



**GRECO**  
Group of States against Corruption  
Groupe d'États contre la corruption



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## FOURTH EVALUATION ROUND

Corruption prevention in respect of members of  
parliament, judges and prosecutors

## SECOND COMPLIANCE REPORT

**LATVIA**

Adopted by GRECO at its 82<sup>nd</sup> Plenary Meeting  
(Strasbourg, 18-22 March 2019)

## **I. INTRODUCTION**

1. The [Fourth Round Evaluation Report](#) on Latvia was adopted at GRECO's 58<sup>th</sup> Plenary Meeting (7 December 2012) and made public on 17 December 2012, following authorisation by Latvia. GRECO's Fourth Evaluation Round deals with "Corruption Prevention in respect of members of parliament, judges and prosecutors".
2. In the [Compliance Report](#), which was adopted by GRECO at its 67<sup>th</sup> Plenary Meeting (27 March 2015) and made public on 14 April 2015, it was concluded that Latvia had implemented satisfactorily or dealt with in a satisfactory manner only two of the 14 recommendations contained in the Fourth Round Evaluation Report. In view of this result, GRECO concluded that the very low level of compliance with the recommendations was "globally unsatisfactory" in the meaning of Rule 31, paragraph 8.3 of the Rules of Procedure. GRECO therefore decided to apply Rule 32, paragraph 2 (i) concerning members found not to be in compliance with the recommendations contained in the evaluation report, and asked the Head of Delegation of Latvia to provide a report on the progress in implementing the pending recommendations.
3. In the [Interim Compliance Report](#), adopted by GRECO at its 71<sup>st</sup> Plenary Meeting (18 March 2016) and made public on 7 April 2016, it was concluded that only some minor positive steps had been made by Latvia. More specifically, only two of the 14 recommendations had been fully implemented. GRECO therefore reiterated its conclusion that the level of compliance with the recommendations was "globally unsatisfactory" in the meaning of Rule 31, paragraph 8.3 of the Rules of Procedure. In accordance with Article 32, paragraph 2, sub-paragraph (ii.a), GRECO had drawn the Head of the Latvian delegation's attention to the non-compliance with the relevant recommendations and the need to take determined action with a view to achieving further progress as soon as possible. In addition, in accordance with Rule 31 paragraph 8.2, as revised, of its Rules of Procedure, GRECO asked the Head of the Latvian delegation to submit, by 31 March 2017, a report on the action taken to implement the pending recommendations.
4. In the [Second Interim Compliance Report](#), adopted by GRECO at its 76<sup>th</sup> Plenary Meeting (23 June 2017) and made public on 1 August 2017, it was concluded that Latvia had made some progress with six out of 14 recommendations implemented satisfactorily, three partly implemented and five not implemented. GRECO therefore concluded that the level of compliance with the recommendations was no longer "globally unsatisfactory". Application of Rule 32 was discontinued and Latvia was requested to submit additional information regarding the implementation of the outstanding recommendations. This report was received on 16 November 2018 and served as a basis for this Second Compliance Report.
5. This [Second Compliance Report](#) evaluates the progress made in implementing the pending recommendations since the last Interim Report (recommendations ii, iii, v, vii, x, xi, xiii and xiv) and provides an overall appraisal of the level of compliance of Latvia with these recommendations.
6. GRECO selected the Netherlands (in respect of members of parliament) and Estonia (in respect of judicial institutions) to appoint rapporteurs for the compliance procedure. The Rapporteurs appointed were Marja VAN DER WERF, on behalf of the Netherlands, and Mari-Liis SÖÖT, on behalf of Estonia. They were assisted by GRECO's Secretariat in drawing up the Report.

