

CIVIL SERVICES AND STATE ADMINISTRATIONS (CSSA)

COUNTRY REPORT: LATVIA

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Ms Mara SIMANIS

Consultant

Jurmala

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LATVIA

A. PUBLIC SERVICE CHARACTERISTICS

1. LEGAL STATUS OF PUBLIC SERVANTS

◆ Legal provisions defining the status of public servants

1.1

Provisions in the Constitution

Chapter 4 (The Cabinet) of the Constitution,

- Article 57. “The number of ministries and the scope of their responsibilities, as well as the relations between State institutions, shall be as provided for by law.”
- Article 58. “The administrative institutions of the State shall be under the authority of the Cabinet.”

See Annex 1.1.1 -- The Constitution

Laws providing the legal basis and status of public servants

Law on the Structure of the Cabinet – Chapter IV describes the State Chancellery and specifies:

Article 32. A Director shall manage the work of the State Chancellery. The Director and other civil servants of the State Chancellery shall be appointed in accordance with the Law on the State Civil Service.

See Annex 1.1.2 -- Law on the Structure of the Cabinet

Law on the Structure of Ministries describes ministries’ structure and specifies in Article 12. The employees of a ministry shall be appointed to and removed from office on the basis of the Law on the Civil Service and other laws; their duties and intra-service relations shall be defined in the applicable statutes, instructions and descriptions of specific duties of civil service employees.

See Annex 1.1.3 -- Law on the Structure of Ministries

Law on the Civil Service describes the civil service.

See Annex 1.1.4.1 -- Law on the Civil Service

A new version of the law is being drafted for submission to the Cabinet in April 1999.

See Annex 1.1.4.2 -- Draft Law on the Civil Service

Law on Prevention of Corruption – describes and reduces conflict of interest situations for public officials (including elected officials).

See Annex 1.1.5 -- Law on Prevention of Corruption (last amended March 1999)

Law on Disciplinary Violations – describes what civil servants are not allowed to do and the procedures to be applied to the civil servants found at fault with the law. (not available in English)

Main regulations providing the legal status

Cabinet of Ministers Regulation 351 on the Wage System for Individual Employees of Institutions Financed by the Budget provides qualification categories and wage scales for each category, a list of specific positions and their relevant category, bonus percentages for work under special conditions, methodology for evaluating work and determining employees' qualifications. This applies to all employees under the Labour Code. (not available in English) See Table 9.5 for a list of positions.

Cabinet of Ministers Regulation 380 on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period describes positions and wages for civil service candidates and for those under the Labour Code in civil service candidate positions. (not available in English)

Other regulations governing procedures for recruitment, etc. will be provided later. For regulations governing procedures which civil servants must follow, see 2.1.

1.2

The Civil Service Law, as it was passed in 1994, envisaged a broad civil service with every public servant who was not a technical worker being considered as a civil servant. Civil servant status was to be tied to duties and obligations and was rewarded by security and adequate remuneration. As the government did not have the financial resources and the future civil servants did not have the knowledge or skills to immediately form a civil service, a transition period was introduced, in which the employees worked as Civil Service Candidates. Civil Service Candidates were to be eligible to take an examination after having served 3 to 5 years in a civil service candidate position. Following qualifying examinations, the civil service candidates were to receive civil service status and an increase in remuneration. A series of laws and regulations were passed that applied to the civil servant (candidate).

Heads of civil service institutions drew up lists of civil servant positions (see Table 9.5 for a breakdown of the positions). Included were civil servants from the ministries' central administration, the State Chancellery, institutions under subordination and supervision, the Foreign Ministry, State Audit Office and the Prosecutor's Office Administration.

A second round for introducing civil service status was to include the employees of the Ministry of the Interior, who are now under special status, and local government officials (not included presently).

The employees of the *Saeima* (parliament) and President's Office are not in the civil service, but are employed under the Labour Code.

To date, *civil service* status has not been instituted and institutions, for many reasons, have removed their employees from the civil servant system, only to re-employ them under the Labour Code. Most agencies under the Ministry of Transport and some under the Ministry of Welfare in 1996-1997 had the Cabinet approve new regulations releasing them from civil service institution status and giving the institutions the status of not-for-profit, limited liability companies, providing flexibility in utilising resources not available under the civil service system. *See Table 9.10, Institutions terminating Civil Service Institution Status.*

Others have recently changed their status in the laws governing the realm in which they operate. Thus, the State Social Insurance Agency defined the status of its public employees under the Labour Code in the Law on the State Social Insurance Agency. The Law on the State Revenue Service states: “The Law on Civil Service does not apply to the State Revenue Service, its officials and employees. The Labour Code, this law and normative acts regulate the employees legal relations.” (Article 19.1) “The Law on Prevention of Corruption governs restrictions on income and additional employment of the Revenue Service.”(Article 19.2)

In 1997 the Cabinet approved changes in Regulation 380 (listing civil servant positions) and included a list of civil servant positions that could be performed under the Labour Code. (*See Table 9.5, ** positions.*) This supplemented the original list (regulations of 1995) of employees working in a political capacity in the public service that could be considered as either under the Labour Code or as seconded Civil Service Candidates (see 1.3). Positions that can opt out of the civil service now include division heads, their deputies, desk officers, inspectors, etc.

These changes allow contracted employees to combine jobs, thus increasing income. Regulations on disciplinary violations do not apply. Supervisors have increased flexibility in firing, hiring and determining probationary periods.

Until 23 February 1999 remuneration was also less restricted than for civil servants. Changes made in Regulation 380 in February 1999 specify that any person under the Labour Code in a position listed as a possible civil service position must be paid a civil service candidate 's wage. He/she may receive additional remuneration up to 40% of the monthly salary for performing extra duties, and bonuses from the payroll fund of no more than 15% of the payroll funds and from resources saved in the payroll fund for good results. None of the other benefits accorded to civil servants apply.

The draft Law on the Civil Service (*Annex 1.1.4.2*) introduces uniformity in the criteria determining who will be a civil servant. It legitimizes a probationary period.

1.3

Cabinet of Ministers Regulation 380 on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period , Chapter IV. (not in English)

Article 12: If the tenure in office is at an end for the Prime Minister, the Deputy Prime Minister, or the relevant minister or state minister, then the civil servants (civil service candidate s) in the following positions are to be transferred to positions in the corresponding qualification category (in which the monthly salary corresponds to the wage scale of the

former position):

- 12.1 Director of the Prime Minister's Office
- 12.2 Advisor to the Prime Minister
- 12.3 Prime Minister's Assistant
- 12.4 Prime Minister's Press Secretary
- 12.5 Prime Minister's Press Secretary's Assistant
- 12.6 Prime Minister's Secretary
- 12.7 Deputy Prime Minister's Advisor
- 12.8 Deputy Prime Minister's Assistant
- 12.9 Deputy Prime Minister's Press Secretary
- 12.10 Advisor to the Minister
- 12.11 Minister's Assistant
- 12.12 State Minister's Assistant
- 12.13 Minister's Press Secretary

A person executing duties under the Labour Law shall have his/her contract terminated upon the change in political leadership.

1.4

All special laws have different legal regimes for recruitment dismissal, promotion, remuneration, and pensions. Ministry of Interior system workers also have special benefits - apartments, priority in installing telephones, free use of public transport while on duty, obligatory medical insurance.

Group of Public Servants	Special Laws	Note
Judges	Law on Judicial Power	
Constitutional Court Judges	Law on the Constitutional Court	
Prosecutors	Law on Prosecutor's Office	
State Revenue Service, including Customs Officials	Law on State Revenue Service	Labour Code and Law on Corruption Prevention
Diplomatic Corps	Law on the Diplomatic Corps	
Parliament employees	<i>Saeima</i> Rules of Order	
Ministry of the Interior System		
Police	Law on Police	
Firefighters and Rescue Squads	Law on Firefighting and Rescue Squads	can employ non-citizens
Border Guards	Law on Border Guards	
Prison Officials	Law on the Prison System	

◆ Current status of implementation

1.5

The Law on the State Civil Service has not been fully implemented.

Article 2, Paragraph 1, states: “A civil servant is a person who has passed the civil service qualification examination and has been appointed, for a definite or indefinite time period, to a civil service position listed in the state civil service position list.”

No State Civil Service Candidates have become civil servants.

The Cabinet passed a Regulation on Qualification Examinations for Civil Service Candidates on 9 March 1999.

Article 52 describes 12 civil service ranks and 15 seniority steps. Paragraph 4 states: “The definition of service ranks and the procedure for changing of service ranks, as well as the procedure for certification shall be determined by a State Civil Service Administration Instruction.” A draft instruction on civil service ranks to be applied under a new civil service law was prepared in March 1999.

Although the Law on the Civil Service states that open competitions are to be organised for civil servant positions of qualification categories 12 - 8, since qualification categories have not been developed, the decision to have an open or closed competition is left to the discretion of the head of the institution (Article 7). In practice, all vacancies are being filled either through open competition, allowing access to vacant positions from within and outside the civil service, or through promotion.

In the case of internal or open competition, vacancies for civil service positions are published in the newspaper *Latvijas Vēstnesis*, stating the required qualification category (the level of skills, competencies and responsibilities of the position), application term and place. The application term is not to be shorter than 20 days nor longer than 60 days after the day of announcing the competition (Article 8). Actually, job descriptions, not qualification categories, form the basis for an application.

To address these gaps in the system, the Cabinet Action Plan for the Implementation of the Government Declaration foresees:

Cabinet Regulation on the Civil Service Qualifying Examination, to be submitted to the Cabinet by the Latvian School of Public Administration Reform by 31 March 1999.

This regulation was approved by the Cabinet on 9 March 1999.

