Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

12 June 2008 [shall come into force on 1 July 2008];

26 March 2009 [shall come into force on 1 May 2009];

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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:

**State Administration Structure Law**

**Chapter I**

**General Provisions**

**Section 1. Terms Used in the Law**

The following terms are used in the Law:

1) **public entity**– the Republic of Latvia as the initial legal person governed by public law and derived public entities. They shall act in accordance with the principles of public law;

2) **derived public entity**– a local government or another public entity established by law or on the basis of law. Such public entity has been conferred its own autonomous competence by law which includes also establishing and approval of its own budget. Such an entity may have its own property;

3) **institution**– an authority which acts on behalf of a public entity and to which a competence in State administration is specified by a legal act, funds are allocated to implement its activities and which has its own personnel;

4) **body of a public entity**– an institution or an official whose competence and right to directly express the legal will of a public entity are laid down in a basic legal instrument of the relevant public entity or a law governing the activities thereof;

5) **direct administration**– institutions and officials of the Republic of Latvia as the initial public entity;

6) **indirect administration**– institutions and officials of derived public entities;

7) **administrative decision**– an individual legal instrument aimed at the establishment, altering, determination or termination of legal consequences in the field of State administration. Administrative decisions regulate specific public legal relations with other institutions or officials (orders, and others) or with private individuals (especially – administrative acts). An internal decision that is aimed at the preparation of an administrative decision, procedural direction thereof or other internal activities of an institution within the scope of service or employment relationship is not an administrative decision;

8) **official**– a natural person who is authorised to take or prepare administrative decisions in general or in a particular case;

9) **political official**– an official who is elected or appointed on the basis of political criteria;

10) **administrative official**– an official who is a civil servant or an employee of an institution and who is appointed to an office or hired on the basis of professional criteria;

11) **private individual**– a natural person, a legal person governed by private law or an association of such persons.

[*12 June 2008; 16 November 2017*]

**Section 2. Purpose of the Law**

The purpose of this Law is to ensure a democratic, lawful, effective, open and publicly accessible State administration.

**Section 3. Scope of Application of the Law**

(1) This Law determines the institutional system of State administration subordinate to the Cabinet and basic provisions for the operation of State administration.

(2) Provisions of this Law also apply to private individuals who perform the tasks of State administration delegated to them in accordance with the procedures laid down in law or transferred to them by authorisation.

(3) The principles of State administration and other provisions of this Law are also applicable to the institutions that are not subordinate to the Cabinet, insofar as it is not laid down otherwise in the special legal norms of other laws.

**Section 4. Activities of Public Entities**

(1) The Republic of Latvia, as the initial public entity, shall act in the field of State administration through the intermediation of institutions of direct and indirect administration.

(2) Derived public entities shall act in the field of State administration through the intermediation of the institutions of indirect administration.

**Section 5. Liability of Public Entities for their Institutions**

(1) Institutions of direct administration shall represent the Republic of Latvia. The Republic of Latvia shall be liable for the activities of the institutions of direct administration.

(2) Institutions of indirect administration, when acting in a field that has been transferred by law to the autonomous competence of the relevant derived public entity, shall represent such public entity. The derived public entity shall be liable for the activities of the institutions of indirect administration.

(3) Institutions of indirect administration may perform specific tasks of State administration which are in the competence of the Republic of Latvia but the performance of which is transferred to the relevant derived public entity or the institution itself. In such case, the institution shall represent the Republic of Latvia. The Republic of Latvia shall be liable for the activities of such institution within the scope of the tasks transferred to such institution, insofar as the relevant institution of indirect administration is subordinate to the institution of direct administration.

(4) If well-founded doubts exist with respect to which public entity an institution belongs, namely, which public entity is represented by the institution in the relevant case, it shall be deemed that the institution represents the Republic of Latvia, and the Republic of Latvia shall be liable for the activities of such institution.

**Section 6. Unity of State Administration**

State administration shall be organised in a single hierarchical system. No institution or administrative official may remain outside this system.

**Section 7. Subordination of State Administration**

(1) The Cabinet shall implement subordination in the organisation of State administration (institutional subordination) and in the performance of the functions of State administration (functional subordination).

(2) The Cabinet shall implement subordination through the intermediation of an individual member of the Cabinet. The member of the Cabinet shall implement subordination directly or through the intermediation of an institution of direct administration, its unit or official.

(3) Subordination shall be implemented in the form of control or supervision.

(4) Control means the rights of higher institutions or officials to issue orders to lower institutions or officials as well as to revoke decisions of lower institutions or officials.

(5) Supervision means the rights of higher institutions or officials to examine the lawfulness of decisions taken by lower institutions or officials and to revoke unlawful decisions as well as to issue an order to take a decision in case of unlawful failure to act.

(51) Institutional subordination in direct administration shall be implemented in the form of control, unless laid down otherwise in law.

(6) In determining the form and content of the institutional subordination of an institution within the scope of one public entity, the nature of the functions or tasks of the State administration transferred to such institution, the effectiveness of the performance of such functions or tasks, and the considerations for the ensuring of lawfulness and democratic control shall be taken into account.

(7) The form and content of the functional subordination of an institution shall be laid down in legal acts in accordance with which the institution performs the relevant functions and tasks of State administration.

[*12 June 2009*]

**Section 8. Subordination of Derived Public Entities**

(1) The form and content of the institutional subordination of derived public entities shall be determined by the law by which or on the basis of which the relevant derived public entity has been established. Unless laid down otherwise in law, the relevant derived public entity shall be under the supervision of the Cabinet.

(2) The form and content of the functional subordination of derived public entities shall be laid down in laws and regulations in accordance with which the relevant functions or tasks of State administration are performed.

(3) If the performance of a specific task of direct administration is transferred to a derived public entity or a particular institution of such public entity (Section 5, Paragraph three), the relevant authority shall determine the form and content of the functional subordination for the performance of such task. If not determined otherwise by the authority, then, in the performance of this task, the derived public entity or the particular institution shall be subject to control of the relevant authority.

(4) In performing the functions of State administration that in accordance with law are transferred to their autonomous competence, the local governments shall be under the supervision of the Cabinet in accordance with the procedures and in the amount laid down in the law On Local Governments.

**Section 9. Functions of State Administration**

State administration under the management of the Cabinet shall perform the administrative functions of executive power (functions of State administration) which consist of specific administration tasks and liability for the performance of such tasks.

**Section 10. Principles of State Administration**

(1) State administration shall be governed by law and rights. It shall act within the scope of the competence laid down in laws and regulations. State administration may use its powers only in conformity with the meaning and purpose of the authorisation.

(2) State administration shall comply with human rights in its activities.

(3) State administration shall act in the public interest. Public interest shall include also proportionate observance of the rights and lawful interests of private individuals.

(4) In implementing the functions of State administration, the State administration, individual institutions or officials, shall not have their own interests.

(5) State administration shall comply with the principles of good administration in its activities. Such principles shall include openness with respect to private individuals and the public, the protection of data, the fair implementation of procedures within a reasonable time period and other regulations the aim of which is to ensure that State administration complies with the rights and lawful interests of private individuals.

(6) State administration shall, in its activities, regularly examine and improve the quality of services provided to the public. Its duty is to simplify and improve procedures for the benefit of private individuals.

(7) The duty of State administration is to inform the public of its activities. This especially applies to that section of the public and to those private persons whose rights or lawful interests are or may be affected by the implemented or planned activities.

(8) State administration shall be organised in a manner that is as convenient and accessible to private individuals as possible. If the information which is necessary for taking an administrative decision governing public legal relationship with a private individual is at the disposal of another institution, the institution shall obtain it itself, without requesting it from the private individual.

(9) State administration shall be organised in conformity with the principle of subsidiarity.

(10) State administration shall be organised as effectively as possible. The institutional system of State administration shall be regularly examined and, if necessary, improved, also evaluating the scope, necessity and level of concentration of the functions, the scope and level of detail of regulation and considering the possibilities of delegating or use of outsourcing.

(11) State administration shall, in its activities, also comply with the principles of law not referred to in this Section which have been discovered, derived and developed in institutional or court practice as well as in jurisprudence.

[*12 June 2009; 13 May 2010*]

**Section 11. Application of Principles of State Administration**

(1) The principles of State administration shall be applied:

1) in interpreting this Law and other laws and regulations;

2) in examining (also in court) the lawfulness and usefulness of actions of institutions and officials;

3) in examining and evaluating the quality of work of institutions and administrative officials.

(2) If the principles of law referred to in Section 10, Paragraphs five, seven and eight of this Law are not complied with, the private individual whose rights and lawful interests are affected is entitled to require the compliance therewith in accordance with the procedures of administrative procedure.

**Section 12. Contracts Governed by Public Law**

(1) In order to ensure the effective performance of the functions of State administration, the institution having jurisdiction shall, in accordance with the procedures laid down in law, enter into the following contracts governed by public law in the field of State administration:

1) cooperation contracts (Section 61);

2) administrative contracts (Chapter X);

3) delegation contracts (Chapter V);

4) participation contracts (Chapter VI).

(2) Contracts governed by public law shall be concluded in a written form in conformity with the provisions of the Civil Law and in compliance with the restrictions laid down in laws and regulations.

(3) Other types and conditions of contracts governed by public law which are not referred to in this Section may be laid down in law.

**Chapter II**

**Institutional System of Direct Administration**

**Section 13. Establishment of the Institutional System of Direct Administration**

The institutional system of direct administration shall be established and the organisation of its work shall be determined by the Cabinet.

