Republic of Latvia

Cabinet

Regulation No. 24

Adopted 14 January 2020

**Regulations Regarding Spending of the State Budget Financing Granted to Political Organisations (Parties)**

*Issued pursuant to*

*Section 7.4, Paragraphs 1.1 and three of the Law on Financing of Political Organisations (Parties)*

1. The Regulation prescribes:

1.1. the types of the target groups for spending of the State budget financing granted to political organisations (parties) and alliances of political organisations (parties) and the permissible expenses;

1.2. the submission of documents justifying the spending of the State budget financing to the Corruption Prevention and Combating Bureau.

2. The political organisation (party) and alliance of political organisations (parties) are entitled to use the State budget financing only for the purposes provided for in the Law on Financing of Political Organisations (Parties) and in compliance with the restrictions on spending of the State budget financing referred to in this Regulation.

3. The political organisation (party) and alliance of political organisations (parties) shall administer the State budget financing granted rationally:

3.1. achieve the objective with the minimum utilisation of financing;

3.2. the ownership or use of property and service shall be purchased for as favourable a price as possible.

4. It is prohibited to use the State budget financing granted for the provision of political and economic activity of the political organisations (parties) and alliances thereof:

4.1. for private needs;

4.2. for needs other than related to political activity;

4.3. for gifts and donations, except for souvenirs with logo of the political organisation (party) and alliance of political organisations (parties);

4.4. for purchasing tobacco products and alcoholic beverages;

4.5. for purchasing exclusive or unreasonably expensive goods or services, except for the cases when the political organisation (party) and alliance of political organisations (parties) may provide objective justification as to why it is necessary for the provision of political and economic activity;

4.6. for remuneration of the public officials referred to in Section 4, Paragraph one, Clauses 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 18, 19, 19.1, 21, and 26 of the law On Prevention of Conflict of Interest in Activities of Public Officials;

4.7. for covering such part of remuneration of the remaining public officials which exceeds the amount of one minimum monthly wage.

5. The Corruption Prevention and Combating Bureau shall apply the following, when verifying whether the purchased goods or service is exclusive and corresponds to the market value:

5.1. direct assessment method, i.e. shall rely on the data indicated in the accounting records and supporting documents of a political organisation (party);

5.2. indirect assessment method, i.e. calculate the actual transaction value on the basis of the information at the disposal of the Corruption Prevention and Combating Bureau.

6. It is prohibited to use the State budget financing granted to an alliance of political organisations (parties) for political campaigning of such political organisation (party) forming an alliance of political organisations (parties) which submits a separate list of candidates for the *Saeima* or European Parliament elections.

7. When political organisations (parties) form alliances, it is prohibited to use the State budget financing:

7.1. for the provision of political and economic activity of such political organisations (parties) and alliances thereof which do not receive the State budget financing but with which the political organisation (party) or alliance thereof that receives the financing has formed an alliance. The abovementioned condition does not apply to the joint political campaigning;

7.2. for the provision of political and economic activity of such political organisations (parties) and alliances thereof which do not receive the State budget financing but with which the political organisation (party) or alliance thereof that receives the financing submits a joint list of candidates for the elections of a local government council. The abovementioned condition does not apply to the joint political campaigning.

8. The political organisation (party) and alliance of political organisations (parties) shall submit the documents justifying the spending of the State budget financing to the Corruption Prevention and Combating Bureau within a month of submitting an annual report.

9. The Regulation shall come into force on 15 January 2020.

Prime Minister A. K. Kariņš

Deputy Prime Minister, Minister for Justice J. Bordāns