

Legal difficulties in cross-border cooperation, -
how the national law can slow down some
processes between neighbouring Countries
(Latvia – Lithuania)



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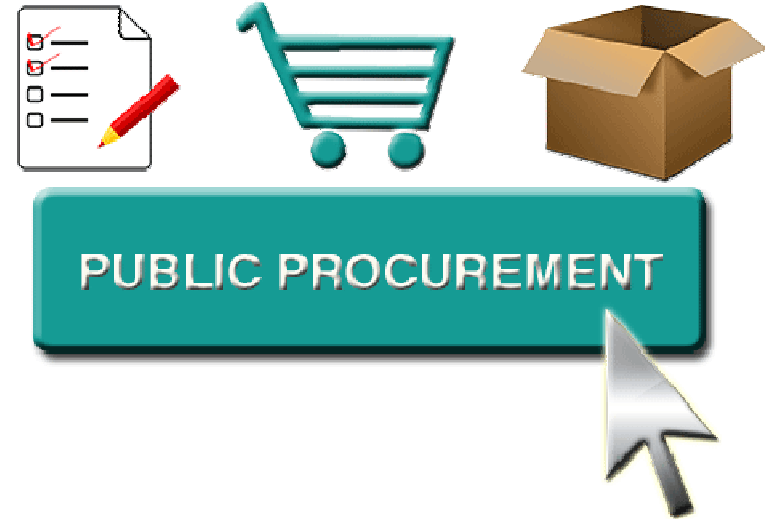


Basically, taking into account that Latvia and Lithuania are members of the European Union, the requirements of EU directives and regulations have been observed in national regulatory acts.

However, the laws and regulations of each country provide its own conditions, which must be taken into account in the relevant administrative territory, if any type of cross-border cooperation is planned.



For example, the LV Public Procurement Law determines on the exclusion of candidates and tenderers that there are tax debts exceeds 150 euros. On the other hand, the LT Public Procurement Law stipulates that exclusion rules are not applied if the tax debt does not exceed 50 euros.



LV: Public Procurement Law

Section 42. Provisions for the Exclusion of Candidates and Tenderers

(1) The contracting authority shall exclude a candidate or tenderer from participation in a procurement procedure in any of the following cases:

2) it has been established that on the last day of the term for submission of tenders in case of a tenderer and of applications in case of a candidate, or on the day when the decision is taken to possibly award the procurement contract, they have tax debts in Latvia or in the country of registration or permanent residence thereof, including the debts of mandatory State social insurance contributions which **exceed EUR 150** in total in any country. As regards the tenderers registered and permanently residing in Latvia, the contracting authority shall take into account the information posted on the information system stipulated by the Cabinet on the date of the last data update of the public tax debtors' database and Administration System of Immovable Property Tax of the State Revenue Service;

LT: REPUBLIC OF LITHUANIA LAW ON PUBLIC PROCUREMENT

Article 46. Economic operator's exclusion grounds

3. In the event of a breach of the obligations relating to the payment of taxes, including social security contributions, in accordance with the legal provisions of the country in which the economic operator is established or of the country of the contracting authority, the economic operator shall be excluded from participation in a procurement procedure if the contracting authority becomes aware that the economic operator has been convicted on this ground, as defined in points 1 and 3 of paragraph 2 of this Article or has other evidence of the breach of these obligations. However, this provision shall not apply where:

2) the amount of the debt does not **exceed EUR 50 (fifty euros)**;

From personal experience, LT companies participating in public procurements held in Latvia have no obstacles to submit documents from the Lithuanian registers. Usually the preparation of documents takes time.

There is no access to the registers of another country to get data or perform a check.



It is difficult to make sure whether the document was issued by the authority that is competent to issue such documents, and there is no way to make sure whether this statement fully covers all cases of exclusion established by law.



It would be ideal if all the necessary documents could be obtained in a single European register under uniform conditions, then the process would not only be accelerated, but also greater equality would be ensured (including in terms of the validity period of issued documents).

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