**Section 14. Recording of Institutions of Direct Administration**

[16 November 2017 / See Paragraph 28 of Transitional Provisions]

**Section 15. Establishment, Reorganisation and Liquidation of an Institution of Direct Administration**

(1) The Cabinet shall establish, reorganise and liquidate an institution of direct administration on the basis of law or upon its own initiative in conformity with the principles of State administration, performing an assessment of the functions, a comparison of functions and service costs and assessing the impact on the liabilities of the institution.

(11) An institution of direct administration can be established by transforming a State capital company in accordance with the procedures laid down in the Law on Governance of Capital Shares of a Public Entity and Capital Companies.

(2) The Cabinet, when establishing an institution of direct administration, shall appoint a member of the Cabinet to whom the relevant institution of direct administration shall be subordinate.

(3) An institution of direct administration shall be reorganised:

1) by transferring the institution to derived public entities – as a result, the institution continues to exist as an institution of indirect administration;

2) by merging the institution with another institution or with several other institutions, and, as a result, a new institution is established on the basis of the institutions to be reorganised;

3) by transferring one unit or several units of the institution to another institution or several other institutions or by transferring the fulfilment of an administration task to a private individual, and, as a result, the institution to be split up continues to exist;

4) by transferring individual State administration tasks to another institution, and, as a result, the institution continues to exist.

(4) An institution of direct administration shall be liquidated:

1) by adding the institution to another institution, and, as a result, the institution to be added ceases to exist;

2) by delegating State administration tasks to a capital company, all capital shares (stocks) of which belong to one or several public entities, and, as a result, the institution ceases to exist;

3) by refusing to carry out State administration tasks, and, as a result, the institution or its unit ceases to exist;

4) by dividing all its units among other institutions or by dividing all its units among institutions and delegating the carrying out of individual administration tasks to a private individual, and, as a result, the institution to be divided ceases to exist;

5) by transferring its administration tasks to another institution, and, as a result, the institution ceases to exist.

(5) Upon delegating the tasks of a State administration institution to a capital company, all capital shares (stocks) of which belong to one or several public entities, the relevant capital company shall be the successor of the rights, liabilities and property of the institution (including rights and duties arising from the currently valid employment relationship, unless laid down otherwise in the decision to reorganise or liquidate).

(6) If an institution of direct administration or its unit is added or transferred to an institution of indirect administration or if an institution of direct administration is joined with an institution of indirect administration, and also if an institution of indirect administration or its unit in accordance with Paragraph three or four of this Section is added or transferred to an institution of direct administration, the Cabinet and the relevant derived public entity shall, prior to taking the decision to reorganise or liquidate an institution, agree on the reorganisation conditions, unless laid down otherwise in law.

(7) Internal reorganisation of an institution which does not provide for transfer or division of units among institutions shall not be considered reorganisation within the meaning of this Section.

[*12 June 2009; 22 October 2015*]

**Section 16. By-laws of Institutions of Direct Administration**

(1) The activities of the institutions of direct administration shall be governed by by-laws that are approved by the Cabinet.

(2) The following shall be set out in the by-laws:

1) the name of the institution;

2) the member of the Cabinet to whom the institution is subordinate;

3) the functions, tasks and competence of the institution;

4) the procedures by which reports on the performance of the functions of the institution and utilisation of resources shall be provided;

5) the mechanism for ensuring the lawfulness of the activities of the institution;

6) the institution or the administrative official to whom private individuals may contest administrative acts or actions;

7) other matters that are considered to be significant by the Cabinet.

(3) It may be indicated in the by-laws of an institution which administration tasks within its competence may be delegated in accordance with the procedures laid down in this Law.

[*13 May 2010*]

**Section 17. Head of an Institution of Direct Administration**

(1) The head of an institution of direct administration shall organise the performance of the functions of the institution and be liable for it, shall manage the administrative work of the institution by ensuring the continuity, effectiveness and the lawfulness thereof.

(2) Unless laid down otherwise in laws and regulations, the head of an institution shall:

1) manage the financial, personnel and other resources of the institution;

2) [12 June 2009];

3) determine the duties of the administrative officials and employees of the institution;

4) appoint to and remove from office officials, hire and dismiss from work employees;

5) ensure the development of the annual operational plan and budget request of the institution;

6) establish an internal control system of the institution as well as supervise and improve it;

7) lay down the procedures for pre-examination and post-examination of administrative decisions.

(3) The head of an institution of direct administration shall perform the tasks assigned by the relevant member of the Cabinet, the duties determined in the by-laws of the institution, and other functions laid down in laws and regulations and shall be liable for the performance thereof.

(4) The Cabinet shall issue recommendations in relation to the creation of the structure of an institution. The list of the offices of an institution shall be approved by the head of the institution.

(5) Information on the structure of the institution and offices shall be published and updated on the website of the institution in accordance with the procedures laid down in laws and regulations.

(6) The Cabinet shall determine the basic requirements for the internal control system and the procedures for the establishment, supervision and improvement thereof in institutions of direct administration.

[*12 June 2009; 13 May 2010*]

**Section 18. Ministries**

(1) A ministry is the managing (highest) institution of the relevant sector of State administration. The ministry shall organise and co-ordinate the implementation of laws and other laws and regulations, it shall participate in the developing of the policy of the sector.

(2) The ministry shall be subject to the direct control of the minister.

**Section 19. Competence of the Minister in the Ministry**

(1) The minister shall manage the work of the ministry.

(2) The minister:

1) shall represent the ministry without special authorisation;

2) shall issue orders to the State secretary;

3) shall issue orders to the administrative officials and employees of the ministry who shall inform a higher official thereof;

4) may revoke the internal legal acts, decisions and orders issued by the parliamentary secretary, deputy minister, State secretary and other administrative officials of the ministry, except for administrative acts;

5) may implement the competence of the administrative manager of the ministry himself or herself.

(3) The minister shall perform also other functions laid down in laws and regulations which are not referred to in Paragraph two of this Section.

(4) If the minister as the administrative manager of the institution fully or in part takes over into his or her competence a matter that is in the competence of an official, or in the case referred to in Paragraph two, Clause 5 of this Section, the provisions of Sections 37, 38 and 39 of this Law with respect to taking over authorisations are applicable to the minister.

[*12 June 2008; 1 December 2022*]

**Section 20. Competence of Members of Cabinet in Institutions of Direct Administration**

(1) The competence of the members of the Cabinet in the sector of State administration shall be determined by the Cabinet.

(2) The Prime Minister, Deputy Prime Minister or other members of the Cabinet shall have the same competence in the institution of State administration that is directly subordinate to him or her as the minister in a ministry (Section 19), unless laid down otherwise in laws and regulations.

**Section 21. Competence of State Minister in Institutions of Direct Administration**

[12 June 2008]

**Section 21.1 Deputy Minister**

(1) The deputy minister is knowledgeable in individual sectors and policy areas which fall within the competence of the member of the Cabinet and whose management has been assigned to him or her by the relevant member of the Cabinet and also performs other duties on his or her behalf.

(2) The deputy minister, within the scope of the competence assigned thereto, for the performance of his or her duties and by agreeing thereupon with the relevant member of the Cabinet:

1) shall issue orders to the State secretary or other State administrative officials (employees) who shall inform a higher official thereof;

2) may issue orders to the head of the institution subject to control of the member of the Cabinet and, in specific cases, to other administrative officials (employees) who shall inform a higher official thereof;

3) shall perform other duties laid down in laws and regulations.

(3) The deputy minister shall be appointed to the office for a definite period but for no longer than until the end of the term of office of the respective member of the Cabinet.

[*1 December 2022*]

**Section 22. Competence of Parliamentary Secretary in Institutions of Direct Administration**

(1) The parliamentary secretary shall ensure the link between the member of the Cabinet and the *Saeima*.

(2) The parliamentary secretary on the assignment of the member of the Cabinet shall represent the member of the Cabinet.

(3) In order to perform his or her duties and the functions laid down in law, the parliamentary secretary, within the competence determined by the member of the Cabinet:

1) shall issue orders to the State secretary or other State administrative officials (employees) who shall inform a higher official thereof;

2) may issue orders to the head of the institution subject to control of the member of the Cabinet and, in specific cases, to other administrative officials (employees) who shall inform a higher official thereof;

3) shall perform other duties laid down in laws and regulations.

**Section 23. State Secretary**

(1) The State secretary is the administrative head of a ministry.

(2) The State secretary shall be subject to control of a minister.

(3) The State secretary shall organise the transfer of the records and documents transferred to the State secretary of the previous minister to the new minister.

(4) If the institution of direct administration that is not a ministry is subject to the direct control of a member of the Cabinet, the Cabinet may determine that the head of the relevant institution is an official having the rights of a State secretary.

**Section 24. Advisory Officials, Employees and Office of the Members of Cabinet**

(1) In order to ensure his or her activities, a member of the Cabinet may hire advisory officials and employees for the time period of his or her term of office, and establish an office. The competence of advisory officials in the institution of direct administration, especially the rights to issue orders to administrative officials, shall be determined by the member of the Cabinet.

(2) The office of the minister shall be a unit of the ministry. The office of the Prime Minister and the Deputy Prime Minister shall be a unit of the State Chancellery. The office of the Minister for Special Assignments shall be a unit of the ministry or a unit of another institution of direct administration.

