

THE MAIN CHANGES IN PUBLIC PROCUREMENT: LATVIA

A new Public Procurement Law will enter into force on March 1, 2017. A new Procurement Law for Utilities Providers will enter into force on April 1, 2017. They transpose the Directives 2014/24 and 2014/25 of the European Parliament and of the Council and introduce a few other new rules. As a result, the contracting authorities must introduce several new phases to their purchasing process and bidders must submit more detailed bids and pay forward review.

PROCUREMENT PLANNING:

- Contracting authorities publish yearly procurement plans
- Contracting authority may discuss the tender rules with potential bidders
- The law applies for goods and most services from EUR 42'000 and works from EUR 140'000
- Contracting authority may choose to organise new procedures – competitive procedure with negotiations or innovation partnership

ASSESSING BIDS:

- Contracting authority may choose additional bases for exclusion
- Bidders may reverse exclusion by **renewing reliability** or substituting subcontractors
- Mandatory qualification classes for construction companies

OTHERS:

- A payment for award review up to 0,5% of the contract price
- Subcontractors may be jointly liable for the whole contract. Winners list everyone working on premises
- Contracting authorities use standard industry contracts

DRAFTING BIDS:

- List all subcontractors performing at least 10% of the contract
- All bids will be submitted electronically by 2019 (E-procurement)
- Clear rules on receiving documents regarding foreigners
- Oral communication permitted

AWARD CRITERIA:

- Green Public Procurement
- The lowest price if the technical specification is detailed enough or if it is a sub-threshold procedure
- Life cycle costing as a MEAT price criterion

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