Draft instruction on Methodology for defining civil service qualification ranks, to be submitted to the Cabinet by the Civil Service Administration by 31 March 1999.

This instruction has been drafted.

Draft instruction on model job descriptions in civil service, to be submitted to the Cabinet by the Civil Service Administration by 31 March 1999. This instruction will be a part of the public sector pay system to be approved by the end of 1999.

A new version of the *Law on the Civil Service*, to be submitted to the Cabinet by the Bureau of Public Administration Reform by 1 April 1999.

Draft instruction on compensation for education of civil servants was drafted by the Civil Service Administration and passed by the Cabinet in February 1999.

The Draft Law on the Civil Service (Annex 1.1.4.2) in its transition requirements envisages that all Civil Service Candidates will receive civil servant status based on an evaluation of regular performance.

◆ **Arrangements where laws/regulations are not yet in operation**

1.6

Not relevant.

2. RECRUITMENT, SELECTION AND DEPLOYMENT

◆ Selection procedures for entry

2.1

Law on the Civil Service, Chapter 2 -- Appointment to a Civil Service Position describes mandatory requirements of applicants, merit based recruitment, procedure of application, verification of submitted documents, applicant testing and qualification examinations, appointment, preferences if applicants have equal qualifications, etc.

Cabinet of Ministers Regulation 102 on the Procedure for Registering and Attesting Applicants for Civil Service Candidates details the procedures involved once the applicant has been chosen.

Cabinet of Ministers Instruction No. 2 on How to Announce, Prepare for and Announce the Results of a Competition for a Civil Servant Vacancy

See Annex.1.1.4.2. -- Draft Civil Service Law, Chapter 3 -- Appointment to Post of a Civil Service Position

2.2

Persons applying for the positions of head and deputy head of a public institution submit their applications to the relevant ministry. Those applying for all other civil service positions submit their applications directly to the head of the respective public institution.

Although the Law on the Civil Service states that open competitions are to be organised for civil servant positions of qualification categories 12 – 8, since qualification categories have not been developed, the decision to have an open or closed competition is left to the discretion of the head of the institution (Article 7). In practice, however, most competitions are open.

In the case of internal or open competition, vacancies for civil service positions are published in the newspaper *Latvijas Vēstnesis*, stating the level of skills, competencies and responsibilities of the position, application term and place. The application term is not to be shorter than 20 days nor longer than 60 days after the day of announcing the competition (Article 8).

On completion of the competition, the civil service institution forwards the applicant's documents to the Civil Service Administration, which registers and verifies the documents submitted by applicants. If a person applies for the position of a civil servant for the first time, after testing and passing the qualification examination (in reality, the attestation examination) of a civil service candidate, the CSA issues to the applicant a service civil service candidate certificate, valid for six months, giving the right to apply for a vacant civil service position. Otherwise, applicants pass a civil service attestation examination, which may be written or oral.

The head of the civil service institution takes the decision on the suitability of applicants competing for a specific civil service position, unless provided differently by the law (Article 9).

The law states that after being accepted to a civil servant position with a civil service institution and having served for 3-5 years, Civil Service Candidates take qualification examinations at the Latvian School of Public Administration to obtain the desired civil servant qualification category (Article 10).

In practice, heads of institutions prefer to select candidates from internal competitions or by promotion. Sources suggest that it is easier to evaluate familiar people who have worked in the system and that the mechanisms for terminating employment with inappropriate employees are cumbersome. Often civil service candidates within an institution are more competitive compared with newcomers to the civil service because of their acquired skills and appropriate knowledge of civil service procedures. Open competitions are sometimes a formality because few job seekers read *Latvijas Vēstnesis*. Those heads of institutions truly interested in open competition to attract people with skills in the private sector publish competition information in the newspaper *Diena*.

See also Annex 1.1.4.2 -- Draft Civil Service Law, Article 5 -- Competition of Applicants and Article 6 -- Appointment to a Post

◆ **Qualifications**

2.3

Persons with experience gained outside the public service apply when job announcements are publicized. Candidates are selected for positions based on qualifications called for in the specific job descriptions in compliance with merit-based recruitment.

No formal credit is given for service elsewhere. The head of the institution may use management contracts to increase the remuneration for persons with special skills in order that the salary is competitive with the private sector.

See Tables 9.8.1 and 9.8.2 for numbers and percentages of persons from the public sector entering the civil service, 01.01.96. to 30.09.96.

2.4

Qualifications for a Position

At present, qualifications are prescribed only in job descriptions. The content of the job description is formulated in accordance with the Civil Service Administration Instruction on Sample Job Descriptions.

According to the Deputy Head of the Civil Service Administration, Maris Knoks, before a vacancy is announced the head of the institution should develop a table of ratings for competencies required. This comparative rating system should be used for all applicants. In reality, however, this is rarely done. Applicants have the right to appeal to the State Civil Service Administration to challenge the results of the screenings, but no candidate has ever

appealed.

Qualifications for Civil Service

The Civil Service Administration (CSA) verifies documents submitted by applicants (CV, information on previous employment, educational certificates, written certification that restrictions do not apply, Latvian language test) as well as the fact that the applicant has not been convicted for intentional crimes or dismissed from a position by a court judgement in a criminal case, and that he/she is not incapacitated in accordance with the procedure provided by law. (Law on the Civil Service, Chapter 2, Article 9).

The CSA must also verify all the information submitted by those applying for positions as heads and deputy heads of state civil institutions as to whether the candidates are not and have not been participants of organisations banned by the laws of the Republic of Latvia, a decision of the Supreme Council or a court decision after outlawing the said organisations. The procedure for this verification is set by the Law on Maintenance and Use of Documents of the Former State Security Committee and on Statement of Facts about Persons' collaboration with the State Security Committee.

Screening procedures on the part of the CSA are detailed in the Instructions on the Procedures for Verifying Information Submitted by Civil Servants (Civil Service Candidates).

See also Annex 1.1.4.2 -- Draft Law on the Civil Service, Article 8, for screening procedures.

◆ Probation

2.5

Presently no official provisions have been made for probationary periods. The civil service law guarantees to civil service candidates the right to "a permanent state civil service". This has been interpreted as a guarantee of security without a probationary period.

In practice, however, officials often sign a three-month contract with potential employees. This is not renewed if the superior considers the applicant's work to be unsatisfactory. The superior carries out the assessment, but the procedures are not uniform throughout the public administration.

Officials often choose to hire public servants under the Labour Code in order to officially set termination dates and probationary periods.

The draft Law on the Civil Service envisages a probationary period of six months (Article 6).

◆ Transitional arrangements

2.6

Transitional provisions of the Law on the Civil Service that came into effect on 21 April 1994 stipulated that the Cabinet approve a list of civil servant positions. The head of the civil service institution, in accordance with the Latvian Labour Code, had to inform employees, in exchange for a signature, of essential changes in employment contract regulations and the upcoming test for certification. Those willing to continue submitted written consent to the employer along with a certification in which they attested to their ability to meet requirements of Article 6 of the Law. Others were dismissed from their positions in accordance with Paragraph 6, Article 30, of the Latvian Labour Code. Employees having three years left until their retirement could terminate their present employment relations.

Foreign citizens and stateless persons in civil servant positions on the day that the law came into effect could, after certification, receive permission, in accordance with procedures set by the Cabinet, to perform state civil service in the capacity of civil service candidates for a time not exceeding two years. After that, continuing to work is a violation of the Law on Disciplinary Violations.

In the case of equal certification results, preference for posts was given to applicants who had not been hired (except technical personnel) as employees or members of the Central Committee of the Communist Party of the Soviet Union and of Soviet Latvia and employees of municipal, district, municipal district and other party committees, and secretaries of the Soviet Union and Soviet Latvia Young Communist League's Central Committee (Article 13, Law on the Civil Service).

All qualified employees had the option to participate in preparatory courses and in-service training organised by the Latvian School of Public Administration.

The first round of transition was implemented in the ministries by 31 December 1994. Since the civil service was interpreted broadly in the transitional phase, all non-technical personnel underwent these procedures. The second round, which was to include uniformed personnel in the Ministry of Interior system (presently under special laws) and local government officials, never took place.

The transition from civil service candidate to civil servant status is, according to transition arrangements described in the draft law, to take place automatically (Annex 1.1.4.2 -- Transition Period).

2.7

Pre-transition public servants were ineligible when they did not fulfill the mandatory requirements described in Article 6 of the Law on Civil Service:

- citizen of the Republic of Latvia;
- speaking Latvian and at least one foreign language;
- over 18 and under the legal retirement age;
- not convicted for intentional crimes;
- not dismissed by a court judgement in a criminal case;
- whose capacity to act is not restricted in accordance with the procedures provided by the

law;

- who had not been staff employees of the State Security Committee of the former USSR or Latvian SSR, the Ministry of Defense of the former USSR, Russian and other foreign security service, military intelligence or counter-intelligence service, or agents residing in or holding a secret apartment of the above institutions;
- persons who were not or had not been participants of organisations banned by the Republic of Latvia, by decisions of the Supreme Council or by court decisions after the said organisation was outlawed;
- persons not otherwise restricted by law from holding a position.

The draft Law on the Civil Service envisages the same requirements (Article 6).

◆ **Mobility**

2.8

Law on the Civil Service, Article 54 -- Transfers (horizontal mobility)

If necessary, for the interests of the civil service, a civil servant (civil service candidate) can be transferred to another position of the respective qualification category within the same public institution or to another public institution in the same locality.

A civil servant (civil service candidate) can refuse a transfer to another public institution or locality provided he/she has valid reasons, said reasons to be examined each time and a conclusion made by the Civil Service Administration. If the civil servant is not satisfied with the conclusion, the dispute shall be settled in court.