**Section 25. Status of Advisory Officials and Employees**

(1) A member of the Cabinet shall enter into employment contracts with advisory officials or employees for the time period of his or her term of office.

(2) After expiry of the employment contract the advisory official or employee has the right to receive a benefit in the amount of one monthly wage. This provision shall not apply to cases when a civil servant exercises the rights provided for in Paragraph four of this Section.

(3) A member of the Cabinet may give notice of termination of the contract with an advisory official or employee at any time without specifying the reasons for such notice.

(4) If a member of the Cabinet selects a civil servant as an advisory official, such civil servant has the right, upon termination of the duties of the office, to return to the previous or an equivalent office of a civil servant.

(5) The member of the Cabinet may have external advisory employees whose status and competence shall be provided for by Cabinet regulations. They are not officials within the meaning of this Law and the law On Prevention of Conflict of Interest in Activities of Public Officials if they do not receive remuneration or other financial benefit.

[*26 March 2009*]

**Section 26. State Chancellery**

(1) The State Chancellery shall be subject to the direct control of the Prime Minister.

(2) Other institutions of direct administration may be subordinate to the State Chancellery.

(3) The administrative head of the State Chancellery shall be the director of the State Chancellery.

(4) The director of the State Chancellery, in order to ensure the performance of the functions of the State Chancellery, may issue an order to the State secretary who shall inform the relevant minister thereof. If the order of the director of the State Chancellery is in conflict with the order of the minister, the order of the minister shall be in effect.

(5) The State Chancellery shall:

1) organisationally ensure the work of the Cabinet, especially, by organising meetings of the Cabinet, ensure the preparation of Cabinet documents in conformity with the procedural rules laid down in laws and regulations, and manage the record-keeping of the Cabinet;

2) within the scope of the political guidelines and on the assignment of the Cabinet, participate in the planning of the government policy;

3) on the assignment of the Prime Minister, co-ordinate and supervise the performance of the decisions of the Cabinet and the Prime Minister;

4) inform the public about the work of the Cabinet;

5) manage the budget resources of the Cabinet;

6) perform other functions laid down in laws and regulations and assignments given by the Cabinet and the Prime Minister.

**Chapter III**

**Institutional System of Indirect Administration**

**Section 27. Establishment of an Institutional System of Indirect Administration**

The institutional system of indirect administration and the organisation of the work thereof shall be determined, in accordance with the law and regulations of the Cabinet, by the relevant derived public entity in conformity with the principles of State administration and evaluation of functions.

[*12 June 2009*]

**Section 28. By-laws of Institutions of Indirect Administration**

The body of a derived public entity, upon establishing an institution of indirect administration, shall issue the by-laws of the institution. The provisions of Section 16, Paragraph two of this Law apply to the by-laws of the institutions of indirect administration.

**Section 29. Subordination of Institutions of Indirect Administration**

The body of a derived public entity shall implement subordination over an institution of indirect administration independently or through the intermediation of a specific institution or official.

**Section 30. Laws Governing Activities of Institutions of Indirect Administration**

(1) Provisions of this Law (except for the provisions of Chapter II) shall be applied to institutions of indirect administration, insofar as the special legal norms of other laws do not lay down otherwise.

(2) With respect to an institution of indirect administration, the provisions of Section 15, Paragraphs three, four, five and six and Section 17, Paragraphs one and two of this Law shall be applied.

[*12 June 2009*]

**Chapter IV**

**Hierarchical Order of State Administration**

**Section 31. Hierarchy of Institutions**

(1) The institutions shall operate in a unified hierarchical system where one institution is subordinate to another institution. The institutions may form a subordination system of several levels.

(2) The highest institution shall be a ministry or another institution of direct administration subject to the direct control of a member of the Cabinet.

(3) A legal act may specify that the functional subordination over the institution of one public entity shall be implemented by an institution of another public entity.

(4) The hierarchy of a joint institution of various public entities shall be determined by a legal act in which a higher institution shall be indicated.

**Section 32. Hierarchy of Officials**

(1) In State administration officials shall be included in a unified hierarchical system where one official is subordinate to another official. Officials shall act within the scope of their competence and shall perform their duties and exercise their rights independently.

(2) A member of the Cabinet shall be the highest official with respect to the officials of the institutions subordinate to him or her. The next highest officials shall be the parliamentary secretary, deputy minister, and State secretary.

(3) An official of direct administration shall be a higher administrative official with respect to all the officials of direct administration of hierarchically lower levels that are subordinate to him or her.

(4) An official of indirect administration shall be a higher official with respect to all officials of indirect administration of hierarchically lower levels that are subordinate to him or her.

(5) If not laid down otherwise in laws and regulations, the subordination of officials within the scope of one public entity shall be implemented in the form of control.

(6) The hierarchy of the officials who act in the institutions of various public entities (Section 31, Paragraph three) shall be determined by laws and regulations. If the form of subordination is not specified in the relevant legal act, it shall conform to the form of subordination determined for the particular function.

[*12 June 2008; 1 December 2022*]

**Section 33. Replacement in State Administration**

(1) The head of an institution shall be replaced by the next lowest official, unless laid down otherwise in laws and regulations. The head of an institution shall approve the procedures for the replacement of administrative officials.

(2) If an administrative official does not perform or is hindered from the performance of his or her duties, the next highest administrative official shall, without delay, appoint a person replacing such administrative official in order to ensure continuity of the work of the institution. A higher administrative official may derogate from the replacement procedures approved by the head of the institution by especially justifying such derogation.

**Section 34. Right to Obtain Information**

A higher institution or official may request and obtain from a lower institution or official the information at their disposal, complying with the restrictions on the accessibility of information laid down in laws.

**Section 35. Right to Perform Internal Examinations**

(1) A member of the Cabinet, head of the institution or another administrative official determined in laws and regulations may organise or perform internal examinations in their institution and in lower institutions in order to ascertain facts or evaluate the actions of the relevant administrative officials.

(2) Administrative officials have the duty to cooperate with the official who conducts the examination referred to in Paragraph one of this Section, to answer his or her questions and to provide to him or her all the information at his or her disposal as is necessary for the relevant internal examination.

**Section 36. Right to Initiate a Disciplinary Matter**

(1) An official may initiate a disciplinary matter regarding an administrative official with respect to whom he or she is a higher official. He or she shall send the initiated matter to the head of the institution, unless laid down otherwise in laws and regulations.

(2) If the initiation of a disciplinary matter is not within the competence of the official, he or she shall notify the administrative official in whose direct competence is the initiation of such disciplinary matter.

**Section 37. Right to Take Over Authorisations**

(1) Higher institutions or officials may take over into their competence an existing matter that is in the record-keeping of an institution or administrative official subject to the control of such higher institution or official.

(2) In exceptional cases, higher institutions or officials may take over into their competence an existing matter that is in the record-keeping of an institution of direct administration or an administrative official that is under the supervision of the higher institution or official. In such case, institutions or officials that wish to exercise such rights may do so only if they have received written consent from their higher institution or official. Consent shall not be necessary if the right to take over authorisations are exercised by a member of the Cabinet.

(3) If an institution of indirect administration performs an administrative function that is within its autonomous competence (Section 5, Paragraph two), an institution of direct administration or an administrative official may take over in their competence an existing matter that is in the record-keeping of the institution of indirect administration or an administrative official, if such taking over is provided for in external laws and regulations. If an institution of indirect administration performs a function of direct administration (Section 5, Paragraph three), the provisions of Paragraph two of this Section shall be applied.

(4) Within the framework of the administrative procedure, such an administrative official has the rights laid down in Paragraphs one, two and three of this Section to take over the authorisations whose issued administrative instruments may be disputed, unless laid down otherwise in laws and regulations.

(5) There are no rights to take over the authorisations laid down in Paragraphs one, two and three of this Section if:

1) within the framework of the administrative procedure a collegial authority, in accordance with law or Cabinet regulations, issues an administrative act or decides on actual action in the case of competition, examination, certification, licensing or in cases similar thereto;

2) in accordance with law or Cabinet regulations, a collegial institution makes a decision on the entering into of a contract in connection with procurement for the needs of the State;

3) a decision is made by a collegial institution whose members are independent in the performance of their duties and are not subject to orders or influenced in other ways with respect to their decision, and the decision of the institution is taken in accordance with the procedures provided for by law or Cabinet regulations in which the principles of evidencing characteristic of judicial procedure are applied.

(6) If the right of taking over the authorisations specified in this Section has been exercised, a higher institution or official shall take a decision in the relevant matter.

[*12 June 2008*]

**Section 38. Partial Right to Take Over Authorisations**

(1) Partial right to take over authorisations shall include the right of a higher institution or official to decide, by a written order, on a specific aspect of a matter, without taking over the whole matter into their competence.

(2) If the partial right to take over authorisations has been exercised, the institution or administrative official having initial jurisdiction shall take the final decision, complying with the aspect of the matter decided in the order of a higher institution or official and deciding on the remaining aspects.

(3) If the partial right of taking over authorisations is exercised within the framework of the administrative procedure, it shall be referred to in the substantiation of the administrative act.

(4) All the conditions for the taking over of authorisations are applicable to the partial taking over of authorisations (Section 37).

**Section 39. Liability for Taking Over Authorisations**

(1) Upon fully taking over a matter that is in the record-keeping of a subordinate institution or administrative official into the competence of a higher institution or official (Section 37), the higher institution or official shall concurrently undertake liability for the decision taken.

