or his or her authorised person.

[8 May 2003; 15 December 2005; 12 November 2009]

Section 24. Information to be Indicated in a Declaration

(1) In the declaration a public official shall specify the following:

1) his or her given name, surname, personal identification number and place of residence, as well as the given name, surname, personal identification number, place of residence and relationship of his or her spouse, parents, brothers, sisters and children;

2) his or her office as a public official;

3) information on other offices that the public official holds in addition to the office as a public official, as well as on the work-performance contracts or authorisations which he or she performs or in which he or she performs specified obligations;

4) information on the immovable property in his or her ownership, possession, usage (also on the properties rented from other persons), also on such immovable property as in his or her possession in connection with guardianship or trusteeship;

5) information on the fact that the public official is an individual merchant, on commercial companies the shareholder, stockholder or partner of which he or she is, as well as on the capital shares, stock and securities owned by the public official;

6) information on means of transport to be registered and owned by the public official, as well as on such means of transport which are under his or her possession, usage or which have been acquired by him or her on the bases of a leasing contract;

7) information on cash or non-cash savings if their amount exceeds twenty minimum monthly wages;

8) information on all kinds of income obtained during the reporting period;

9) information on transactions performed by him or her if their amount exceeds twenty minimum monthly wages, by specifying the amount of such transactions and the parties to the transactions;

10) information on his or her debts the amount of which exceeds twenty minimum monthly wages, by specifying the amount of such debt and the debtor or creditor respectively;

11) information on loans given (amount thereof) if the total amount of such loans exceeds twenty minimum monthly wages; and

12) other information which he or she wishes to specify in the declaration.

(2) The information specified in Paragraph one of this Section shall be specified in the declaration both with respect to Latvia and foreign states.

(2¹) The State Revenue Service shall ensure in the Electronic Declaration System that a declaration submitter has access to the information present in the State information systems that is necessary for filling in of the particular declaration. A public official shall verify and, if necessary, update and supplement such information. The Cabinet shall specify the State information systems in which the information is available and the amount of such information available when filling in the declaration in the Electronic Declaration System.

(3) The Cabinet shall determine the reporting period for which the declaration shall be submitted, as well as the procedures for completion, submission, registration and keeping thereof.

(4) A declaration submitter shall confirm with the signature the completeness and veracity of the information provided in the declaration and shall indicate the date of submitting the declaration.

[30 September 2010]

Section 25. Time periods for Submission of Declarations

(1) A person, upon assuming office, shall submit the declaration referred to in Section 23, Paragraph one, Clause 1 of this Law within one month from the day when a decision was taken regarding his or her the appointment, election or approval in the office of the public official or from the day the term of office of members of the *Saeima* or the councillors of self-

government city councils has begun in accordance with law. A person who on the basis of Section 4 of this Law has public official status specified after a decision regarding his or her appointment, election or approval in office has been taken, the declaration referred to in Section 23, Paragraph one, Clause 1 of this Law shall be submitted within one month from the day when he or she has been included in the list of public officials.

(2) A public official shall submit each year from 15 February until 1 April the declaration referred to in Section 23, Paragraph one, Clause 2 of this Law.

(3) If a person has held the office of a public official for more than three months, he or she, upon ending the duties of office of the public official, shall submit the declaration referred to in Section 23, Paragraph one, Clause 3 of this Law within two months after the last day of the performance of the duties of the office.

(4) The declarations of public officials referred to in Section 23, Paragraph one, Clauses 1 and 3 of this Law shall not be submitted if the public official continues to hold another office of public official or assumes a new office of public official.

(5) The President, members of the *Saeima*, Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, and Parliamentary Secretaries, chairpersons of the self-government councils and executive directors of self-governments shall submit the declaration referred to in Section 23, Paragraph one, Clause 4 of this Law if they have performed the duties of the relevant office longer than three months. Such declaration shall be submitted for the 24 months following the termination of performance of the duties of office of public official. The declaration for the first 12 months shall be submitted not later than in the 15th month, for the next 12 months – not later than in the 27th month after termination of performance of the duties of office of public official.