Civil servants (civil service candidates) having children under the age of three and pregnant women shall not be transferred to another locality without their consent.

Cabinet of Ministers Regulation 380 on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period, Chapter 4, Article 12, describes the civil servant (candidate) positions to be transferred to a position in the corresponding qualification category if the tenure is up for a political position (ministers and prime minister).

Since no other mechanisms have been put into place to facilitate mobility, transfers take place voluntarily and on mutual agreement between the two institutions and the public servant. The Ministry of Foreign Affairs, for instance, in accordance with the terms of mutual agreement, has received persons to work in European Affairs and International Trade issues. Transfers are not considered uncommon; however, no statistics are available on the number of transfers.

2.9

The Civil Service Law states that civil service candidates (civil servants) “shall execute state civil service obligations” (Article 17, Paragraph 2) and, although the spirit of a non-specialised civil service was envisaged by the original Public Administration Reform Policy, no mechanisms have been put into place to institutionalise secondment or the principle of rotation.

According to Maris Sprindzuks, Head of the Prime Minister’s Office and former Deputy

Director of the European Integration Bureau in Latvia, improvement of the institutional capacity to deal with EU accession is being promoted not through temporary secondment but through training of civil servants in all institutions, thus increasing the capacity to deal with EU accession throughout the system. Senior civil servants in the Ministries of Economics, Agriculture, and Welfare and in other branches reiterate that they assign duties to line public servants.

Secondment is not an official instrument to improve institutional capacity, but some institutions have engaged public servants from other institutions and branches through transfer. Some employees of the European Integration Bureau have come from ministries. Management contracts that provide remuneration for duties defined in the contracts are, in practice, a mechanism that stimulates transfers. *See Annex 2.9 -- Regulations on Management Contracts.* Since Ministries are being structurally enhanced to deal with European affairs, promotions within ministries, along with training for institutional development, improves institutions' capacity to deal with EU accession.

See Annex 1.1.4.2 -- Draft Law on the Civil Service, Article 37 -- Transfer Arrangements

◆ **Appeal**

2.10

If the head of the institution announcing the vacancy makes the decision, the unsuccessful candidates can appeal to the Civil Service Administration because the CSA is responsible for all issues concerning the civil service. *See Annex 2.1 -- Statutes of Civil Service Administration.*

If the candidate does not pass the civil service attestation examination, the Cabinet of Ministers has issued Instruction No. 12 on the Procedure for Reviewing Complaints against the Work of the Attestation Committees, which defines the CSA role in reviewing appeals. If the candidate does not pass the oral examination, the Director of the CSA makes a decision. If the candidate fails the written examination, the CSA call an appeals commission. Any individual may appeal a Civil Service Administration decision not to select him/her in a court, but there have been no such cases.

3. CONDITIONS OF SERVICE, PAY AND CAREERS

◆ Employment system

3.1

Most of the administration has elements of both career-based and post-based systems.

Career-based elements:

- The basic right of the civil service candidate to apply for civil service positions
- The right to be offered other positions upon termination of secondment
- The right of the head of an institution to fill vacancies at his/her discretion through internal competition
- Category system with qualification examinations (not implemented)

Post-based elements:

- Vacancies to be publicly announced in certain cases
- Actual high number of entries from outside the civil service; use of job descriptions as main employment criteria
- No career planning schemes
- No requirement of civil service candidate status when applying for a position

The Ministry of Defense, the Foreign Ministry and Diplomatic Corps, the Ministry of the Interior system and the justice system, all under special laws, are highly career-oriented.

3.2

Regulation 185 on the Basic Methodology on Evaluation of Intellectual Work is mandatory for all institutions financed from the budget. Article 2 states that if, for reasons due to the specifics of the job, the methodology cannot be used in its entirety, ministries are to develop branch or civil servant methodology for approval by the Cabinet.

Personnel departments are required to issue a grade level to all employees of institutions financed by the budget in accordance with Regulation 351 on the Wage System for Individuals Employed by Institutions Financed by the Budget.

The justice system, the Ministry of the Interior system and the diplomatic corps have their own grading systems, and the civil service is also working on developing a grading system.

Regulations on the Remuneration of Civil Servants and Civil Service Candidates during the Transition Period include a list of civil servant positions. They are comparable across the branches in central and regional levels as well as in subordinated and supervised institutions of the ministries. For the State Chancellery, Foreign Ministry, State Audit and Prosecutor's Office, the lists of positions differ from the others.

The Law on the Civil Service envisages a specific grading system for civil servants, but this has not yet been developed. The Action Plan for the Government Declaration stipulates that

the State Civil Service Administration is to submit to the Cabinet of Ministers a draft of the Regulations on Civil Service Qualification Categories (grades) by 31 March 1999. The Draft Law on the Civil Service (Article 34) foresees six grade levels for the civil service.

The Department of Labour in the Ministry of Welfare and an interministerial working group are developing a grade-based, unified wage system for all institutions financed by the budget in accordance with the Wage Policy approved by the government in June 1998.
See Annex 3.2.1 -- Wage Policy

A project is under way for the PHARE Public Administration Reform Programme to support both the Interministerial Working Group on Wage Policy and the Civil Service Administration grading system.

◆ **Rights and duties of public servants**

3.3

Chapter 3 of the Law on the Civil Service defines general Obligations and Restrictions of Civil Servants (civil service candidates). These include: 1) fundamental obligations 2) responsibility for the legality of their actions 3) working hours 4) confidentiality of work-related information 5) duty to undertake in-service training.

For details, see Annex 1.1.4.1, Chapter 3

Obligations

The Law on Prevention of Corruption defines restrictions on decision-making, supervision, control, investigation and punitive functions, restrictions to act in the capacity of representative, prohibition to use office information, restrictions on entering agreements, on transitions with state and municipal assets and finance, and on acceptance of gifts, prohibitions on additional remuneration and advertising restrictions. It describes procedures for compliance with these restrictions.

See Annex 1.1.5 -- Law on Prevention of Corruption

The Law On Disciplinary Penalties of Civil Servants defines disciplinary violations, disciplinary penalties and the procedures for their application.

The Draft Law on the Civil Service, Chapter 3 adds to the present requirements obligations to act in an apolitical and professional manner, to show initiative and to express an official opinion only when empowered to do so.

Rights

Chapter 4 of the Law on the Civil Service describes rights, compensation and social guarantees, including: 1) general rights 2) remuneration 3) residence benefit 4) vacation benefit 5) benefits in special cases (accidents, maternity leave, etc.) 6) benefits when transferred 7) family allowances 8) foreign language proficiency bonuses 9) allowances for service under extraordinary conditions 10) one-time yearly bonuses 11) compensation for education and the purchase of educational materials 12) bonuses and rewards 13) annual leave 14) study leave 15) unpaid leave 16) medical care and mandatory social insurance 17) pensions 18) right to apply for vacant civil servant positions 19) guarantees upon

termination of state civil service 20) guarantee upon taking an elected office 21) guarantees in case of injury or death 22) wearing of uniforms in certain cases.

Chapter 4 of the draft law foresees adding to the existing norms the right to carry out duties regardless of changes in government, salary based on qualification level and seniority rank, and guarantees in cases of untimely termination of service.

◆ Career development and promotion

3.4

No formalized “fast track” arrangements are in place, nor are they envisaged, since Latvia’s strategy for implementation of the *acquis communautaire* is to develop the capacity of the officials who work on these issues on a daily basis.

Recently many ministries have reorganized their structures and rewritten job descriptions to include European Integration affairs, thus opening up internal promotion opportunities. In the Ministries of Agriculture, Economics, and Environmental Protection and Regional Development, new divisions have been formed to deal with EU affairs. In practice, skilled and promising public servants progress in their careers. Those who are quickly promoted tend to be young and well-educated public servants with language skills and the willingness to learn.

In comparison to the private sector, the opportunity for climbing the career ladder seems to be relatively greater for those involved in EU affairs. This is partly because EU affairs is a rapidly growing field and partly due to the slowdown in the private sector resulting from the global and in particular Russian economic crises.

There are no plans to develop a “fast track” system in Latvia.

3.5

Promotions are awarded 1) if there are vacancies in higher positions or 2) if there is a need in the “interest of the state” to transfer a person to another position in another institution.

Article 57 of the Law on the Civil Service states that a civil servant (note: not a civil service candidate) may be promoted to a position requiring a higher qualification category only after passing a qualification examination and receiving a qualification category. However, although on paper, this promotion mechanism has not been implemented because Latvia is still in the transition phase in which there are only civil service candidates.

In practice, if there is a vacancy within an institution, and the head of that institution believes that a civil service candidate in a lower position is capable of filling the vacancy, the head of the institution does not have to hold a public competition, but may, for a specified period of time, have the lower-ranked civil service candidate fulfill the duties of the vacant position. If the superior sees that the person satisfies the requirements of the position, he may promote the civil service candidate. There are no uniform, formal criteria for awarding these promotions. Each ministry designs its own promotion criteria and system.

The Draft Civil Service Law, Article 38 -- Promotion of a Civil Servant states: "A civil servant may be promoted to a post of a higher qualification, provided that he/she corresponds to the job requirements and has the appropriate skills as specified in the job description."

3.6

Formal performance appraisals as a rule are not used as criteria for promotion in ministries. If used at all, appraisals are tied to bonuses.

In order to maintain the principle that civil service candidates are to be appraised, heads of institutions and superiors are encouraged, through their personnel managers, to develop their own performance appraisals. A working group of the Advisory Council of Human Resources Managers has collected information on performance appraisal systems in the branches of government and is discussing the issue of common acceptable standards. In practice, however, appraisals are rare. According to one personnel manager, this is in part due to cultural sensitivity to criticism and in part to a lack of criteria by which performance can be appraised.