(2) A higher institution or official who has exercised the right of partial taking over of authorisations (Section 38) shall be liable for the aspect of the matter which such institution or official has decided on.

**Chapter V**

**Delegation of Specific Administration Tasks**

**Section 40. Basic Provisions for Delegation**

(1) A public entity may delegate administration tasks to a private individual and another public entity (hereinafter – the authorised person) if the authorised person can perform the relevant task more effectively.

(2) An administration task may be delegated to a private individual by an external legal act or a contract, if it is provided for in an external legal act in conformity with the provisions of Section 41, Paragraphs two and three of this Law.

(3) Administration tasks may be delegated to another public entity in cases laid down in law. In such case, the provisions of this Chapter shall be applied, insofar as the special legal norms of other laws do not lay down otherwise.

[*12 June 2009; 13 May 2010*]

**Section 41. Subject-matter of Delegation**

(1) A public entity may delegate administration tasks the performance of which is in the competence of such public entity or its institution. When delegating administration tasks, the relevant public entity shall be responsible for the performance of the function as a whole.

(2) The following administration tasks may not be delegated:

1) sectoral policy-making and development planning;

2) co-ordination of the activities of the sector;

3) supervision of institutions and administrative officials;

4) approval of the budget of public entities, distribution of financial resources at the level of programmes and sub-programmes, and control of financial resources.

(3) In addition to that referred to in Paragraph two of this Section, the following may not be delegated to a private individual:

1) issuance of administrative acts, except for the cases when it is provided for in an external legal act;

2) administration tasks related to the performance of the functions of the external and internal security of the State, except for the cases when it is provided for in law;

3) representation of the Republic of Latvia in economic, military and political unions and their institutions, except for the cases when it is provided for in law;

4) administration tasks which ensure the implementation and supervision of the human rights guaranteed in the Constitution of the Republic of Latvia and the procedures and institution for carrying out of which have been determined by the legislator;

5) other administration tasks which by their nature are the basis for the State administration function and which may be performed only by institutions.

[*12 June 2009; 13 May 2010*]

**Section 42. Conditions for Delegation to Private Individuals**

(1) A private individual must be entitled to perform the relevant administration task. In deciding on the delegation of an administration task to a private individual, the experience, reputation, his or her resources, qualification of the personnel and other criteria shall be taken into account.

(2) In deciding on the delegation of an administration task to an association of persons, it shall be evaluated whether such association does not represent the interests of a specific group having financial or other interests.

**Section 43. Subordination of Authorised Persons**

(1) In delegating an administration task, an institution shall be determined in an external legal act to which the authorised person is subordinate with respect to the performance of the specific task.

(2) When delegating an administration task in accordance with a contract, the authorised person shall be subordinate to the institution that enters into the contract with respect to the performance of the specific task.

(3) The supervision over the performance of administration tasks shall be complete and effective.

(4) The specific form and content of subordination shall be determined by taking into account the contents of the delegated administration tasks and other considerations. The authorised person to whom the right to issue administrative acts is delegated shall be under functional control, unless laid down otherwise in external laws and regulations.

(5) The authorised person and the institution to which the authorised person is subordinate shall be liable for lawful and efficient performance of the delegated task. The institution to which the authorised person is subordinate shall be an institution for contesting the administrative acts issued thereby, if not laid down otherwise in an external legal act.

(6) The authorised person shall provide the institution to which it is subordinate with the information required by the institution in relation to the performance of the delegated task.

[*12 June 2009*]

**Section 43.1 Provision of Services in Performing State Administration Tasks**

(1) In performing State administration tasks, a private individual shall provide services in the form of economic activity for remuneration which the private individual uses for ensuring his or her activity and for the performance of the relevant State administration task, unless laid down otherwise in the laws and regulations in the field of taxes and fees.

(2) The amount of the payment for services provided by private individuals within the scope of a State administration task of the Republic of Latvia or the procedures for determining and approving thereof, and also exemptions from it shall be determined by the Cabinet.

(3) The amount of the payment for services provided by private individuals authorised by local governments within the scope of a State administration task or the procedures for determining and approving thereof, and also exemptions from it for private individuals shall be determined by the local government council.

(4) The amount of the payment for services provided by private individuals authorised by derived public entities not referred to in Paragraph three of this Section within the scope of a State administration task or the procedures for determining and approving thereof, and also exemptions from it for private individuals shall be determined by the highest decision-making body of the relevant derived public entity.

[*12 June 2009; 16 November 2017*]

**Section 44. Compensation of Losses in Case of Delegation**

(1) Financial losses and personal injury caused to third parties shall be compensated:

1) from the State budget in cases when the delegation is laid down in law or Cabinet regulations;

2) from the budget of the public entity to which the delegating person belongs in cases when the delegation is determined by a contract.

(2) The authorised person shall, by way of subrogation, compensate the losses to the relevant public entity if:

1) the losses have been incurred as a result of unlawful actions of the authorised person or his or her failure to act;

2) the authorised person does not perform the delegated task or does not perform it properly.

**Section 45. Procedure for Contractual Delegation**

(1) The delegation of administration tasks that are in the competence of an institution of direct administration for a period of up to three years shall be decided on by the member of the Cabinet to whom the institution that enters into a contract is subordinate. The Cabinet shall decide on the delegation for a longer period.

(2) The delegation of the tasks of the institutions of indirect administration shall be decided on by the body of the relevant derived public entity which shall inform the institution of direct administration to which the relevant derived public entity is subordinate. If the time limit for delegation exceeds one year, the contract of delegation shall be agreed upon with such institution of direct administration prior to entering into it.

(3) The decision on delegation shall establish the permissibility of delegation and govern the delegation regulations.

(4) When delegating an administration task to a private individual, preference shall be given to delegating the administration task within the scope of public-private partnership.

(5) Information on the delegated administration tasks of the institution as well as a contract of delegation shall be published on the website of the relevant institution or, if laid down in a legal act, on the website of a higher institution within five working days.

[*13 May 2010*]

**Section 45.1 Contractual Delegation Procedure within the Scope of Public-Private Partnership**

(1) The provisions of Section 45, Paragraphs one, two and three of this Law shall not be applicable in cases when a public-private partnership contract, by which a private individual is delegated an administration task, is entered into in accordance with the Law on Public-Private Partnership.

(2) If a public-private partnership contract, by which a private individual is delegated an administration task, is entered into in accordance with the Law on Public-Private Partnership, the contract shall additionally include the conditions referred to in Section 46 of this Law. The relevant contract in section regarding delegating an administration task shall be discussed in accordance with the laws and regulations in the field of contracts governed by public law.

[*13 May 2010*]

**Section 46. Contents of Delegation Contracts**

A delegation contract shall set out:

1) the contracting parties;

2) the delegated administration task and the legal act in accordance with which the relevant task has been transferred into the competence of the delegating party;

3) the time limit and procedures for the performance of the delegated administration task;

4) the specific liability of contracting parties as well as the possible liability in case of termination of the contract;

5) quality evaluation criteria for the performance of the task but, if the subject-matter of the contract is a one-time task, also the results to be achieved;

6) the procedures for settlement of mutual accounts and regulations for the granting of financial and other resources;

7) the procedures for the provision of regular accounts and reports;

8) the procedures for the supervision of the activities of the authorised person;

9) the procedures for the entering into effect of the contract;

10) the term of validity of the contract;

11) other essential conditions of the contract.

[*13 May 2010*]

**Section 47. Termination of Delegation Contracts**

(1) A delegation contract shall terminate upon the expiry of the time limit for which such contract has been entered into.

(2) If the time limit of the contract exceeds three years, each contracting party may give a notice of the termination of the contract, complying with the time limit of one year for giving a notice of termination.

(3) A shorter period for giving a notice of termination than the period provided for in Paragraph two of this Section may be provided for in the contract.

(4) A notice of termination of the contract may be given without complying with the time limit for giving a notice of termination if the other contracting party grossly violates the provisions of the contract or if other important reasons exist that do not allow the continuation of contractual relations.

(5) A notice of termination of a contract shall be given if the basic provisions for the entering into of such contract (Section 40) or the special conditions of delegation to private individuals (Section 42) do not exist anymore.

**Section 47.1 Consequences of the Expiry of a Delegation Contract**

(1) In case of expiry of a delegation contract, the contracting parties shall ensure continuity of the performance of the State administration task.

(2) If the authorised person who is a capital company all capital shares (stocks) of which belong to one or several public entities is liquidated, the property, rights and liabilities of the capital company (including rights and obligations arising from employment relationship and necessary for further performance of the State administration task) shall be transferred to the institution of the relevant public entity which is the holder of capital shares (stocks) of the capital company, unless laid down otherwise in a decision to terminate the operation and liquidate the capital company.

(3) Liquidation of a capital company and transfer of the delegated State administration tasks shall be implemented within the scope of the annual State or local government budget planning process.

[*12 June 2009*]

**Chapter VI**

**Public Participation in State Administration**

**Section 48. Types of Public Participation**

(1) In order to achieve the purpose of this Law, institutions shall involve public representatives (representatives of public organisations and other organised groups, individual competent persons) in their activities by including such persons in working groups, advisory councils or by asking them to provide opinions.

(2) In matters important to the public, institutions have a duty to organise a public discussion. If an institution takes a decision that does not correspond to the opinion of a considerable part of society, the institution shall provide a special substantiation for such decision.