## **II. ANALYSIS**

### *Corruption prevention in respect of members of Parliament*

#### **Recommendation ii.**

7. *GRECO recommended the introduction of rules on how Members of Parliament engage with lobbyists and other third parties who seek to influence the legislative process.*
8. GRECO recalls that this recommendation was not implemented in the Second Interim Compliance Report. Discussions and draft legislative proposals were underway, but, more than four years after the Evaluation Report, they had not yielded any tangible result.
9. The Latvian authorities report on some progress in the transparency of parliamentary work. The President of the Republic of Latvia initiated, on 18 August 2017, a legislative proposal to improve transparency of the legislative procedure, including by disclosing details on the consultations held during the preparation of draft legislation. This proposal, together with another one of the Corruption Prevention and Combatting Bureau (KNAB) - which was prepared in 2016 and encompasses detailed rules on public disclosure of consultations held with third parties in the different stages of law making (including in relation to committee work) - were considered by the Judicial Commission of Parliament (*Saeima*). The latter decided, on 17 December 2017, to accept them and thereby commence work on amendments to the Rules of Procedure of the *Saeima*. Such draft amendments, which were prepared by the former legislature, have been taken over by the newly elected *Saeima*; they have passed their first reading and are currently subject to parliamentary consultation. Further, rules on lobbying were prepared by the Bureau of the KNAB under the former legislature and await their re-examination by the new legislature.
10. GRECO takes note of the update submitted. It would appear that some progress has been made to enable greater transparency of legislative work: draft amendments to the Rules of Procedure of the *Saeima* have now passed their first reading and are expected to be adopted in the first half of 2019. This move is certainly a welcome development, but recommendation ii calls for additional action, notably, by introducing targeted lobbying regulation. While it would appear that rules on lobbying were prepared by the Corruption Prevention and Combating Bureau under the former legislature, it remains to be seen how, or whether, the newly elected legislature will resume work in this regard. The *Saeima* has repeatedly assured that draft legislation concerning lobbying was underway since 2012 and the fact remains that no tangible outcome has been achieved. GRECO strongly regrets the lack of a more resolute action and meaningful developments.
11. GRECO concludes that recommendation ii remains not implemented.

#### **Recommendation iii.**

12. *GRECO recommended that the Code of Ethics be (i) revised and updated and (ii) complemented with practical measures in order to provide adequate guidance and counselling to members of the Saeima regarding ethical and corruption-prevention related provisions (recommendation iii).*
13. GRECO recalls that this recommendation was not implemented in the Second Interim Compliance Report. While GRECO took note of internal discussions and initiatives to step up integrity mechanisms in the *Saeima*, all of those needed to materialise in practice.

14. The Latvian authorities indicate that they anticipate changes in the Code of Ethics following the adoption of amendments to the Rules of Procedure of the *Saeima* (see also recommendations ii and v for details on foreseen changes regarding transparency of law making and enforcement of ethical provisions, respectively). No information has been provided as to the available guidance and counselling mechanisms (and their effective implementation) for members of the *Saeima* regarding ethical and corruption prevention related matters.
15. GRECO notes the reported intention to update the Code of Ethics of the *Saeima*. These are, however, plans that yet need to effectively materialise in practice. GRECO regrets the absence of any concrete new development regarding guidance and counselling on ethical matters for parliamentarians.
16. GRECO concludes that recommendation iii remains not implemented.

**Recommendation v.**

17. *GRECO recommends that the mechanisms internal to the Saeima for assuring application of the Code of Ethics, as well as for preventing conflicts of interest, be further developed and articulated with a view to ensuring their proactivity and effectiveness (recommendation v).*
18. GRECO recalls that this recommendation was not implemented in the Second Interim Compliance Report. GRECO took note of the draft amendments in the pipeline to strengthen the rules on the prevention of corruption and conflicts of interest in the *Saeima*, and more generally, to strengthen its integrity framework. Again, these were all plans that had to effectively materialise in practice.
19. The Latvian authorities report on draft amendments to the Rules of Procedure of the *Saeima*, which would allow its Mandate, Ethics and Submissions Committee to act *ex officio* for assuring application of the Code of Ethics. Such draft amendments, which were prepared by the former legislature, have been taken over by the newly elected *Saeima*; they have passed their first reading and are currently subject to parliamentary consultation.
20. Likewise, the KNAB prepared draft amendments to the Law on Prevention of Conflicts of Interest in Activities of Public Officials (hereinafter Law on the Prevention of Conflicts of Interest), which provide, *inter alia*, for a requirement of *ad hoc* disclosure when a conflict emerges between the private interests of individual members of parliament and a matter under consideration in parliamentary proceedings. The aforementioned amendments were adopted by the *Saeima* in first reading and are currently subject to parliamentary consultation prior to their second reading and formal adoption, which is expected to take place in the first half of 2019.
21. GRECO notes the steps reported to enhance prevention and proactivity regarding integrity related matters in the *Saeima* (instead of reacting when malpractice has already occurred). GRECO, however, highlights that the reported legislative drafts still need to be adopted, and more importantly, effectively implemented in practice. While GRECO generally gives credit to the drafting of legislation, it has also consistently underscored that for draft laws/rules to have sufficient credibility, they need to be supported by genuine political endorsement. Seven years have elapsed since the adoption of the Fourth Round Evaluation Report on Latvia and the efforts reported by the authorities to draft legislation as a way to fulfil recommendation v have not crystallised. Moreover, the core goal of this recommendation is, not only or exclusively, to lay out rules (it being understood that the establishment of rules/legislation may be a prerequisite for subsequent action), but rather to articulate