Formal criteria for performance appraisals will evolve from the results of the PHARE Public Administration Reform Programme project on the Development of a Human Resources Management System.

See Annex 3.6 -- PHARE Public Administration Programme Project Overview

◆ Training

3.7

The Latvian School of Public Administration, founded in December 1993, develops state civil service training programmes, manages and co-ordinates the training process for state civil servants in training institutions and centres, and organises public seminars, lectures and seminars on issues concerning the public administration. (*Statutes of the Latvian School of Public Administration* – not available in English.)

The Latvian School of Public Administration has cooperated with 24 training centres, 14 in the capital city Riga and the rest in the regional centres.

Funding is centrally budgeted on a programme-by-programme basis. Once a programme is financed, the Latvian School of Public Administration provides a quota for participants from the ministries. Language training is budgeted a set amount, but is co-financed by the institutions sending the participants and is disbursed after successful training.

General Training Programmes

All civil service candidates are provided the opportunity of participating in basic training courses. The training is not obligatory, but any candidate passing the attestation examination to become a civil service candidate must understand a set of basic principles of public service included in the general training curriculum.

General training takes place in four blocks, each block lasting one week:

- Fundamentals of Management, Organising Work;
- Introduction to the Market Economy;
- Fundamentals of the Legal System and Public Administration, Latvia's History and Statehood;
- Communications: Social Psychology, Ethics, and Computers.

During the early transition period (1995-1997) to the civil service system, general training made up the bulk of the training programmes.

YEAR	Number of Participants in General Week-Long Training Courses
1994	382
1995	11826
1996	7439
1997	4055
1998 (1/2)	2961

The decline in the number of civil service candidates trained reflects the decrease in allocated state budget resources.

In addition, top-level managers received a specialised training programme in 1995-1996. This programme included Management of Change (175 participants) and Basics of Market Economy for Top-Level Management (195 participants). Specialised courses have taken place with the assistance of bilateral donors in personnel management, management audit, etc. The Latvian School also coordinates training and education for civil service candidates abroad.

In 1999, an estimated 20-25% of the training coordinated by the Latvian School of Public Administration will be in basic subjects.

The Action Plan to Implement *Strategy 2000* defines the School's future priorities: "To provide new courses to ensure that civil servants receive knowledge and skills needed to develop their public service careers (Strategic Planning, Organisational Development, Financial Management, Budget and Financial Policy, Methodology for Development of Legislation, Issues of European Integration, Programme Impact Assessments, Administrative Procedures, etc.)."

Annex 3.6.1 -- Strategy of Development of Latvian Public Administration until the Year 2000 (approved by Cabinet 21.12.97).

Annex 3.6.2 -- Action Plan to Implement the Strategy of Public Administration Reform (approved by Cabinet 10.03.98)

For European Integration Training, see 3.8.

Language Training

The Latvian School of Public Administration, in cooperation with the Ministry of Education and Science, Soros Foundation - Latvia, UNDP and the British Council, founded the Public Service Language Training Centre, which provides public servants with language assessments and centralised training courses.

Number of public servants completing studies in the following languages at the Public Service Language Training Centre:

Language	October 1994 - June 1995	August 1995 - December 1995	1996	1997
English	633	98	660	509
German	0	34	139	72
French	0	16	71	21
TOTAL	633	148	870	602

In addition to this centralised opportunity to study languages, some ministries, such as Defense, Agriculture and Foreign Affairs, as well as the European Integration Bureau, have provided in-house language training, sometimes within the framework of external assistance programmes. Ministry personnel departments indicate that branch public servants also study privately and through distance education programmes.

3.8

According to Solvita Harbacevica, Department Director of Law Approximation in the European Integration Bureau, European integration is approached in its totality in Latvia, not separating key areas of the *acquis communautaire*. For this reason, training plays a primary role in the accession process.

The III Latvian National Programme for Integration into the European Union approved by the Cabinet in 1998 authorises the Latvian School of Public Administration “to develop in the training process attitudes and skills necessary for supporting integration”.

Courses on European Affairs have included:

- European Affairs and Procedures (170 participants, 1996) with SGCI
- Free Flow of Goods (1996)
- Internship programmes in Germany and Belgium
- EU Affairs for top officials (25 participants, Danish School of Public Administration)
- Other programmes

By the end of 1998, the LSPA had trained and certified ten trainers of European Affairs with the assistance of Carl Duisberg Gesellschaft and the European Policy Institute in Bonn.

According to the School’s Public Servant Education Strategy (page 7), European Union Affairs will continue to be a top training priority in 1999. Together with PHARE and the European Integration Bureau, the School plans to develop courses on European Law and

The World Economy by June 1999.

The above is just a description of the activities of the Latvian School of Public Administration. Public servant training is such an integral component of PHARE and bilateral technical assistance projects for implementing the *acquis* that compiling a list of specific training is not within the scope of this paper.

3.9

The Law on the Civil Service guarantees the civil servant the right to 45 days of training every three years during working hours, compensation of tuition when studying in an educational establishment for knowledge necessary to perform duties, and leave time for examinations. The draft law retains these rights.

Some ministries have internal provisions linking training in specific areas to career advancement. For example, all Ministry of Foreign Affairs officials going to work abroad must participate in seminars organised by the ministry on working in embassies and consulates. The Ministry of Welfare, through a PHARE project on strengthening the capacity of the ministry, has given a number of training courses according to identified needs. Similar situations exist in other ministries as well.

◆ Right to join a union and to strike

3.10

Article 60 of the Law on the Civil Service lists articles of the Labour Code applicable to civil servants. These include Article 229, the right to unite in professional organisations, and Article 246, the right of a professional organisation to monitor working conditions. The Law on the Civil Service, Article 59 states: “The Civil Service Administration shall represent the interests of the state in negotiations with civil servants (civil service candidates) and their associations, including trade unions.”

The Law on Strikes forbids judges, prosecutors, police workers, firefighters, border guards, state security forces, prison guards and persons in the military service from striking (Article 16). Restrictions on the right to strike (Article 27) were struck from the 18.05.95 version of the Law on the Civil Service on 05.06.96. The draft law does not mention unions or civil servant associations.

3.11

Two trade unions have members in the public administration. According to Mr. Grandavs of the Union of Forestry Workers, approximately 3000, or 80% of workers in the State Forestry Service are members of the union.

According to data of the Trade Union for Workers in Latvia’s Public Institutions, Local Government, Business and Finance Institutions, the majority of trade union members comprise local government workers. Of the 6000 members, 1,125 work in the state administration, including: Customs – 230; Land Registration – 70; *Saiema* (parliament) – 120

Ministry of Interior (support personnel) – 270; State Employment Agency – 50; National Archives – 34; History Archives – 34; Tourism Board (Agency) – 25; Social Insurance

Agency – 292.

In May, the number of State Insurance Agency members will exceed 1000.

See *Annex 9.2.1* for the total number of employees in these institutions.

According to the Law on Trade Unions, a union can be registered if no fewer than 50 members or no less than $\frac{1}{4}$ of the members working in an enterprise, institution, organisation or branch participate (Article 3).

In practice, the trade unions negotiate agreements. In one case, the Ministry of Finance illegally terminated the employment of a union member, and the union brought the case to court. The deputy director of the union explained that the union asks permission of the relevant minister to approach an institution. If granted, it sends out questionnaires and then replies to those wishing to participate in the trade union. If a certain number reply, the union suggests that groups form and formally apply to the union. A recent survey in the Justice system revealed interest in such participation on the part of employees of the Prosecutor's Office and the Supreme Court, according to the union official.

◆ Pay components

3.12

Basic pay is regulated by the Cabinet of Ministers Regulation on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period. It lists positions in all branches of government and basic pay scales for each position as well as the average monthly wage. This is the basic pay for civil service candidates. For fulfilling the duties of another civil service candidate outside working hours, the regulation provides for an allowance of up to 40% of the civil service candidate's salary.

Civil service candidates receive 80% of the monthly salary of the respective civil servant position and 40% of bonuses and benefits provided for civil servants (Article 31).

Bonuses and Allowances: See *Annex 1.1.4.1 -- Law on the Civil Service, Articles 32-45* for a complete list of bonuses and allowances.

Regulation 159 on Civil Servant (Candidate) Allowances, Bonuses and Compensation describes the procedures involved in receiving additional remuneration. Administration of the Regulation is monitored by the State Audit Office during planned audits.

Management Contracts:

Management contracts are two-way contractual obligations signed by an employee of a publicly-financed institution and the head of an institution providing remuneration for tasks specified in the contract. Since Regulation 43 on Management Contracts stipulates that the content is confidential unless both parties agree otherwise, there is a lack of transparency concerning conditions surrounding the 483 contracts and the level of remuneration (rumored to be in some cases up to 200% of the monthly salary). Ministries develop their own criteria for use of management contracts, often citing them as the only tool to retain qualified staff in view of the extremely competitive private sector.

See *Annex 3.12 - Regulation 46 on Management Contracts*

For Public Servants under Labour Code

The 23 February 1999 amendments to *Cabinet of Ministers Regulation 380 on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period*, Article 11, provide the same basic pay for public servants under the Labour Code in the positions presently listed as civil service candidate positions. They can receive an allowance of up to 40% for assuming additional duties as well as bonuses of up to 15% of the institution's payroll fund for exceptional results. In addition, public servants under the Labour Code are allowed to combine jobs, a significant "pay component".