(3) Institutions (hereinafter also – the authorising persons) may, in conformity with the provisions of this Chapter, authorise private individuals to perform the tasks of State administration.

(4) In ensuring public participation in their activities, institutions may also use other types of public involvement laid down in laws and regulations that are not referred to in this Section.

(5) The head of an institution shall decide on the involvement of public representatives in the activity of the institution and on the type of such involvement, unless laid down otherwise in laws and regulations.

**Section 49. Regulations for Authorisation**

(1) A private individual may be authorised, by an external legal act or participation contract (Section 50), to perform an administration task that does not include the taking or preparation of an administrative decision if:

1) it is performed for the purposes of public benefit (non-commercial purposes);

2) it is efficient in order to promote the public involvement in State administration;

3) the task can be performed with at least the same effectiveness.

(2) In compliance with the provisions of this Chapter, the provisions of Paragraph one of Section 42 are applicable to the authorisation. In selecting a private individual, an institution shall apply objective criteria in compliance with the conditions specified in Paragraph one of this Section. When entering into a participation contract, the authorising person shall, if necessary, substantiate the choice. The substantiation together with the draft contract (Paragraph three of Section 50) shall be publicly available.

**Section 50. Regulations for Entering into Participation Contracts**

(1) Provisions of Section 46 of this Law are applicable to participation contracts.

(2) The authorising person shall inform a higher institution and, in cases laid down in laws and regulations, also the highest institution (Paragraph two of Section 31) about the intention to enter into a participation contract.

(3) Draft participation contracts shall be publicly available for at least 10 days before signing. The authorising person shall be liable for the public availability of the contract.

(4) If the allocation of budget funds is provided for in the contract, with respect to the use of such funds and financial accounts thereof, the same conditions are applicable as those to the contracting institution.

(5) The procedures by which institutions of direct administration enter into participation contracts shall be determined by the Cabinet.

(6) Institutions of indirect administration shall enter into participation contracts in cases and in accordance with the procedures determined by the body of a derived public entity. If such procedures are not determined, participation contracts shall be entered into by the body of a derived public entity.

**Section 51. Public Access to Participation Contracts**

Participation contracts shall be publicly available. The procedures for public access to contracts shall be determined by the Cabinet.

**Section 52. Liability of Authorising Persons**

(1) The authorising person shall be liable for the proper performance of the task.

(2) The authorising person shall ensure proper performance of the task both in the authorisation instrument and henceforward, by supervising the activities of the private individual.

**Section 53. Compensation of Losses in Case of Authorisation**

(1) Financial losses and personal injury that has been incurred by a third party while performing an administration task shall be compensated from the budget of the public entity to which the authorising person belongs.

(2) The authorised person shall, by way of subrogation, compensate the losses to the public entity if the losses have been incurred as a result of unlawful actions of the authorised person or his or her failure to act.

**Chapter VII**

**Cooperation in State Administration**

**Section 54. Basic Provisions for Cooperation**

(1) Institutions shall cooperate in order to perform their functions and tasks.

(2) An institution that has received a cooperation proposal from another institution may refuse cooperation only if the reasons for refusal provided for in Section 56 of this Law exist.

(3) Institutional cooperation shall be free of charge, unless laid down otherwise in external laws and regulations.

(4) Institutions may cooperate both in individual cases and continuously. When cooperating continuously, institutions may enter into interdepartmental agreements (Sections 58–60).

(5) When cooperating, public entities may enter into cooperation contracts (Section 61).

(6) When cooperating, institutions shall provide the necessary information in electronic form unless laid down otherwise in an external legal act and the provision of information is not in contradiction with the provisions for provision of information laid down in laws and regulations. The procedures by which exchange of such information shall take place, and also the way of ensuring and certifying the veracity of such information shall be determined by the Cabinet.

[*12 June 2009*]

**Section 55. Subject-matter of Institutional Cooperation**

(1) An institution may propose that another institution ensure the participation of individual administrative officials in the performance of particular administration tasks.

(2) An institution may, in compliance with the restrictions laid down in laws and regulations, propose that another institution provide the information that is at its disposal.

(3) An institution may propose that another institution provide it with an opinion on a matter that is in the competence of the institution that provides the opinion.

(4) Upon mutual agreement and without overstepping their competence, institutions may determine another subject-matter of cooperation.

[*12 June 2009*]

**Section 56. Refusal to Cooperate**

(1) An institution may refuse to cooperate by substantiating the refusal in writing if:

1) cooperation is impossible due to practical reasons;

2) cooperation is impossible due to legal reasons;

3) another institution may be involved in the cooperation with less expenditure of resources;

4) the necessary expenditure of resources exceeds the necessity of the institution that proposed the cooperation for such cooperation.

(2) An institution that has received a refusal to cooperate may invite a higher institution of the institution that has given the refusal to evaluate the justification for such refusal.

**Section 57. Insufficient Cooperation**

If an institution considers that the purpose of the proposed cooperation has not been achieved due to the actions or a failure to act of the other institution (cooperation is insufficient or is not properly ensured), it may inform the higher institution of the other institution thereof.

**Section 58. Interdepartmental Agreements**

(1) In order to ensure continuous cooperation, the institutions that are subordinate to various members of the Cabinet (belong to different departments) may enter into interdepartmental agreements in writing.

(2) Institutions may enter into interdepartmental agreements also if they belong either to one public entity or to various public entities.

(3) The competence of institutions laid down in laws and regulations may not be delegated or altered by an interdepartmental agreement.

(4) Interdepartmental agreements shall not be binding on the higher institutions of the relevant institutions. Such agreements shall not restrict the hierarchical rights of higher institutions.

**Section 59. Co-ordination and Performance of Interdepartmental Agreements**

(1) Prior to the signing of an interdepartmental agreement an institution shall agree upon the draft agreement with a higher institution. If the higher institution does not give a written answer within one month from the day when the draft agreement was sent, the agreement shall be deemed to be agreed upon.

(2) If an interdepartmental agreement is not performed properly, the institution shall inform the higher institution of the institution that does not perform the agreement thereof.

(3) An institution may not require the performance of an interdepartmental agreement from the other institution if the non-performance of the agreement is the result of the actions of a higher institution.

(4) An action regarding the non-performance of interdepartmental agreements as well as for the compensation of losses may not be brought in court.

**Section 60. Termination of Interdepartmental Agreements**

An interdepartmental agreement shall be terminated if:

1) the time limit for which it has been entered into expires;

2) at least one of the institutions ceases to exist or is re-organised;

3) one institution gives a notice of termination regarding it;

4) one institution does not or cannot perform the agreement due to a change in actual or legal circumstances. In such case, the relevant institution or its higher institution shall, without delay, inform the other contracting institution thereof.

**Section 61. Cooperation Contracts**

(1) Public entities shall enter into cooperation contracts in order to achieve a more effective performance of an administration task that is within the competence of at least one contracting party which is a public entity.

(2) Cooperation contracts on behalf of a public entity shall be entered into by the body of such public entity or an institution having jurisdiction.

(3) The competence of derived public entities laid down in laws and regulations may not be delegated or altered by a cooperation contract. The hierarchical relationship between various public entities and their institutions may not be affected by cooperation contracts.

(4) Derived public entities shall inform the institution of direct administration to which the relevant public entity is subordinate of the cooperation contract.

(5) If the subject-matter of a cooperation contract is an administration task which is in the autonomous competence of a derived public entity (Section 5, Paragraph two), the cooperation contract may provide for the settlement of a contractual dispute in court. Unless provided for in the contract or laid down otherwise in laws and regulations, the contracting parties may not bring an action in court.

**Chapter VIII**

**Examination of Administrative Decisions and Liability for Administrative Decisions**

**Section 62. Basic Provisions for Examination of Administrative Decisions**

(1) The provisions of this Section apply to written administrative decisions, with the exception of urgent administrative decisions.

(2) Examination of administrative decisions shall include the examination of the efficiency and lawfulness of such decisions.

(3) Administrative decisions shall, in accordance with laws and regulations, be examined both before (preliminary examination) and after (post-examination) the taking of such decisions.

(4) The provisions of this Chapter with respect to the procedures for the examination of administrative decisions shall be applied, insofar as it is not laid down otherwise in laws and regulations.

**Section 63. Examination of Efficiency of Administrative Decisions**

When examining the efficiency of administrative decisions, the necessity and appropriateness of such decisions to the achievement of the relevant purpose shall be evaluated. Considerations of the efficiency of administrative acts shall be laid down in the Administrative Procedure Law.

**Section 64. Examination of Lawfulness of Administrative Decisions**

In examining the lawfulness of administrative decisions:

1) the conformity of such decisions with external laws and regulations and the general principles of law shall be evaluated;

2) if necessary, the conformity of such decisions with internal legal acts and the principles of State administration shall be evaluated;

3) in case of a mutual conflict of legal norms, the legal norm to be applied shall be determined;

4) if freedom of action has been granted with respect to the taking of an administrative decision, it shall be determined how far the freedom of action applies to the specific administrative decision;

5) if freedom of action has been granted with respect to the content of the administrative decision, the scope of the choice of content of the decision shall be determined.

**Section 65. Preliminary Examination of the Efficiency of Administrative Decisions**

The taker of an administrative decision shall acquaint a higher administrative official in the relevant institution with the draft decision. Such an administrative official shall evaluate the efficiency of the administrative decision.