(6) The declarations referred to in Section 23, Paragraph one of this Law may be updated by applying in writing to the institution where the declaration was submitted and by justifying the updates not later than within one month after publication of the declaration part to be published pursuant to the procedures specified in Section 26, Paragraph six of this Law.

[15 December 2005; 12 November 2009; 30 September 2010]

Section 26. Public Access to Declarations

(1) In order to ensure the protection of personal data, the declarations shall contain a part that is publicly accessible and a part that is not publicly accessible. The public official or the head of the authority which verifies declarations in accordance with this Law, as well as the head of the State or self-government authority who has received a copy of the relevant declaration shall be responsible for ensuring public access.

(2) The part of declaration that is publicly accessible is all the information included in the declaration, except the information that is specified in Paragraph four of this Section.

(3) Within the meaning of this Law, public access is the right of employees of the mass media and other persons to become acquainted with the declarations of any public official, as well as to publish the information included therein.

(4) The part of a declaration that is not publicly accessible is the place of residence and personal identification number of the public official, his or her relatives and other persons specified in the declaration, as well as counterparties, including debtors and creditors specified in the declaration.

(5) Only such public officials and authorities which examine the declarations in accordance with this Law, as well as in cases determined in the Law – prosecutors and investigative institutions or State security authorities may become acquainted with the information in the part of the declaration that is not publicly accessible.

(6) The data to be published indicated in the declarations of the President, members of the *Saeima*, Prime Minister, Deputy Prime Ministers, Ministers, Ministers for Special Assignments, Parliamentary Secretaries and councillors of city councils shall be published

electronically not later than within one month, but the data to be published indicated in the declarations of other public officials not later than within three months after the submission thereof to the State Revenue Service.

[8 May 2003; 15 December 2005; 12 November 2009]

Chapter V. Examination of Violations and Verification of Facts

Section 27. Verification Procedures

(1) Violations of this Law committed by public officials, as well as the facts that it is mandatory to be verified shall be examined and verified in accordance with the procedures specified in this Law and other regulatory enactments.

(2) This Law and other regulatory enactments shall determine the rights and duties of public officials and authorities regarding the fulfilment and control of the requirements of this Law.

(3) The State Revenue Service, Constitution Protection Bureau, the Prime Minister or his or her authorised person in conformity with the procedures for the submission of declarations provided for in Section 23, Paragraphs two, three and four of this Law shall verify the declarations of public officials taking into account the competence provided for in Section 28 of this Law. The Prevention and Combating of Corruption Bureau shall verify all of the public official declarations referred to in Section 4, Paragraph one of this Law. If necessary the Prevention and Combating of Corruption Bureau shall verify the declarations of the public officials referred to in Section 4, Paragraphs two, 2.², 2.³ and three of this Law.

[8 May 2003; 12 November 2009]

Section 28. Verification of Declarations and Facts

(1) The State Revenue Service, Constitution Protection Bureau, the Prime Minister or his or her authorised person in conformity with the jurisdiction of the submission of declarations provided for in Section 23, Paragraphs two, three and four of this Law have a duty in cases provided for in this Law to verify whether the declaration:

- 1) has been submitted and completed in accordance with the specified procedures; and
- 2) has been submitted within the specified time period.

(1¹) *[8 May 2003]*

(2) The Constitution Protection Bureau, the Prime Minister or his or her authorised person in conformity with the jurisdiction of the submission of declarations provided for in Section 23, Paragraphs two, three and four of this Law, as well as the Prevention and Combating of Corruption Bureau in the cases provided for Section 23, Paragraph two of this Law have a duty to verify whether the declarations contain information that is indicative of violation of the restrictions specified in this Law.

(3) The State Revenue Service and the Constitution Protection Bureau have a duty to verify whether:

1) the head of a State or self-government authority has submitted the lists of persons holding the office of the public official within the specified time period and in accordance with the procedures determined by the Cabinet; and

2) the lists of persons holding the offices of the public officials submitted by the head of a State or self-government have been completed correctly and are complete.