3.13

Statistics have not been compiled to enable the determination of the proportion of basic pay represented by bonuses. Regulation 249 on a Uniform Collection of Statistics for State-Financed Institutions gave the Civil Service Administration the right to request information from July 1997 to April 1998, during which period information was collected once, in September 1997. The Finance Ministry Budget Department does not aggregate data collected either. Even if an estimation were made using available budget data, the picture would be inaccurate due to the lack of transparency with management contracts.

An Interministerial Working Group, headed by the Ministry of Welfare to implement the Policy on Wages approved by the Cabinet of Ministers on 30.06.98, has been entrusted with developing a unified salary system for the public sector. According to the policy document, 75% of take-home pay will be basic pay and 25% will consist of allowances and benefits. In order to implement the policy, a sound statistics collection system will have to be set in place. *See Annex 3.2.1 -- Wage Policy*

3.14

Fringe benefits are not specified for a particular group of public servants. *See Annex 1.1.4.1 --Law on the Civil Service, Articles 32-45*, for a list of benefits. Heads of institutions often have the use of cars and cellular telephones, although these are often shared with other employees. Every person is entitled to medical benefits through the state social insurance system.

If an institution does not have sufficient funds, it often does not cover any benefits accorded by law.

See 1.1.4.2 -- draft law, Articles 18-33, for a list of benefits.

3.15

The head of a state civil service institution may grant to civil servants (candidates) an allowance not exceeding 80% of their monthly salary to organise and prepare draft legislation and other normative acts in accordance with Latvian and EC law. The financing of this allowance must come from the payroll fund and may be granted for a period of up to six months. (Regulation 159 on Civil Servant (Candidate) Allowances, Bonuses and Compensation, Article 12). The Ministry of Finance has not allotted extra appropriations to the payroll funds expressly for this purpose, but some branches utilise this option.

Management contracts are used for persons dealing with priority areas. The EU is considered a priority area in the Ministry of Foreign Affairs, for example. Information is not available for all branches.

According to M. Knoks, Deputy Director of the Civil Service Administration, Article 37 of the Law on the Civil Service is not enforced. This article provides for an additional 10% added to the basic salary for every third or more language, provided that the language skills are attested to by the Civil Service Administration.

Special pay arrangements have been made in the Ministry of Agriculture and other ministries in order to retain experts on special sectoral issues. Fifteen working group junior experts are financed by a PHARE project that will end in the autumn. Formally outside the government, they participate in all EU accession processes in their sectors of the ministry and have a salary equal to that of a department director. According to Martins Roze, Department Director of Integration and Foreign Affairs at the Ministry of Agriculture, once the project is completed, provisions should be made to employ these experts within the framework of the state budget. In Mr. Roze's opinion, decisions on this issue should be made on a government-wide basis, since other key areas will be experiencing similar processes once other PHARE projects are completed.

◆ Termination of service

3.16

See Annex 1.1.4.1 -- Law on the Civil Service, Article 60, for grounds for termination of public service.

If termination is due to resignation, liquidation or reorganisation of an institution, or invalidity lasting more than four months, the civil service candidate retains the right to apply for a vacant civil service position corresponding to his/her civil service qualification category. He/she does not have to retake the civil servant qualification examination if the interruption in service does not exceed three years, but if the interruption continues for three to five years, he/she is obliged to retake this examination at the Latvian School of Public Administration (Law on the Civil Service, Article 48).

Institutions have changed laws, statutes and other regulations governing their activities in order to re-employ public servants under the Labour Code. Employees are "terminated" as civil servants, but remain public servants. Major institutions having taken this step include the Ministry of Finance, the Ministry of Welfare, Ministry of Transport and their subordinate and supervised institutions. These institutions have reduced the application of the civil service status, but not opted out altogether.

3.17

Terminated civil servants receive severance pay equal to one month's salary according to Article 35 of the Law on the Civil Service.

See Articles 48 and 50 of Annex 1.1.4.1 for more information on severance pay.

3.18

See paragraph 2 of 3.16 above.

In reality, most positions are filled through open competition or promotion. If, as a result of reorganisation, there are fewer staff positions in the civil service as a whole, there is little

chance that the principle of guarantees can be enforced.

See Table 9.8.1 for percentage coming from the public sector and percentage of transfers.

4. PERSONNEL MANAGEMENT STRUCTURES AND CONTROL OF STAFFING

◆ Coordination of personnel management

4.1

No minister at present has overall responsibility for matters related to the personnel management of public servants. The Civil Service Administration, which coordinates personnel policy, is subordinate to the Bureau of Public Administration Reform. The Prime Minister has taken a personal interest in public administration affairs. In March 1999 the Prime Minister organised a high-level meeting to discuss options on designating a minister or state minister to be responsible for public administration, including personnel issues, but at the time of writing this has not occurred.

4.2

Recruitment, selection, dismissal, remuneration, discipline, tracking and document flow are common across all branches for workers with civil service candidate status under the Law on the Civil Service.

Certain personnel issues are common to all public servants under the Labour Code, including record-keeping procedures through “workbooks” that track a person’s job history (Articles 40, 42), pay days (Article 101), vacation days and holidays (61, 65, 68), minimum wage (83), procedures for calculating work losses (130), certain rights of employees and employers (132, 134), rights of pregnant and breastfeeding women (173-177), procedures for reinstating a person in a job (219, 222), financial responsibility of officials for illegal transfer or firing (224), and others.

Certain personnel issues are not regulated at all, including performance appraisal, promotion standards, career planning, motivation and reward, and conflict negotiation.

4.3

The Bureau of Public Administration Reform is responsible for designing effective strategies for public administration reform, overseeing the functioning of the institutions of public administration and the implementation of government policy in the civil service, and drafting laws and other regulations to improve the system of public administration.

See Annex 4.3 -- Bureau of Public Administration Reform Statutes, Article 4.3

The Department of Labour of the Ministry of Welfare is responsible for developing an all-encompassing wage system for institutions receiving financing from the national budget.

See Annex 3.2.1, Wage Policy

The Budget Department of the Ministry of Finance is responsible under the Budget Law for evaluating the resources needed by institutions and approving allocations of human and financial resources to meet institutions’ needs. There is, however, no annual staffing plan to control the employment level in the civil service.

In response to the need for more thorough management of personnel issues, the Bureau of Public Administration Reform is coordinating a PHARE Public Administration Reform Programme in Latvia, which includes a sub-project on the Development of Human Resources Management in Public Services. The objective is to work with the Civil Service Administration, the Latvian School of Public Administration and the Ministry of Welfare to deliver a Human Resources Management Strategy by mid-1999, providing training and input into the development of the pay and grading scales. Through the IDF granted by the World Bank, the Bureau of Public Administration Reform provides assistance to the Ministry of Welfare in designing the pay system.

See Annex 3.6 -- PHARE Public Administration Programme Project Overview and the Inception Report TOR 4.3.1.

4.4.

The Civil Service Administration is responsible for creating databases on civil servants, developing suggestions on dispersion of civil servants, providing civil servants with information on available positions, tracking career histories of civil servants and coordinating state institutions' activities related to civil service issues. It also serves as a 2nd instance of appeal in cases of breach of the civil service law. (*Civil Service Administration Statutes* --not available in English.)

The Civil Service Administration is in the process of developing a unified database on state institutions, creating civil service ranks based on job responsibilities, training personnel managers to apply civil service ranks, participating in the Interministerial Working Group developing wage reform, introducing career management and career development practices as mandated by the Action Plan to implement the government-accepted *Strategy 2000* (items 4.1- 4.6).

At present the Civil Service Administration **Personnel Development Division** organises monthly meetings of the **Advisory Council of Human Resources Managers**, personnel managers from ministries and larger institutions, which address personnel and training issues. Practitioner working groups have been set up by the Council to develop a more uniform approach to performance appraisals, to suggest improvements in regulations governing personnel issues, etc.

The Latvian School of Public Administration organises training courses for personnel managers to develop personnel management skills and coordinates all of its training programmes through the personnel managers.

From 1997 to 1998 the Civil Service Administration and the Latvian School of Public Administration organised a series of training courses for some 78 personnel managers, using various training delivery sources: University of Latvia Training Centre, Helsinki Institute of Public Management and British Civil Service College. A series of pilot projects on separate human resources practices has been launched, supported through the UK bilateral assistance project PADBAS.

◆ Staff involvement in personnel decision-making

4.5

Under Article 246 of the Labour Code, workers' unions have the right to monitor working conditions in the workplace. The Civil Service Administration represents the state in negotiations with civil servants, their associations and trade unions if a personnel matter cannot be settled at the workplace (Law on the Civil Service, Article 45). For more information on trade unions, see 3.10 and 3.11 above. Actual cases in which unions represent workers are few. The Director of the Trade Union for Workers in Latvia's Public Institutions, Local Government, Business and Finance Institutions could recall only one case in which the trade union took an employer to court at the state public administration level. Trade unions are more active in negotiating working conditions.

◆ Management and control of staffing

4.6

The staffing process has been left up to the institution. The Ministry of Finance controls staffing to the extent that the number of staff is one of the performance indicators in the programme budgets submitted to the Ministry of Finance. In light of the implementation of the *acquis*, the Institution-Building Plan coordinated by the Bureau of Public Administration Reform will address the issue of recruiting and developing personnel to implement and enforce the *acquis*.

4.7

The Ministry of Finance Budget Department sets staffing ceilings. Under the programme budget system, each ministry annually negotiates the number of staff to be allocated to implement branch programmes in all institutions under its subordination and supervision. Staff ceilings appear in the Cabinet of Ministers *Regulation 190 on Indicators of Sector Programmes and Sub-Programmes* approved by the Cabinet each year in conjunction with the annual Budget Law. Ceilings are kept at the previous year's level unless there is significant evidence that an increase is needed. Unless there is a political decision to do otherwise, the Ministry of Finance requests that an increase in staffing in one branch be compensated by a reduction of staff in another programme in the branch. The payroll fund is increased every year by 5% to compensate for inflation, but no other significant increases have occurred to change staffing ceilings.