**Section 66. Preliminary Examination of the Lawfulness of Administrative Decisions**

(1) Preliminary examination of the lawfulness of an administrative decision shall be performed both by the taker of such decision (basic examination) and by a special unit or official of the institution (additional examination).

(2) The basic examination of the lawfulness of administrative decisions shall be mandatory. Such examination shall be performed also if special procedures for the examination are not laid down in the internal legal act.

(3) If it has been determined in the additional examination that a draft administrative decision is lawful, the relevant administrative official shall endorse such decision. If it has been determined in the additional examination that a draft administrative decision does not conform to legal norms, such decision shall not be endorsed. In such case, the person performing the additional examination shall indicate his or her objections in writing, specifying the requirements to which a lawful administrative decision must conform.

(4) If an administrative decision is taken without complying with the objections specified in the additional examination, the person who takes such decision shall substantiate his or her considerations in writing.

**Section 67. Post-examination of Administrative Decisions**

(1) The post-examination of administrative decisions shall be performed in compliance with the relevant form of subordination (Section 7, Paragraphs four and five).

(2) Procedures and principles for contesting and revoking an administrative act and actual actions shall be determined by the Administrative Procedure Law.

(3) An administrative official specified by the rules of procedure or other internal legal acts of an institution shall perform an incidental (regarding the specific case), random post-examination and regular post-examination.

(4) A higher administrative official may, with a substantiated decision, revoke or vary an unlawful or inefficient administrative decision taken by any lower official.

**Section 68. Liability for Administrative Decisions**

(1) The taker of an administrative decision shall be liable for the efficiency and lawfulness of such decision.

(2) The administrative official who performs the additional examination of the lawfulness of a draft administrative decision shall be liable for the evaluation given by him or her. If it has been determined in the additional examination that the draft administrative decision is unlawful, but the administrative decision has been taken without complying with the specified objections, the administrative official who has performed the additional examination shall not be liable for the unlawfulness of the administrative decision with respect to the inconsistencies pointed out.

**Section 69. Preliminary Examination of Administrative Decisions of Collegial Authorities**

(1) The additional examination of the lawfulness of administrative decisions of collegial authorities (commissions, councils, etc.) shall be performed by an administrative official who in accordance with a legal act is liable for examination of lawfulness.

(2) If an administrative official considers that the relevant draft administrative decision is lawful, he or she shall endorse such decision. If an administrative official has objections with respect to the lawfulness of such administrative decision, the official shall substantiate his or her objections in writing by specifying the requirements to which a lawful administrative decision must conform.

(3) If a collegial authority takes an administrative decision disregarding the objections specified in the additional examination, each member of the collegial authority shall express his or her considerations regarding the lawfulness of the relevant administrative decision and such considerations shall be recorded in the minutes of the taking of the administrative decision of the collegial institution.

(4) For the body of a derived public entity the procedures for ensuring the lawfulness of other administrative decisions may be specified by law.

**Section 70. Liability for Administrative Decisions of Collegial Authorities**

(1) Those members of the collegial authority who have voted shall be liable for the efficiency and the lawfulness of an administrative decision of a collegial authority, unless any such member has especially requested to record their objections in the minutes of the taking of the decision.

(2) The administrative official who performs the additional examination of the lawfulness of a draft administrative decision shall be liable for the evaluation given by him or her. If it has been determined in the additional examination that the draft administrative decision is unlawful, but the administrative decision has been taken without complying with the specified objections, the administrative official who has performed the additional examination shall not be liable for the unlawfulness of the administrative decision with respect to the inconsistencies pointed out.

(3) Different principles of liability may be determined by law for the body of a derived public entity, except for the case when such body issues an administrative act.

**Section 71. Types of Liability**

(1) In the cases laid down in law, officials shall be subject to civil, criminal or administrative liability, but, in cases determined by laws and regulations, also disciplinary liability for administrative decisions.

(2) Political officials shall not be subject to disciplinary liability.

**Chapter IX**

**Internal Legal Acts**

**Section 72. Basic Provisions for Internal Legal Acts**

(1) The Cabinet, a member of the Cabinet, the body of a derived public entity or the head of an institution shall issue internal legal acts:

1) on the basis of a legal act;

2) upon their own initiative on the matters that are in their competence.

(2) An official not referred to in Paragraph one of this Section shall issue internal legal acts on the basis of a legal act.

(3) Internal legal acts shall conform to external legal acts, to general principles of law (including the principles of State administration and the principles of administrative procedure) and to rules of international law as well as to internal legal acts issued by a higher institution or official.

(4) An internal legal act shall be binding on the institution (units and employees thereof) or on the officials with respect to whom the internal legal act has been issued.

**Section 73. Types of Internal Legal Acts**

(1) The body of a public entity and an official within the scope of their competence may issue internal legal acts regarding:

1) the structure and work organisation (by-laws, rules of procedure) of the institution, collegial body or unit established by the institution;

2) the application of external legal acts or general principles of law (instructions);

3) the exercising of the freedom of action conferred by laws and regulations by determining uniform action in equal cases (recommendations). In individual cases, derogation from these recommendations is permitted by specially substantiating such derogation;

4) the procedures for the taking of administrative decisions, regarding the performance of the duties of officials and other employees of the board, regulations regarding behaviour, labour protection in the institution, and also other issues related to the activities of the institution (internal regulations).

(2) Competence for the issuance of internal legal acts, regulations for the contents, the coming into force and the validity of internal legal acts shall be determined by the contents of such legal acts and not by their title.

[*13 May 2010*]

**Section 74. Competence of the Cabinet and Members of the Cabinet in the Issuance of Internal Legal Acts**

The Cabinet and a member of the Cabinet shall issue internal legal acts in accordance with this Law and the Cabinet Structure Law.

[*12 June 2008; 13 May 2010*]

**Section 75. Competence of the Head, and the Head of a Unit of an Institution of Direct Administration in the Issuance of Internal Legal Acts**

(1) The rules of procedure of an institution of direct administration shall be issued by the head of such institution. The draft rules of procedure shall be agreed upon with a member of the Cabinet.

(2) The rules of procedure of a unit shall be issued by the head of the unit after agreement thereupon with the head of the institution and in conformity with the by-laws and the rules of procedure of the institution. The rules of procedure of a collegial body established by the institution shall be issued by the head of such institution which established the relevant collegial body.

(3) The head of an institution shall issue instructions and recommendations if there is no instruction issued by a higher official or such instruction is insufficient. Draft instructions or recommendations shall be agreed upon with a higher institution but, if such institution does not exist, with the relevant member of the Cabinet.

(4) An official shall agree upon the internal legal acts prior to their issuance with a higher official, unless laid down otherwise in law or the higher institution (official) has not determined that such agreement is necessary.

(5) A project shall be deemed as agreed upon also if written objections have not been received within one month from the day of sending it.

[*12 June 2008; 13 May 2010*]

**Section 76. Competence of the Body of a Derived Public Entity, Institution or Official in the Issuance of Internal Legal Acts**

(1) The procedures for the issuance and coming into force of internal legal acts of institutions and officials of a derived public entity shall be determined by the body of the derived public entity.

(2) [13 May 2010]

[*13 May 2010*]

**Section 76.1 Procedures for Agreeing upon Instructions and Recommendations**

[13 May 2010]

**Section 77. Coming into Force of an Internal Legal Act**

An instruction or recommendations issued by the Cabinet shall come into force in accordance with the procedures laid down in law. Other internal legal acts shall come into force on the day of the issuance thereof, unless another time limit for coming into force has been laid down in the internal legal act.

[*13 May 2010*]

**Section 78. Application of Internal Legal Acts**

(1) If an official determines a conflict between internal legal acts, he or she shall apply the internal legal act that has been issued by a higher institution or official.

(2) If an official establishes a conflict between the internal legal acts issued by institutions or officials of hierarchically the same level, he or she shall apply:

1) the general legal norm, insofar as it is not restricted by a special norm of law;

2) the most recent internal legal act if both legal norms are general or special. The date of adoption of the internal legal act shall be decisive.

(3) If an official establishes a conflict between an internal legal act and external legal act, he or she shall apply the external legal act.

[*13 May 2010*]

**Chapter X**

**Administrative Contracts**

**Section 79. Basic Provisions for Administrative Contracts**

(1) Administrative contracts are agreements between public entities and private individuals for the specification, amendment, termination or determination of administrative legal relations. An administrative instrument shall remain an independent legal instrument even if it has been included in a contract.

(2) An administrative contract on behalf of a public entity shall be entered into by the institution or official having jurisdiction.

(3) The subject-matter of an administrative contract is a matter that is within the competence of the relevant public entity. The contract shall be directed at the implementation of such competence within the scope of the legal norms that regulate such implementation.

**Section 80. Preconditions for Entering into Administrative Contracts**

(1) Administrative contracts shall be entered into in the following cases:

1) in order to terminate a legal dispute, especially a judicial procedure;

2) if the applicable legal norms grant freedom of action to the institution with respect to the issuance of administrative acts, their contents or with respect to actual actions.

(2) Entering into an administrative contract is not permissible if the form of the contract is not appropriate for the regulation of the particular legal relations, especially if such contract would be in conflict with the principles of State administration or would disproportionately restrict the legal protection of a private individual.

**Section 81. Conditions for the Contents of Administrative Contracts**

(1) The obligations that the contracting parties undertake by an administrative contract entered into between a public entity and a private individual shall be proportionate.