(4) If necessary, in the course of the verification of a declaration the Prevention and Combating of Corruption Bureau, the Constitution Protection Bureau, State Revenue Service or the Prime Minister has the right to request and receive information and documents from the relevant public official, State or self-government authorities, merchants, public or political organisations and associations thereof, religious organisations or other institutions, as well as

from the persons that are specified or in accordance with the provisions of this Law should have been specified in the relevant declaration.

(5) If in the course of the verification of a declaration facts are discovered that indicate that the public official has utilised property, including financial resources, exceeding the sources of income specified in the declaration of such public official and permitted in accordance with this Law, as well as in cases where information has been received on the possibility of such facts, the Prevention and Combating of Corruption Bureau, the Constitution Protection Bureau or the Prime Minister has a duty to perform verification of the relevant facts or information. Within the limits of verification the Prevention and Combating of Corruption Bureau, the Constitution Protection Bureau or the Prime Minister has the right, if necessary, to request and receive explanations in writing and documents from any person, as well as to verify the legality of acquisition of the property of the official by involving the State Revenue Service.

(6) If in the course of the verification of a declaration violations are discovered, the examination of which is not in the competence of the authority or public officials performing the verification, or if facts are discovered the evaluation of which is not in the competence of the authority or public officials performing the verification, or if information is received on the existence of such facts, the relevant authority or public official shall inform, in accordance with the procedures specified in this Law and other regulatory enactments, the authority or public official whose competence includes further examination or verification of the facts.

[8 May 2003]

Section 29. Duties of Public Officials Regarding Verification of Declarations, Facts and Violations

(1) A public official has a duty to provide and justify the information requested by an authority or a public official authorised by law.

(2) A public official has a duty to justify the fact that his or her expenses have been covered and financial status has improved from legal sources of income to the authority or public official authorised by law.

(3) If a public official does not provide the information required by the authority or the public official authorised by law regarding the sources of acquisition of property, including financial resources, or cannot justify the acquisition of income or financial benefit from a legal source, it shall be presumed that the public official has acquired the property prohibited by this Law, including financial resources, and he or she is hiding this fact from the State.

Section 30. Liability of Public Officials and Other Persons

(1) Persons shall be held liable for violations of this Law as specified in regulatory enactments. Civil liability shall also apply to public officials in accordance with the provisions of this Section.

(2) Income and financial benefits obtained by violating the restrictions specified in this Law or a proportional augmentation thereof shall accrue to the State, by presuming that by violating the restrictions determined by the State and illegally obtaining income or financial benefits, the public official has caused such harm to the State administrative order as is to be evaluated in financial terms and is proportional to the value of augmentation of income, financial benefits and property that are obtained in a prohibited way.

(2¹) Paragraph two of this Law shall not be applied in cases if the combination of offices is permitted, upon receipt of written permission from the officials (authorities), but the permission has not been requested by the public official and such combination of offices has not created a conflict of interest. In other cases, the public official shall be fully or partially released from such repayment of income or financial benefits, which have been acquired by

violation of the restriction specified in this Law if the duty to repay income and financial benefits is not proportionate to the harm caused as a result of the administrative violation to the procedures of State administration.

(3) If a public official does not compensate voluntarily the losses caused to the State, the State authority or the public official authorised by law has a duty to perform the necessary actions in order to claim compensation for the losses caused in accordance with the procedures determined by law.

(4) Compensation for losses shall be requested in accordance with the procedures determined in the Civil Procedure Law.

(5) The recovery of losses from the public official shall take place regardless of whether the public official is subject to administrative or criminal liability for violating the provisions of this Law.

[7 June 2007; 13 November 2008; 27 May 2010]

Transitional Provisions

1. With the coming into force of this Law, the Prevention of Corruption Law is repealed (*Saeimas un Ministru Kabineta Ziņotājs*, 1995, No. 22; 1996, No. 3, 15; 1998, No. 23; 1999, No. 8).