Ministries submit their budget proposals to the Ministry of Finance for all institutions under their jurisdiction. The payroll fund is calculated by taking the number of staff at predetermined wage levels and calculating the average wage for the different levels. An extra 15% is allocated for bonuses, allowances and management contracts. Money in this budget position can only be used for purposes of employee remuneration. Up to one third of the fund can be allocated to contracting out work. It is left to the manager's discretion as to how to allocate financial resources to the human resources within the framework of the payroll fund.

Ministries try to create leeway for themselves by keeping vacancies. Any saving from unfilled vacancies is used to increase bonuses, allowances and remuneration under

management contracts and in contracting out work.

The State Treasury closely monitors the use of the payroll fund for designated purposes. Institutions are required to submit quarterly reports to the State Treasury. The State Audit Office investigates the use of public funds. It audits the use of the payroll fund of each institution at least once every two years and whenever there is a suspicion of misuse.

The Action Plan for the Government Declaration (Annex 8.2.2) calls for an internal audit system to be in place by 31 December 2000. To attain this, the Bureau of Public Administration Reform must develop policy, train internal auditors and put in place structural audit units. Many inroads have been made in various ministries on internal audits. The PHARE Public Administration Reform Programme is mandated to assist in the project.

See Annex 3.6 -- PHARE Project Overview

4.8

Money saved by not filling a post can be used only for other sub-categories of expenses in the payroll fund, i.e. for pay-related purposes – bonuses, awards, etc. In practice, institutions rely on unfilled vacancies in order to have funds to pay to public servants wages which are more competitive with the private sector.

◆ Job evaluation and classification and job descriptions

4.9

Job classification

The civil service system does not classify jobs, but has developed job descriptions for all positions.

At present the Department of Labour in the Ministry of Welfare is evaluating almost all positions for classification according to Regulation 185 on the Methodology of Evaluation of Intellectual Work to Determine Qualification Categories. Within this framework, the Civil Service Administration is in the process of developing criteria for determining six qualification categories for civil servants. *See Annex 3.2.1 -- Wage Policy*

The Law on the Civil Service states that categories are to be developed (for civil servants) but no attempts by the Civil Service Administration to submit such categories to the Cabinet have met with success, partly because the categories were linked to implementation of the civil service law, which mandated a 20% increase in remuneration. That increase has been politically unpopular and has met with criticism from the Ministry of Finance for being too expensive.

Job evaluations

The Civil Service Administration advises personnel departments in ministries on carrying out performance appraisals. The Working Group on Performance Appraisals set up by the Advisory Council of Human Resources Managers compiles information on different institutions' evaluation systems and is developing a common performance appraisal system. The Latvian School of Public Administration has provided training for developing and

implementing performance appraisals. However, some personnel managers in ministries admitted in interviews that they lacked the skills and the authority in the ministries to facilitate conducting job evaluations, and that there was a “culture of sensitivity” towards criticizing others.

4.10

At present, job descriptions for public servants are developed by institutions and approved by their heads according to the criteria set out in Regulation 19 on Job Descriptions of State Civil Servants when the civil servant (candidate) begins employment, when transferred to a different position, and when the specifics of the job change. The Civil Service Administration ensures that job descriptions are relatively uniform.

In practice, some personnel managers indicate that they have difficulties keeping up with changes in job descriptions and that they update job descriptions only when a position opens. Others say that line managers welcome the use of job descriptions as a management tool.

4.11

The job description includes the title of the position, code according to the Classification of Professions, subordination, main duties and qualifications including level of education/knowledge, degree of independence, regulations governing activities, degree of complexity of job, degree of responsibility, obligation to cooperate with other public servants, institutions, and inhabitants within and external to the institution, main characteristics of the job. (Regulation 19 on Job Descriptions of State Civil Servants). The requirements are common to all branches; there are no special laws.

◆ Management and control of pay and salary payments

4.12

As of 1 January 1999 there were ten pay schemes for public servants and seven sub-schemes for civil service candidates:

- Individuals in institutions financed by the budget (Cabinet of Ministers Regulation 351)
- Ministry of Interior system (Regulation 340)
- Civil service system (Regulation 380) including public servants in civil service candidate positions, for the following:
 - Ministries (except Foreign Ministry)
 - State Chancellery
 - Institutions under Direct and Indirect Subordination of the Ministries
 - Institutions under Direct and Indirect Subordination of the Local Government (cities, regions, districts)
 - Foreign Ministry
 - State Audit Office
 - Prosecutor’s Office Administration
- 1st Qualification Category of Civil Servant (Regulation 193) – exists on paper only to determine judges’ and prosecutors’ wages
- Judges and Prosecutors (Law on Judicial Power)
- Education Workers (Regulation 51)

- State Revenue Service (Regulation 457)
- Central Election Commission (Regulation 103) – small number
- Excised Goods Administration (Regulation 475)
- Prevention of Money Laundering Administration (Regulation 213)

See Annex 4.12 -- Pay Schemes – Basic Pay

4.13

In June 1998 the government approved a wage policy intended to develop a uniform remuneration system for all state-financed institutions. *See Annex 3.2.1. -- Wage Policy*

An Interministerial Pay Reform Working Group, set up by Government Decree 255 of 18 August 1998, is headed by the Labour Department of the Ministry of Welfare and includes representatives of the Ministry of Finance, Bureau of Public Administration Reform, etc. The group will submit draft regulations on the remuneration system to the Cabinet by December 1999.

The PHARE Public Administration Reform project is providing technical assistance to the Working Group. *See 3.6 PHARE Project Overview and Inception Report TOR 4.3.1*

The role of the Finance Ministry in the Working Group is to determine how the changes can be incorporated within the scope of the Budget Law (Decree 255).

4.14

Although computerised, the system for administering payroll at present is neither common nor compatible. The PHARE Public Administration Reform project needs analysis, developed together with the Pay Reform Working Group, defines the need to “establish a management system for pay, determine an adequate administrative body for pay, administrative procedures for pay management and the relevant IT system for administration of pay.”

See PHARE Public Administration Reform in Latvia Inception Report on Grading and Pay System TOR 4.3.1, Annex II

◆ Appeal against personnel decisions

4.15

A public servant can appeal directly to the head of his/her institution. If the appeal is rejected, the civil servant may appeal to the Civil Service Administration on any personnel issues. Disciplinary issues make up the majority of personnel cases. The CSA hears about 30 cases per year, and investigates each case within one month. If the public servant is dissatisfied with the result of the CSA decision, he/she may go to court. Court decisions can take up to two-three years. If the court decides in favour of reinstating a public servant, the institution must compensate full wages for the time period during which the public servant has been suspended. Often a mutual agreement between the former employee and the head of the institution is made, in which a certain amount of compensation is paid (not full, because institutions do not usually have such resources), but the public servant does not return to his/her former position.

◆ Evaluation of use of resources

4.16

Instruction No. 3 on Preparation of Annual Reports, approved by the Cabinet of Ministers in December 1998, describes the content of annual reports to be published by ministries, all institutions under the supervision and subordination of the ministries, the European Integration Bureau and the Bureau of Public Administration Reform. The report is to inform the reader of “results achieved in comparison to the tasks set forth in the government declaration and the institution’s stated plans”. It must include information on 22 points, including programme budget performance indicators, investment programmes, quality and improvement schemes, public opinion polls, internal audit findings, personnel training, improvements in the administration system, including personnel planning. The annual reports are to be submitted to the *Saeima*, the Cabinet of Ministers, the National Library and the State Audit Office. The first annual reports will be published in July 1999.

The Law on Openness of Information describes the procedures for obtaining access to information, making it the responsibility of the public servant to provide information. The Law on Disciplinary Violations, Article 10, describes the punishment for withholding information.

4.17

The State Audit Office is an independent institution that audits the use of state and local government finances. It reports to the parliament on whether the use of public funds is lawful, effective and correct. The State Audit Office audits the use of human resources and personnel costs in its regular biannual audit of all state institutions. Usually the State Audit Office checks to see if all personnel documents are correct – whether bonuses are paid in accordance with the orders of the heads of institutions, whether there is proper justification for paying allowances. The State Audit Office does not audit the actual use of human resources.

The Ministry of Finance (as set out in a Prime Minister’s decree) submitted in March 1999 to the Cabinet a *Policy Paper on Internal Audit* to develop a system of internal audit with ministries by 31 December 2000. The project had been developed in cooperation with the Bureau of Public Administration Reform, PHARE and the British Council. The internal audits will free up the State Audit Office to oversee audit systems.

Functional reviews are currently being carried out in the Ministry of Agriculture (World Bank by May 1999), the Ministry of Environment and Regional Development (PHARE by September 1999) and the Ministry of Education (PHARE by November 1999). The Ministry of Welfare (SIGMA by December 1999) will conduct a pilot audit of its institution’s systems. The aim of the functional review is to develop a rationalization programme which, by reviewing and improving management arrangements, will achieve an optimal match between public functions and institutional models.

4.18

The State Treasury monitors whether salary payments are made within the resources of the budget. The State Audit Office audits salary payments to check whether the use of public

funds is lawful, efficient and correct. If a civil service candidate complains about a salary payment to the Civil Service Administration, the CSA is authorised to investigate the matter. No complaints have been registered.

The Internal Audit System being developed with assistance from the PHARE Programme and other assistance programmes will check internal control mechanisms to avoid risks in salary payments.