effective and proactive internal mechanisms to enhance the parliamentary ethos. GRECO again urges the authorities to take more determined action in this domain.

22. GRECO concludes that recommendation v remains not implemented.

*Corruption prevention in respect of judges and prosecutors*

**Recommendation vii.**

23. *GRECO recommended (i) strengthening the decisive influence of the relevant self-governing judicial bodies (e.g. the Judicial Council and Judicial Qualification Board) in the appointment, reappointment and career progression of the judiciary; and (ii) reconsidering the scope of powers held by the Saeima in this area, notably, by restricting it to the confirmation of judicial appointments as recommended by the relevant judicial bodies, with a view to better dispelling the risks of political influence.*
24. GRECO recalls that, in the Second Interim Compliance Report, it considered this recommendation as partly implemented. GRECO gave credit to a number of measures underway, including draft legislation, to broaden the powers of the Judicial Council. GRECO however stressed that the issue of the decisive influence of the Council in respect of the appointment, re-appointment and dismissal of all categories of judges still remained to be addressed. GRECO also reiterated its misgivings about risks of political interference in these key moments of an individual's judicial career.
25. The Latvian authorities state that the amendments to the Law on Judicial Power entered into force on 12 February 2018. They significantly curtail the powers of the executive and the legislative in the judiciary since it is now the Judicial Council which decides in the following areas: appointing and dismissing the chief judge of a district court; nominating candidates for the position of judge of a district or a regional court (based on the considerations of the Judicial Qualification Board); deciding on transfers; determining the procedure for selection, traineeship and qualification exams; approving the content of training programmes; confirming divisions of regional courts; taking decisions on the re-organisation plans of courts; preparing and submitting budget requests regarding its functioning to the Ministry of Finance.
26. With particular reference to the second component of recommendation vii, it was decided that the *Saeima* continues to be responsible for the formal appointment of judges sitting at district and regional courts, on the basis of the proposals made by the Judicial Council. The authorities submit information on the relevant appointment processes since the adoption of the Fourth Round Evaluation Report on Latvia: all the proposals made by the Judicial Council were followed by the *Saeima*, with one single exception where the candidate was not retained. This was not a politically inspired decision, but rather reflected on the unsuitability of the candidate (inappropriate personal qualities of the candidate, attitude towards work and relationship with colleagues, unfavourable reference of chief judge where apprenticeship was conducted).
27. GRECO welcomes the developments reported to enlarge and strengthen the responsibilities of the Judicial Council, as already anticipated by the authorities in previous compliance reports, but now effective following the adoption of amendments to the Law on Judicial Power. This move meets the first part of recommendation vii.
28. With respect to the second component of recommendation vii, GRECO notes that, in relation to the aforementioned legislative reform context, the authorities decided to retain the role of the *Saeima* to formal appointment of judicial office, on the basis of the non-binding opinion of the Judicial Council. Since the adoption of the Fourth

Round Evaluation Report on Latvia, in 2012, the *Saeima* has invariably followed the proposal of the Judicial Council, the only exception being in one case where the candidate did not meet the required qualification. This part of recommendation vii is also to be regarded as complied with.

29. Against this background, GRECO concludes that recommendation vii has been dealt with in a satisfactory manner.
30. Having said that, GRECO has repeatedly underscored the importance of minimising the role of both the executive and the legislative in the appointment of judges. Recommendation CM/Rec(2010)12 of the Committee of Ministers to member states on judges: independence, efficiency and responsibilities, gives preference to an independent and professional body to make decisions on the appointment of judges of ordinary (non-constitutional) courts, whose recommendations other powers should follow. The Magna Carta of Judges adds that decisions on selection, nomination and career shall be taken by the body in charge of guaranteeing independence. The pronouncements of the Consultative Council of European Judges and the Venice Commission are also unequivocal in this respect. GRECO can, therefore, only encourage the authorities to keep this matter under review, and to reconsider their position when developing or further refining legislation/rules in this domain, in order to better prevent any risk of improper political influence in judicial appointments.