2. The State Revenue Service shall perform the functions specified for the Prevention and Combating of Corruption Bureau in this Law until the day when in accordance with the procedures and time periods determined in laws the functions shall be transferred to the Prevention and Combating of Corruption Bureau.

2.¹ The State Revenue Service shall continue and finish verification of such information indicated in the declarations information that is indicative of violation of the restrictions specified in this Law if the referred to verifications were commenced by the State Revenue Service up to 1 February 2003, when the Prevention and Combating of Corruption Bureau commenced the fulfilment of its functions in full measure.

[8 May 2003]

3. The public officials, who on the day of coming into force of this Law concurrently hold an office (perform a work-performance contract or authorisation) the combining of which with the office of the public official is not permitted in accordance with the provisions of this Law, have a duty to fulfil the provisions of Section 8, Paragraph one of this Law within one month.

4. The terms “merchant”, “individual merchant”, “commercial company” and “capital company” in this Law shall mean also an undertaking and company, and the term “commercial activities” – also entrepreneurial activities within the meaning of the Law On Entrepreneurial Activities.

5. Until the day of coming into force of the Law On State and Self-government Capital Shares and Capital Companies the term “representative of the holder of the State or self-government capital shares” shall mean an authorised person in State or self-government incorporated companies.

6. The Cabinet shall issue by 1 August 2002 the regulations provided for in this Law. Until the day of coming into force of these Regulations the following Cabinet Regulations issued pursuant to the Prevention of Corruption Law shall be applied insofar as they are not in conflict with this Law:

1) Cabinet Regulation No. 260 of 16 July 1996, Procedures for Utilisation and Purchase of Gifts Permitted to be Accepted by Public Officials During the Performance of Duties of Office;

2) Cabinet Regulation No. 80 of 2 March 1999, Procedures for Completion Of Declarations of Public Officials to be Submitted Upon Assuming Office;

3) Cabinet Regulation No. 138 of 6 April 1999, Procedures for Completion and Submission of Declarations of Public Officials and Their Relatives and Submission of Lists of Public Officials and Offices of Public Officials;

4) Cabinet Regulation No. 142 of 13 April 1999, Regulations On Officials of the State Police, Security Police, State Border Guard and State Fire-fighting and Rescue Service to whom the Restrictions for Combining of Office and Work Performance Apply;

5) Cabinet Regulation No. 161 of 4 May 1999, Regulations On Officials of National Armed Forces Active Military (other ranks) Service to whom the Restrictions for Combining of Office and Work Performance Apply;

6) Cabinet Regulation No. 231 of 29 June 1999, Regulations On Officials of State Civil Service to whom the Restrictions for Combining of Office and Work Performance Apply; and

7) Cabinet Regulation No. 242 of 29 June 1999, Procedures by which Public Officials Shall Utilise State Property.

7. Until the day of coming into force of binding regulations of self-government councils (rural territory (or *pagasts*) or municipality councils) referred to in Section 18, Paragraph one of this Law, but not longer than six months from the day of the coming into force of this Law, the regulatory enactments of self-government councils (rural territory (or *pagasts*) or municipality councils) issued pursuant to the Prevention of Corruption Law on actions with regard to self-government property, including financial resources, shall apply.

8. The provisions of this Law in respect to sworn bailiffs shall come into force concurrently with the coming into force of the Law On Sworn Bailiffs, but with respect to soldiers of professional service and military employees – concurrently with the coming into force of the Law On Military Service.

9. Former authorised State representatives may take up the office of member (chairperson) of the council in the same incorporated company in which he or she previously fulfilled the duties of authorised State representative if the holder of capital shares has appointed him or her to such office and the criteria characterising interest conflict situations included in Section 1, Clause 5 of this Law are not violated.