(2) Obligations of public entities shall be lawful. If such obligations are the issuance of an administrative instrument or the actual actions of an institution, such obligations shall conform to the provisions of the Administrative Procedure Law.

(3) The obligations of private individuals shall be specific and shall serve for the performance of the task given by a public entity.

(4) If a private individual has a subjective right to what a public entity has undertaken to provide by an administrative contract, the obligations of the private individual shall be only such as may be the terms of the relevant administrative instrument (time limits, preconditions, tasks, reservations, including the reservation of revocation).

**Section 82. Provision of Information on Administrative Contracts**

An institution shall, within five working days following the date of the entering into of an administrative contract, send a copy of the contract to a higher institution in order to inform it.

[*16 November 2017*]

**Section 83. Rights of Private Individuals**

Administrative contracts, in accordance with Section 80, Paragraph one, Clause 2 of this Law, shall not restrict the rights of private individuals which they have in accordance with the Administrative Procedure Law. If a private individual disputes or appeals an administrative instrument or actual action, it shall be considered as a notice of termination of the contract.

**Section 84. Rights of Third Parties**

Administrative contracts shall not restrict the rights of third parties.

**Section 85. Performance of Administrative Contracts**

(1) If a contracting party does not properly perform the administrative contract or has doubts as to the validity of such contract, the other contracting party may request the performance of the contract by judicial proceedings.

(2) Judicial procedure and enforcement of the judgment shall take place in accordance with the Administrative Procedure Law.

**Section 86. Termination of and Amendments to Administrative Contracts and Compensation of Losses**

(1) The contracting parties may amend an administrative contract by mutual agreement. An institution can unilaterally amend an administrative contract in the cases and in accordance with the procedures laid down in the Administrative Procedure Law.

(2) An administrative contract shall terminate if:

1) it is fulfilled;

2) the term of validity of such contract has expired;

3) a notice of termination of the contract is given and the time period for giving the notice has come;

4) contracting parties terminate the contract by mutual agreement;

5) it is cancelled in the cases and in accordance with the procedures laid down in the Administrative Procedure Law.

(3) The cases and the procedures by which losses are compensated to a private individual due to amendments to an administrative contract or termination thereof shall be laid down in the Administrative Procedure Law.

[*16 November 2017*]

**Chapter XI**

**Activities of Public Entities in the Sphere of Private Law**

**Section 87. Basic Provisions for Activities of Public Entities in the Sphere of Private Law**

(1) Public entities shall act in the sphere of private law in the following cases:

1) when carrying out transactions that are necessary to ensure the activities of such public entities;

2) when providing services;

3) when establishing a capital company or acquiring a participation in an existent capital company.

(2) If a public entity acts in the sphere of private law, the laws that regulate private transactions in general shall be applied, insofar as such activities are not restricted by other laws and regulations.

(3) Derived public entities, when establishing legal persons governed by private law, including such persons as do not have a gaining of profit nature, may not avoid the liabilities specified by this Law and may not set for them other aims as do not follow from the functions of the relevant public entity.

[*12 June 2009; 22 October 2015*]

**Section 88. Participation of a Public Entity in a Capital Company**

(1) Insofar as it is not provided for otherwise in the Law, a public entity for the purpose of effective fulfilment of its functions may establish a capital company or acquire a participation in an existent capital company provided that one of the following conditions is met:

1) a market failure is prevented – a situation where the market is incapable of serving the public interest in the relevant field;

2) the activity of a capital company of a public entity or a capital company controlled by public entities results in the creation of goods or services that are strategically important for the development of an administrative territory of the State or a local government or the State security;

3) the properties that are strategically important for the development of an administrative territory of the State or a local government or the State security are administered.

(2) A public entity prior to establishing a capital company or acquiring a participation in an existent capital company shall carry out the evaluation of the intended activity by including also the economic evaluation in order to substantiate that effective achievement of the objectives laid down in Paragraph one of this Section is not possible otherwise. While carrying out the evaluation, the public entity shall consult with competent authorities in the field of the protection of competition and associations or foundations which represent merchants, and also shall comply with the requirements of the laws and regulations governing the field of control of aid for commercial activity.

(3) After receiving the evaluation referred to in Paragraph two if this Section, the Cabinet shall issue the regulations which prescribe the properties which are strategically important for the development or security of the State or a market failure, or the goods and services which are created as the result of the activity of a capital company and that are strategically important for the development or security of the State.

(4) After carrying out the evaluation referred to in Paragraph two of this Section, a local government council shall issue binding regulations which determine the market failure or such properties of the local government or goods and services that are strategically important for the development of the administrative territory of the local government. These binding regulations shall be developed, adopted and shall come into force according to the same procedures as binding regulations regarding the approval or amendments to the local government budget are drafted, adopted and come into force.

(5) A derived public entity other than a local government may establish a capital company or acquire a participation in an existent capital company in accordance with the provisions of this Section and taking into account that laid down in the external laws and regulations referred to in Paragraph three or four of this Section.

(6) The functions of a public entity and specific types of commercial activities where the relevant functions shall be exercised in order to achieve the objectives laid down in Paragraph one of this Section shall be indicated in the laws and regulations referred to in Paragraphs three and four of this Section.

(7) A public entity which has established a capital company or has acquired a participation in an existing capital company shall reassess the participation therein in accordance with this Section and the Law on Governance of Capital Shares of a Public Entity and Capital Companies.

[*22 October 2015* / *The new wording of Section shall come into force on 1 January 2016. See Paragraph 23 of Transitional Provisions*]

**Section 89. Conditions for Entering into Contracts of Private Law**

Contracts of private law shall be entered into in compliance with the following:

1) such contracts shall be entered into without any discrimination;

2) contracting parties shall be equal;

3) obligations of contracting parties shall be proportionate;

4) a public entity does not have the right to arbitrarily prohibit or impede the exercising of human rights;

5) a public entity shall be itself liable for the performance of the functions specified by laws and regulations.

**Chapter XII**

**Liability of Officials, Property of Public Entities, Work Audit and Public Reports of Institutions**

**Section 90. Liability of Officials**

If an official has, while performing the official duties, deliberately or due to gross negligence caused financial losses to a public entity, the public entity shall request that the official compensates the losses in accordance with the procedures laid down in laws and regulations.

**Section 91. Property of Public Entities**

(1) The property of a public entity shall be in the possession of the institution (hereinafter – the property of the institution). The institution shall reasonably use the property transferred to its possession.

(2) All the property of the institution that has been obtained or created by a civil servant or an employee in the performance of his or her duties shall belong to the relevant public entity, unless laid down otherwise in law.

(3) The head of an institution shall appoint an official who shall manage the property of the institution. If such official has not been appointed, the property of the institution shall be managed by the head of the institution.

**Section 92. Information on the Property of the Institution, Remuneration of Officials and Employees**

(1) Information on the property and condition of accounts of an institution shall be publicly available, unless laid down otherwise in law.

(2) Information on the remuneration disbursed to officials of an institution and employees thereof shall be published to the extent and in accordance with the procedures laid down in the Law on Remuneration of Officials and Employees of State and Local Government Authorities.

[*13 May 2010; 16 November 2017 / The new wording of the title and Paragraph two of this Section shall come into force on 1 January 2018. See Paragraph 27 of Transitional Provisions*]

**Section 93. Audit of Institutions**

(1) In order to ensure effective operation of State administration, institutions shall be audited.

(2) The audit may encompass a separate field. The procedures for carrying out an audit shall be laid down in laws and regulations.

(3) An internal audit shall be established in the institutions. In an internal audit, the work schedules for the activities of the institution, methods and procedures that ensure effective work of the institution shall be evaluated, and recommendations for the improvement of the effectiveness of the work of the institution shall be provided.

**Section 94. Public Reports**

(1) In order to inform the public about the activities of an institution, and about the use of the budget resources allocated to such institution, the institution shall prepare public reports.

(2) Types, contents and procedures for the publication of public reports shall be determined by laws and regulations.

**Chapter XIII**

**Other Provisions**

[*12 June 2008*]

**Section 95. Requirements for the Preparation of Laws and Regulations**

The Cabinet shall determine the most important legal technical requirements to be complied with by institutions of direct administration, derived public entities and institutions of indirect administration in preparing draft laws and regulations.

**Section 96. Restrictions on Combining Offices and Work in State Administration for a Person who is not a Public Official**

(1) A person who is not a public official but holds a paid or otherwise compensated office in institutions of direct administration, derived public entities and institutions of indirect administration or carries out work according to an employment contract shall be permitted to combine his or her office or work with not more than two paid or otherwise compensated offices or such work which is carried out according to an employment contract, in other institutions of direct administration, derived public entities and institutions of indirect administration.

(2) Work of a teacher, scientist, doctor, professional athlete or creative work shall not be considered as the office or work referred to in Paragraph one of this Section.

(3) When combining offices or work, the person referred to in Paragraph one of this Section shall also comply with the restrictions for combining offices and work laid down in other laws and regulations. The Cabinet may also impose additional restrictions on combining offices and work for the person referred to in Paragraph one of this Section.

[*26 March 2009*]

**Section 97. Management of State Administration Services**

The procedures for the accounting, quality control and provision of the State administration services shall be determined by the Cabinet.

[*5 May 2016*]

**Section 98. Single Customer Service Centres of State Administration**

(1) State administration services, where possible, shall be provided within the scope of a single customer service centre either in person or electronically, also if several institutions or other legal subjects are involved in the provision thereof.