#### **Recommendations x and xiii.**

31. *GRECO recommended that:*
- *the system of administrative immunities for judges is abolished. (recommendation x)*
  - *the system of administrative immunities for prosecutors is abolished. (recommendation xiii)*
32. GRECO recalls that these recommendations were considered as not implemented in the Second Interim Compliance Report. GRECO specifically noted with concern the absence of any tangible result in this domain and signalled that administrative immunity is a remnant of the past, which ought to be abolished. It further called for urgent measures to deal with these matters.
33. The Latvian authorities now report that the main obstacle hindering implementation of this recommendation, i.e. exclusion of administrative arrest from the list of administrative sanctions, as per the new 2018 Law on Administrative Responsibility (which will enter into force on 1 January 2020), has now been removed. Hence, further progress is expected in the near future. In this regard, the Ministry of Justice has drafted amendments to the Law on Judicial Power providing for the abolishment of administrative immunity; they are currently undergoing committee discussion in the *Saeima*. The authorities reiterate that, in any event, the system of administrative immunities does not equate to impunity of judges or prosecutors for administrative offences since those are dealt with in the disciplinary regime.
34. GRECO notes that the legislative proposal abolishing administrative immunity of judges and prosecutors is still at very early stages of preparation and therefore concludes that recommendations x and xiii have not been implemented.

#### **Recommendation xi.**

35. *GRECO recommended that measures be taken to ensure that disciplinary cases concerning improper conduct by judges are decided before the expiry of the statute*

*of limitations, such as extending the time period for imposing sanctions from the date of detection, reassessing the adequacy of the limitation period as a whole, and providing for the interruption or suspension of the period of limitation under specified circumstances.*

36. GRECO recalls that this recommendation was deemed as partly implemented in the Second Interim Compliance Report: draft amendments were underway and had passed their first reading in the *Saeima*; however, they fell short of the requirements of recommendation xi. In particular, GRECO reiterated that the three-month time limit for imposing a sanction from the date of detection of a disciplinary offence was short and, consequently, it called on the Latvian authorities to complete the reform by addressing this outstanding concern.
37. The Latvian authorities indicate that amendments to the Judicial Disciplinary Liability Law entered into force on 19 July 2017. This changes the way in which the special limitation term is calculated, i.e. three months from the date on which the disciplinary matter is initiated (as opposed to the previous situation in which these three months were counted from the detection of the violation). Moreover, the amendments introduce additional grounds for the interruption or suspension of the statute of limitation. In particular, they provide that the temporary absence of the judge (holidays, temporary work, disability or any other ground) is not counted in the three-month period.
38. The authorities further state that, from January 2012 to February 2019, the Judicial Disciplinary Board has reviewed 91 disciplinary cases. Only in four cases the Judicial Disciplinary Board and in one case the Disciplinary Court have dismissed the case due to the expiry of the statute of limitation. None of those dismissals took place following the entry into force of the new Judicial Disciplinary Liability Law. Even so, a draft amendment of aforementioned Law is under preparation to extend the current absolute limitation term from two to four years from the day the violation was committed. The aforementioned amendments are currently undergoing committee discussion in the *Saeima*.
39. GRECO welcomes the adopted amendments and is hopeful that they will further contribute to preventing disciplinary action from being time-barred. Time and experience will prove whether that is the case or additional measures are still required. In this connection, GRECO takes note of the additional plans of the authorities to extend the absolute term of limitation from two to four years. The authorities of Latvia may wish to keep GRECO informed of the outcome of the legislative proposals under discussion in this area.
40. GRECO concludes that recommendation xi has been dealt with in a satisfactory manner.

#### **Recommendation xiv.**

41. *GRECO recommended that training on corruption prevention (including issues of confidentiality and reporting concerns about wrongdoing), ethics and integrity, tailored to prosecutors is given a greater priority and resources such that it forms part of a regular rolling programme.*
42. GRECO recalls that, in the Second Interim Compliance Report, it assessed this recommendation as partly implemented. GRECO acknowledged the efforts taken by the authorities to develop some training, but requested a supplementary update on an EU project which was supposed to further advance the implementation of this particular recommendation. GRECO further emphasised the need to ensure that

training activities were not solely linked to ad-hoc or project based activities, but formed part of a regular rolling programme for all prosecutors.