[8 May 2003]

10. The public officials referred to in Section 4, Paragraph one, Clauses 23 and 24, as well as Section 4, Paragraphs 21 and 22 of this Law who on the basis of Section 4, Paragraph one, two or three of this Law have been included in the list of public officials up to 1 January 2006, shall submit the declaration referred to in Section 23, Paragraph one, Clause 2 of this Law by 1 April 2006.

[15 December 2005]

11. Section 4, Clause 25 of this Law, as well as amendments to Section 7, Paragraph six of this Law, which provides for restriction on the combining of offices for officials with special

service ranks of the Ministry of the Interior system institutions and the Prisons Administration, shall come into force simultaneously with the Law On the Service Career of Officials with Special Service Ranks of the Ministry of the Interior System Institutions and the Prisons Administration.

[14 September 2006]

12. A public official shall ensure conformity to the requirements of Section 7, Paragraph twelve until 1 July 2009.

[26 March 2009]

13. Amendments regarding the new wording of Section 4, Paragraph one, Clause 14 of this Law, the supplementation of Section 7, Paragraph five in relation to restrictions on the combination of the statuses and offices of a public official for the head of a rural territory (or *pagasts*) or town administration, Section 10, Paragraph 1.¹ of this Law and the respective amendment to Paragraph two of this Section, as well as the amendments regarding the restatement of Paragraphs four and five of this Section and supplementing of the referred to Section with Paragraph 4¹ in relation to the restrictions of the commercial activity for certain officials of self-governments and administrative territorial reform, shall come into force on 1 July 2009.

[26 March 2009]

14. The amendment to this Law regarding replacing the word “council (rural territory (or *pagasts*) council)” (in the relevant number and case) for the entire Law with the word “council” (in the relevant number and case) shall come into force on 1 July 2009.

[26 March 2009]

15. The amendments to Section 10 of this Law referred to in Clause 13 of the Transitional Provisions of this Law shall not be applied to cases, when:

1) orders for procurement for State authority needs or financial resources were granted to an official referred to in Section 10, Paragraph 1.¹ of this Law or his or her relative as an individual merchant or such commercial company, in which the referred to persons are shareholders, stockholders or members, until 1 July 2009 (Section 10, Paragraph 1.¹ of this Law);

2) orders for procurement for self-government needs, financial resources, self-government guaranteed credits or privatisation fund resources for a deputy of the executive director of a self-government as an individual merchant or for such commercial company, in which the relevant deputy of the executive director of a self-government is shareholder, stockholder or member, were granted until 1 July 2009 (amendment to Section 10 of this Law regarding the restatement of Paragraph four); and

3) orders for procurement for self-government authority needs or financial resources for the head of the self-government authority or his or her deputy as an individual merchant or for such commercial company, in which the head of the self-government authority or his or her deputy is a shareholder, stockholder or member were granted until 1 July 2009 (Section 10, Paragraph 4.¹ of this Law.

[26 March 2009]

16. The amendments to Section 10, Paragraphs two and five of this Law regarding restrictions to commercial activity referred to in Clause 13 of the Transitional Provisions of this Law, shall only apply to the following:

1) chairpersons of municipality councils, their deputies, executive directors of municipality councils, deputies of executive directors of self-governments who have ceased to fulfil their duties of office on 1 July 2009 or after that date; and

2) heads of State authorities, their deputies and their relatives, if the head of the State authority or his or her deputy has ceased to fulfil his or her duties of office on 1 July 2009 or after that date.

[26 March 2009]

This Law comes into force on 10 May 2002.

This Law has been adopted by the *Saeima* on 25 April 2002.

President

V. Vīķe-Freiberga

**Transitional Provisions Regarding Amendments
to the Law On Prevention of Conflict of Interest in Activities of Public Officials**

Transitional Provision
(regarding amending law of 8 May 2003)

With the coming into force of this Law, Cabinet Regulation No. 567, Amendments to the Law On Prevention of Conflict of Interest in Activities of Public Officials (Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs, 2003, No. 6) issued in accordance with Article 81 of the Constitution of the Republic of Latvia is repealed.