B. PUBLIC SERVANTS: PROFESSIONAL ROLE IN POLICY FUNCTIONS AND DECISION-MAKING; RELATIONS WITH THE PUBLIC AND WITH POLITICIANS

5. LEGAL COMPETENCE, ABILITIES AND ACCOUNTABILITY MECHANISMS

◆ Legal basis for actions of public servants

5.1

Under specific enabling powers in laws

The legal basis for undertaking executive actions is defined in the Law on the Structure of the Cabinet, Articles 14 and 15. It enumerates in which cases the Cabinet may issue regulatory enactments – regulations and cases in which the Cabinet and an individual minister may issue binding instructions to their subordinate institutions. The Cabinet or an individual minister may issue recommendations to their subordinate institutions if the law or regulations grant the institution discretion when taking specific decisions. The Prime Minister, Deputy Prime Ministers and ministers are entitled to issue orders (single administrative act that applies to specific State institutions and officials) in cases provided for in laws and in Cabinet regulations. *See Annex 1.1.2 -- Law on the Structure of the Cabinet*

The Regulation on the Internal Order and Procedures of the Cabinet of Ministers regulates the procedures for drafting primary and secondary legislation.

See SIGMA archives 000001—6846 LVA LAW BR 1994 REG

Under specific constitutional authorisation

Article 81 of the Constitution states that during the period between sessions of the *Saeima* the Cabinet has the right, if necessary and if not able to be postponed, to issue regulations which have the force of law. Such regulations may not amend the law regarding elections of the *Saeima*, laws governing the court system and court proceedings, the Budget Law and rights pertaining to the Budget Law, as well as laws adopted during the term of the current *Saeima*, and they may not pertain to amnesty, state taxes, customs duties and loans, and they shall cease to be in force unless submitted to the *Saeima* not later than three days after the next session of the *Saeima* has been convened.

Administrative activities are described in laws governing the specific activities (i.e. the Law on Police describes administrative activities of the police) and Regulation 154 on the Procedures for Administrative Acts.

See SIGMA archives 00001-6846 LVA LAW BR 1994 REG

A draft Law on Administrative Procedure is in its second reading in parliament.

See SIGMA archives 00001-6879 LVA LAW BR 1995 LAW (may not be the latest version).

◆ **Requirements to carry out government policy and to obey orders**

5.2

The Law on the Structure of Ministries describes the structural hierarchy of ministries, their subordinate and supervised institutions. Ministry statutes must list which institutions are supervised and subordinated to the ministries and describe the structure of the ministries (Article 5). The basic structural unit of a ministry is a department which is subdivided into divisions. There may also be divisions subject to the control of the state secretary or his/her deputy rather than to a particular department (Article 10).

Law on the Civil Service

Article 17 (Basic Obligations), paragraph 3: “Execution of orders of one’s supervisors and observation of general guidelines shall be the obligation of a civil servant (civil service candidate), as long as they are in compliance with laws. If necessary, a civil servant (civil service candidate) shall consult his/her direct supervisor.”

Article 18 states that a civil servant’s obligations are set by the head of a civil service institution when a person begins state civil service, is transferred, or when the obligations are changed.

Regulation 19 on State Civil Service Job Descriptions stipulates that the job description must describe the civil servant’s subordination (Article 4.4).

Regulation 154 on the Process of Administrative Acts describes in detail the hierarchical order for handling any administrative decision, which must be observed by civil servants. A Law on Administrative Process, in parliament at present, will regulate the process in more detail.

See SIGMA archives 00001-6846 LVA LAW BR 1994 REG

For the draft Law on Administrative Procedure, *see SIGMA archives 00001-6879 LVA LAW BR 1995 LAW* (may not be the latest version).

The **Law on Disciplinary Violations** holds a civil servant (candidate) accountable for violations resulting from insubordination, such as not executing orders or tasks defined in the job description (Article 4, General Obligations). Specific issues of insubordination may fall under the following: not performing duties (Article 17); exceeding competencies (Article 18); mismanagement of subordinates (Article 21).

5.3

Article 19 of the Law on the Civil Service describes in detail actions that a civil servant must take if a civil service candidate doubts the lawfulness of a received task or order.

See Annex 1.1.4.1. -- Article 19

◆ Lines of accountability

5.4

All civil service candidates have the right to act independently in accordance with the law within the terms outlined in their job descriptions and described in the statutes of the institution.

Heads of institutions supervised by ministries (inspections, boards, services, foundations and other institutions) independently carry out the functions of the State assigned to them by law. They are completely independent and do not follow ministry orders. Heads of institutions subordinate to the ministries must follow the orders of the ministry. (Law on the Structure of Ministries, Chapter II, Sections 15 and 16).

The Bureau of Public Administration Reform is drafting a Law on Agencies for submission to the Cabinet by 31 October 1999, along with a draft Law on the Public Administration System (*Strategy 2000 Action Plan*).

5.5

Public servant accountability to minister

“The work of a Ministry shall be politically directed by a Minister, who is accountable to the *Saeima* for the actions of the Ministry. A Minister has the right to give direct orders to each employee of a Ministry and of State institutions which are subject to the control of the Ministry.” (Law on the Structure of Ministries, Article 6). The state secretary of a ministry directs the ministry’s administrative work (Article 9), and therefore the civil servants answer to the minister indirectly through the state secretary.

Minister accountability to the parliament

The Constitution, Article 25.: “The *Saeima* shall establish committees and determine the number of members and their duties. Committees have the right to require of individual ministers or local government authorities information and explanations necessary for the work of the committees, and the right to invite to their sittings responsible representatives from the relevant ministries or local government authorities to furnish explanations. Committees may also carry on their work between sessions of the *Saeima*.”

Article 27: “The *Saeima* shall have the right to submit to the Prime Minister or to an individual Minister requests and questions which either they, or a responsible government official duly authorised by them, must answer. The Prime Minister or any Minister shall furnish the relevant documents and enactments requested by the *Saeima* or by any of its committees.”

◆ Ability to innovate

5.6

Innovation is one of the possible criteria for receiving a bonus. Supervisors may be punished for “restricting subordinate’s initiatives that are aimed toward increasing efficiency and improving qualifications. (Law on Disciplinary Violations, Article 33). There are no common reward schemes to foster innovation.

◆ Management practices

5.7

Managers submit requests for bonuses on behalf of subordinates to the heads of institutions with explanations as to why bonuses are needed. Some institutions (State Audit Office, Ministry of Agriculture, etc.) provide medals for exceptional work. Some institutions provide weekend trips or evening gatherings for their workers to motivate staff. Opportunities to travel abroad on missions is also considered a motivating factor in many institutions, not only for the educational value but also for the *per diem*. Management contracts can be used to provide extra remuneration for increasing efficiency and improving service delivery.

The extent to which motivation and reward schemes are tied to efficiency and improved service delivery depends on the management skills of the head of the institution and the line manager.

◆ Management control

5.8

Line managers describe using traditional management techniques (goal-setting, weekly planning sessions, regular meetings and progress reports) to increase efficiency.

Now that the Ministry of Finance has begun programme budgeting requiring performance indicators, and since annual reports describing institutions' results have become mandatory as of 1 July 1999, reasons for line managers to increase efficiency have become more tangible.

◆ Parliamentary accountability

5.9

The Constitution, Article 25: "The *Saeima* shall establish committees and determine the number of members and their duties. Committees have the right to require of individual Ministers or local government authorities information and explanations necessary for the work of the committees, and the right to invite to their sittings responsible representatives from the relevant ministries or local government authorities to furnish explanations. Committees may also carry on their work between sessions of the *Saeima*."

Article 27: "The *Saeima* shall have the right to submit to the Prime Minister or to an individual Minister requests and questions which either they, or a responsible government official duly authorised by them, must answer. The Prime Minister or any Minister shall furnish the relevant documents and enactments requested by the *Saeima* or by any of its committees."

Session of <i>Saeima</i> (parliament)	Number of Inquiries Requested	Number of Inquiries Initiated by <i>Saeima</i> Members	Number of Inquiries Approved by <i>Saeima</i> Inquiry Committee
5 th <i>Saeima</i> (July 1993-7 Nov. 1995)	54	6	111
6 th <i>Saeima</i> (7 Nov. 1995-3 Nov. 1998)	83	6	521
7 th <i>Saeima</i> (3 Nov. 1998 -1 March 1999)	2	0	10

Source: Statistics from Aija Vintere, Head of Documentation Division of the Saeima

No statistics are available on the frequency of public servant participation in committee meetings, although it is generally agreed that specialists participate freely in committee meetings, offering professional opinions.

5.10

There is no quantifiable information to verify action taken by ministers against public servants, and no one interviewed could remember a case in which a minister took action against a public servant following parliamentary criticism. Inquiries and questions have mostly been a tool to clarify information about issues at hand. No ministers have had to step down following inquiries and no heads of institutions have been changed following *Saeima* decisions concerning the inquiries.

◆ Non-judicial accountability

5.11

The independent institutions that can investigate actions taken by public servants include:

- Human Rights Office for abuses of human rights (Law on the Human Rights Office);
- State Audit Office for misuse of government finances (Law on the State Audit Office);
- Prosecutor's Office for criminal cases (Law on the Prosecutor's Office).

There are no ombudsmen or courts of audit at present.

5.12

All of the above-mentioned independent institutions can, and do, initiate action against public authorities or individual public servants found to be at fault.

◆ Judicial accountability

5.13

Any person can bring proceedings in the court system in accordance with the Civil Code and the Law on Judicial Power.

“In Administrative Law cases judgements are passed by the Court, which reviews and tries in trials cases of minor administrative crimes committed by individuals, reviews complaints by

individuals concerning the actions of public authorities and public officials, and decides other cases resulting from legal relations under Administrative Law.” (Law on Judicial Power, Article 7).