43. The Latvian authorities have persevered in their action to encourage prosecutors to enrol in training on corruption prevention, ethics and integrity, thereby giving it greater priority. Firstly, there is an obligation for new prosecutors to follow training on deontology at the start of their professional path. Then, the knowledge of prosecutors on the aforementioned topics, throughout their career, is assessed in the framework of the regular assessment exercise. Thirdly, sustained efforts are made to secure appropriate funding for ethics and integrity related courses in prosecutors' curricula. These efforts are made not only in the framework of technical assistance projects (the EU project, *Justice for Growth*, is running until 2022), but also via the annual State budget.
44. In order to substantiate the aforementioned action, the authorities further submit a list of training events on corruption prevention and prosecution, ethics and integrity of new recruits, as well as more senior colleagues (e.g. courses on standards of ethics of professions belonging to the judicial system, on legal ethics and interdisciplinary ethical training, etc.) The contract in vigour between the Court Administration and the Latvian Judicial Training (which runs until 2024) makes it mandatory to include, on an annual basis, training on issues of corruption prevention, ethics and integrity in the judicial system. In the future, after the end of this contract, when procurement for training organisation services is announced, a regular provision of this type of training will be included as an indispensable component in the technical specification.
45. GRECO acknowledges the new efforts made by the prosecution service to raise awareness of its files on integrity matters. GRECO is of the view that these efforts need to be further sustained with a view to ensuring that training on integrity matters forms part of a regular rolling programme now and in the future; this is understandably an on-going process.
46. GRECO concludes that recommendation xiv has been dealt with in a satisfactory manner.

### **III. CONCLUSIONS**

47. **In view of the conclusions contained in the previous Fourth Round Compliance Reports on Latvia and in view of the above, GRECO concludes that Latvia has implemented satisfactorily or dealt with in a satisfactory manner in total nine of the fourteen recommendations contained in the Fourth Round Evaluation Report.** The five outstanding recommendations remain not implemented.
48. More specifically, recommendations i, iv, vi, vii, viii, ix, xi, xii and xiv have been implemented satisfactorily or dealt with in a satisfactory manner. Recommendations ii, iii, v, x and xiii remain not implemented.
49. GRECO notes that the implementation records of the *Saeima* are quite disappointing as no tangible results have occurred, since the adoption of the Second Interim Report in 2017, in relation to some key recommendations, i.e. regulation on lobbying, establishment of counselling services on ethical matters in the House, and more generally, the development of more targeted measures to prevent conflicts of interest. There appear to be some draft amendments underway which are reportedly geared towards enhancing transparency of law making, as well as increasing accountability of parliamentarians for ethical misconduct, but these do effectively need to materialise in practice. GRECO again urges the authorities to take more determined action in this domain.



50. Progress is recorded regarding implementation of the recommendations made to the judiciary. Several legislative amendments have been passed to enlarge and strengthen the responsibilities of the Judicial Council in the appointment, reappointment and career progression of judges, thereby limiting the role of the executive and the legislative powers in such processes. Amendments have also been introduced (and additional changes are underway) to review the statute of limitations for disciplinary offences concerning improper conduct of judges. Concrete steps have been taken to provide for training on ethics and integrity matters for prosecutors. There remains one outstanding matter awaiting effective implementation in the judiciary: the abolishment of administrative immunity for judges and prosecutors. While the Constitution was amended in 2016 to abolish administrative immunities for parliamentarians, this sort of immunity - a remnant of the past, which goes beyond functional immunity - is still possible for judges and prosecutors. Some promising developments have been anticipated here, but they need to crystallise in law.
51. In view of the fact that five (out of fourteen) recommendations are yet to be implemented, GRECO in accordance with Rule 31 revised, paragraph 9 of its Rules of Procedure asks the Head of the delegation of Latvia to submit additional information, namely regarding the implementation of recommendations ii, iii, v, x and xiii by 31 December 2019.
52. Finally, GRECO invites the authorities of Latvia to translate the report into the national language and to make this translation public.