(2) An institution which provides State administration services has the right to process personal data to the extent necessary for the provision of State administration services.

(3) The types of the single customer service centres of the State administration, the scope of services provided and the procedures for the provision of services shall be determined by the Cabinet.

[*5 May 2016; 4 February 2021*]

**Section 99. Electronisation of State Administration Services**

(1) State administration shall arrange the provision of services electronically, where possible and feasible.

(2) The procedures for the electronisation of State administration services and ensuring the availability of e-services shall be determined by the Cabinet.

[*5 May 2016*]

**Section 100. Portal of State Administration Services and Catalogue of Services**

(1) The portal of State administration services is a website which ensures accessibility to State administration services and information related thereto in one place for private individuals and State administration, access to e-services and electronic communication between private individuals and State administration.

(2) The website address of the portal of State administration services is https://www.latvija.lv.

(3) The catalogue of services is included in the portal of State administration services. Current information on all services provided by the State administration shall be included in the catalogue of services.

(4) The manager of the portal of State administration services, the obligations and responsibility thereof, the obligations and responsibility of an institution, the procedures for the use and management of the portal of State administration services, and also the procedures for maintaining the catalogue of services and information to be included therein shall be determined by the Cabinet.

[*5 May 2016* / *See Paragraph 26 of Transitional Provisions*]

**Section 101. List of Public Entities and Institutions**

(1) The list of public entities and institutions shall be maintained in order to ensure the transparency of the institutional system of State administration and public access to information.

(2) The list of public entities and institutions shall be maintained by the State institution which is authorised for this task under law.

[*16 November 2017 / This Section shall come into force on 1 June 2018. See Paragraph 28 of Transitional Provisions*]

**Section 102. Obligation of Allegiance**

(1) An employee of an authority of a public entity has an obligation to be loyal to the Republic of Latvia and its Constitution.

(2) If an employee of an authority of a public entity has expressed a public opinion or has performed other actions which clearly show that he or she is not loyal to the Republic of Latvia and its Constitution and his or her further employment in the relevant authority of a public entity can significantly threaten the operation of such authority or the interests of the State, the failure to comply with the obligation of allegiance shall be deemed as independent grounds for the termination of employment relationship with any such employee and a person employed under public service relations.

(3) If an employee has to be removed from office on the basis of Paragraph two of this Section, the provisions of Section 101, Paragraph one, Clause 1 of the Labour Law shall be applicable to the notice of termination from the employer, and the provisions of Section 41, Paragraph one, Clause 1, Sub-clause “d” of the State Civil Service Law shall be applicable to the decision taken on the same basis to dismiss a civil servant from office, whereas service relations with the other persons employed under public service relations shall be terminated in accordance with the general procedures applicable thereto.

(4) In the case referred to in Paragraph two of this Section, the employment relationship with other officials employed in an authority of a public entity may only be terminated if unsuitability for the office held or the requirement for impeccable reputation has been provided in the law governing such relationship as the basis for the removal of a person from office.

[*21 December 2023*]

**Transitional Provisions**

1. With the coming into force of this Law, the Law on the Structure of Ministries (*Latvijas Republikas Saeimas un Ministru Kabineta Ziņotājs*, 1997, No. 5; 1998, No. 15; 2001, No. 14) is repealed.

2. The Cabinet shall, by 1 January 2005, ensure the conformity of State administration with the provisions of this Law.

3. The Cabinet shall, by 1 January 2004, draw up and submit to the *Saeima* draft laws regarding the necessary amendments to other laws.

4. By-laws of institutions, except for such by-laws as have been issued on the basis of the Law on the Structure of Ministries, shall be adopted by 1 January 2005 in conformity with the provisions of this Law. Until that time, the by-laws of institutions that are in force on the date of coming into force of this Law shall remain in effect insofar as they are not in conflict with this Law.

5. Section 14, Paragraph five of this Law shall come into force on 1 January 2005.

6. If at the day of coming into force of this Law the obligation to perform a task of State administration has been delegated by a contract to a private individual (Chapters V and VI), then, if the delegation is not terminated due to other reasons, he or she shall continue to perform this task in accordance with the existing provisions, but not longer than until 1 July 2003. Until that time, if such is allowable and efficient in accordance with the provisions of this Law, the delegation shall be drawn up in conformity with the requirements of this Law or shall be terminated in accordance with the previous provisions for the delegation.

7. The Cabinet shall, by 31 March 2003, develop and submit to the *Saeima* draft laws regarding the amendments to the laws by which the issuance of administrative instruments is delegated to private individuals.

8. Interdepartmental agreements (Sections 58, 59 and 60) and cooperation contracts of public entities (Section 61) that are in force on the day of coming into force of this Law shall remain in force not longer than until 1 January 2005. Until that time, agreements (contracts) shall be drawn up in conformity with the requirements of this Law or shall be terminated not later than on 1 January 2005. A protocol signed by the institutions (contracting parties) and a written approval of a relevant higher institution which confirms that an agreement (contract) conforms to the requirements of this Law shall also be considered as drawing up in conformity with the requirements of this Law. Such protocol and approval shall be appended to the agreement (contract).

9. The internal legal acts that interpret external legal acts must be agreed upon with the Ministry of Justice (Section 75, Paragraph three; Section 76, Paragraph two and Section 77, Paragraph one) as of 1 January 2004. Until this date, institutions shall send the abovementioned legal acts to the Ministry of Justice.

10. Chapter X of this Law shall come into force on 1 July 2003. The Cabinet shall, by 1 March 2003, develop and submit to the *Saeima* a draft law regarding the amendments to the Administrative Procedure Law which governs the examination by a court of such cases as arise from legal relations on the basis of an administrative contract.

11. [12 June 2009]

12. For the application of this Law, the Cabinet shall issue the internal legal acts that are necessary in order to implement the norms of this Law, to explain them or to achieve uniform application of such norms.

13. If an employment contract with an advisory official or employee of the member of the Cabinet has expired before the day of coming into force of amendments to Section 25, Paragraph two of this Law, the official or employee has the right to receive remuneration in accordance with the wording of Section 25, Paragraph two of this Law as it was on the day when the employment contract expired.

[*26 March 2009*]

14. [13 May 2010]

15. The conformity of the monthly wage of an advisory official or employee of the member of the Cabinet with the requirements referred to in Paragraph 14 of this Regulation shall be ensured by 1 July 2009.

[*26 March 2009*]

16. A person shall ensure conformity with the requirements of Section 96 of this Law until 1 July 2009.

[*26 March 2009*]

17. [22 October 2015]

18. The Cabinet shall ensure that the necessary draft laws and regulations are drawn up until 1 July 2010 in order to ensure the conformity of the relevant laws and regulations with Section 7, Paragraph 5.1 of this Law.

[*12 June 2009*]

19. The Cabinet shall, by 1 October 2009, issue the regulations referred to in Section 54, Paragraph six of this Law.

[*12 June 2009*]

20. Institutions shall, by 1 December 2009, ensure mutual exchange of information in accordance with Section 54, Paragraph six of this Law.

[*12 June 2009*]

21. If planning regions are delegated an administration task until 1 January 2015, it shall also be permitted to delegate individual administration tasks which are related to the planning of sectoral development and co-ordination of sectoral activity in the territory of the planning region.

[*13 May 2010*]

22. Internal legal acts the title of which does not conform to that laid down in Section 73, Paragraph one of this Law and rules of procedure which are agreed upon with a higher institution, other than a member of the Cabinet, shall remain in effect until they are repealed or until another moment when they cease to be in effect.

[*13 May 2010*]

23. Amendments to this Law regarding the new wording of Section 88 shall come into force on 1 January 2016.

[*22 October 2015*]

24. [4 February 2021]

25. The Cabinet shall, by 1 July 2017, issue the regulations referred to in Section 97, Section 98, Paragraph three, Section 99, Paragraph two and Section 100, Paragraph four of this Law.

[*5 May 2016*]

26. An institution of direct administration shall ensure compliance with the requirements contained in the second sentence of Section 100, Paragraph three of this Law not later than by 1 February 2018, whereas a derived public entity not later than by 1 July 2018.

[*5 May 2016*]

27. Amendments to Section 92 of this Law regarding the new wording of the title of this Section and Paragraph two shall come into force on 1 January 2018.

[*16 November 2017*]

28. Amendments to this Law regarding the deletion of Section 14 and supplementation of the Law with Section 101 shall come into force on 1 June 2018.

[*16 November 2017*]

29. The Cabinet shall, by 1 October 2023, develop and submit to the *Saeima* draft laws regarding amendments to other laws which are required to ensure the activities of the deputy minister. Until the day of coming into force of these amendments, the deputy minister shall be appointed to the office, including from among the members of the *Saeima*, by the Prime Minister upon proposal of the respective member of the Cabinet. The deputy minister shall be removed from the office by the Prime Minister upon proposal of the respective member of the Cabinet or upon own wish of the deputy minister. The deputy minister is comparable to a parliamentary secretary in the matters specified in Chapter IX of the Cabinet Structure Law, in relation to the restriction specified in Section 24, Paragraph one of the abovementioned Law which allows to only receive remuneration intended for one office, and also in the matters specified in Paragraphs two and five of the same Section.

[*1 December 2022*]

The Law shall come into force on 1 January 2003.

The Law has been adopted by the *Saeima* on 6 June 2002.

President V. Vīķe-Freiberga

Rīga, 21 June 2002