The draft Law on Administrative Process, which at the time of writing is in the *Saeima*, does not foresee the creation of special administrative courts. Instead, judges especially trained in administrative process will be present in each of the district courts.

5.14

Administrative proceedings are to be brought against the administrative authority, not against the immediate institution or individual. Administrative cases can be brought against the individual in situations covered by the Law on Disciplinary Violations. Civil and criminal cases can be instituted against individual public servants for actions taken in the course of their duties.

5.15

Any individual who feels that his/her rights have been infringed has the right and the obligation to bring the issue to higher authorities. (Article 24a of the Civil Process Code).

At present free legal aid is available within the framework of free legal aide to the court system. *See 10.13 below.* According to Article 42 of the Civil Process Code, “non-governmental organisations, social organisations and the Human Rights Office have the right to protect the interests of others.”

To implement the draft Law on Administrative Process, free assistance from the Council of Sworn Advocates is envisaged for individuals or groups of individuals challenging administrative decisions.

6. PUBLIC SERVANTS AND POLITICS

◆ Legal provisions defining the principle of professional independence of public servants

6.1

There are no provisions in the Constitution defining political impartiality and professional independence of public servants. *Professional independence* is guaranteed to all people in Latvia under Chapter 3 of the Civil Process Code, Articles 17, 18 and 19.

The Public Administration Reform Policy states that public servants are *politically impartial* (Annex 3, paragraph 1). Although the Law on the Civil Service does not explicitly mention impartiality, the law states that the civil servant has the duty to work within the framework of the law and his/her job description. The right to act on behalf of a political party or election union is not allowed, and the civil servant must report any pressure to make him act illegally.

◆ Political affiliation and activities of public servants

6.2

The **Law on Disciplinary Violations**, Article 29, defines penalties for civil service candidates who use their positions to act on behalf of political parties and election unions and who take up an elected post in a political party or election union. The penalty is one of the harshest for repeated offences: termination of civil service.

◆ Contacts with political parties/parliamentary organisations

6.3

The **Law on Access to Information** describes the type of information and the procedures by which any individual or group may have access to information. Input into the decision-making process by interest groups and lobbies, however, has not yet been regulated. Different branches have evolved different procedures for including groups in developing legislation. The Ministry of Welfare and the Ministry of Transport, for example, regularly consult with interest groups when developing legislation.

◆ Role of public servants in policy-making

6.4

The whole legal framework of the civil service protects the right of public servants to facilitate impartial and professional policy advice. The Public Administration Reform Policy that sets the framework for the public administration system in Latvia declares: “The public administration is a professional, apolitical instrument of the state that facilitates the implementation of state functions and political decisions. Political governments change, but the apolitical civil service is independent and accumulates experience within itself, and

guarantees the continuity of the state.”

See Annex 6.4 -- Public Administration Reform Policy, Article 1

The rights and duties of the public servant are defined in the Law on the Civil Service. Reasons for dismissal are enumerated and do not include dismissal for political reasons. Job descriptions further detail the duties and scope of the civil servants' work.

Civil servants are protected from direct political pressure. The state secretary is the top-level civil servant who administers on behalf of the minister. All orders from the minister go through the state secretary. Seconded civil servants or employees under the Labour Code for the tenure of a minister form a “buffer” with the political sphere. These are advisors, press secretaries and assistants to ministers. Each ministry has a parliamentary secretary who is the branch spokesperson on political issues. The parliamentary secretary cannot delegate tasks to the civil servants.

The Law on Disciplinary Violations forbids the civil servant to act on behalf of a political party while undertaking professional duties (Article 29). The Law on the Civil Service (Article 19) states that civil servants are under the obligation to be responsible for the legality of their work. The article describes the procedure by which the civil servant can act against attempts to politicize his/her work.

6.5

Yes [ministers make use of public servants to provide professional and impartial policy advice].

◆ Changes of officials on changes of government

6.6

The Public Administration Reform Policy declares that the state secretary is the only civil servant who can be removed with a change of government. If mistrust or incompatibility exists, the minister can discharge the state secretary. The minister has no right to do so with any other civil servant. The state secretary who has lost his position remains in the civil service system and the Civil Service Administration must offer him/her a new position. (Public Administration Reform Policy, Annex 3, Article 11)

Since the Cabinet approved the above policy, three state secretaries have been discharged, due to differences in work styles of the minister and state secretary.

6.7

Some civil servant positions may be filled by seconded civil servants or by people employed under the Labour Code for the tenure of a minister. These include ministers' advisors, assistants and press secretaries, as well as officials of the Prime Minister's Office. (*See 1.3 above for list.*) Once the tenure of the minister has ended, regulations require that the contracts for non-civil servants be abrogated. Civil service candidates are transferred to “a position within an equivalent salary range”. (Regulation 380 on Civil Service Positions and Remuneration of Civil Service Candidates in the Transition Period, Chapter 4, Article 12).

7. STANDARDS OF CONDUCT; MECHANISMS FOR ENFORCEMENT; SANCTIONS

◆ Regulation of administrative functions

7.1

Administrative Acts

Regulation 154 on the Process of Administrative Acts defines the procedures that public servants are to follow in processing administrative acts.

SIGMA archives 00001-6846 LVA LAW BR 1994 REG

The draft Law on Administrative Process now in parliament regulates the public servants' procedures for preparing administrative acts in more detail than do the existing regulations.

SIGMA archives 00001-6879 LVA LAW BR 1995 Law

Legislative Acts

Regulation 120 on the Internal Order and Procedures of the Cabinet of Ministers defines procedures for drafting primary and secondary legislation.

SIGMA archives 00002-9914 LVA LAW BR 1996 Reg

Service Delivery

- The Law on Access to Information describes how and what information people may obtain.
- The Law on Procedures for Reviewing Submissions, Complaints and Suggestions in State and Local Government Institutions sets time limits for replies to the public and visiting hours at least once a month for the public to heads of institutions.

Procedures for service delivery and other specific procedures are defined in separate laws, for example, the Law on Customs, Law on Police.

The draft Law on Public Procurement (law now enacted) governs procurement procedures.

SIGMA archives 00002-6092 LVA LAW BR 1995 Law

The Bureau of Public Administration Reform must by the end of the first quarter of 1999 develop and publish service quality standards. (Action Plan to implement the Government Declaration, item 6.1.)

7.2

Standards of fairness and promptness are developed in Regulation 154 on the Process of Administrative Acts through a clear and detailed description of the hierarchy of legal norms, principles for interpretation, processes to determine which body is responsible for issuing a decision, etc.

Promptness standards are found in the Law on Procedures for Reviewing Submissions, Complaints and Suggestions in State and Local Government Institutions, which specifies time limits on replies to the public.

The Law on Disciplinary Violations, Special Section (Articles 16-33) describes and punishes inappropriate behavior. Public servants can be punished for an array of actions which are not prompt or fair, including impolite and insolent behavior (Article 22), not providing information (Article 32), and a “bureaucratic approach to work” (Article 39).

In reality, few people are aware of Regulation 154 on the Process of Administrative Acts and their rights in submitting complaints. The Corruption Prevention Programme foresees a public information campaign on administrative process once the law is passed.

◆ **Transparency in decision-making**

7.3

According to the Law on Openness, Article 2, any person can request any information that is not officially declared confidential without having to explain why the information is requested. A civil servant may be punished for not providing information (Law on Disciplinary Violations, Article 32).

Regulation 154 on the Process of Administrative Acts permits a person to become acquainted with information related to any decision which concerns him/her at any stage of the decision-making process (Article 54), except during the preparation phase (Article 55).

The regulation-making process does not stipulate that interested parties must be consulted before a decision is made. Some regulation-makers make it a practice, but this is not a rule.

7.4

The Law on Access to Information defines which information is not publicly available. This includes:

- information designated as a State secret (which is governed by the Law on State Secrets);
- information for restricted, internal use that is collected by an institution to prepare a decision (Article 6);
- information that might affect an enterprise’s ability to be competitive (Article 7);
- information about a person’s private life (Article 8).

The Law on State Secrets defines State secrets as information that endangers the security or the economic or political interests of the State. The Cabinet of Ministers must approve the list of State secrets.

Civil servants can be punished for breaches of confidentiality. (Regulation on Civil Servant Disciplinary Violations, Article 20).

7.5

Administrative decisions, if they are not emergency decisions, are to be in writing and must include justifications (**Regulation 154 on the Process of Administrative Acts**, Article 63.4). If required by the relevant regulations, public servants are identified. The public authority issuing the decision is responsible for the decision (Article 72.1).

7.6

In addition to the general principle in criminal and civil law in Latvia that the individual must report breaches of law, the civil servant is responsible for the legality of his own work and must report evidence of illegality (Law on the Civil Service, Article 19). Article 17 states: "Execution of orders of one's supervisors and observation of general guidelines shall be the responsibility of a civil servant as long as they are in compliance with the law. If necessary a civil servant shall consult his/her direct supervisor."

No other arrangements are in place to encourage reporting of maladministration or wrongdoing within the public service. Reporting, in general, is not widespread in Latvia and will not be until witness protection is developed, according to the Head of the Corruption Prevention Unit of the State Revenue Service (*Dace Muizniece*). Only one person has used a well-publicized telephone hotline for tax evasion. When asked about reporting on colleagues, many civil servants say that they are reminded of the former KGB, with its reporting system that was used maliciously and unjustly. No initiatives have been taken to develop reporting mechanisms. The Minister of the Interior, upon returning from Lithuania, remarked that he hopes that he will be able to announce in the near future an initiative for an independent corruption investigation unit that will rely heavily on citizen information (*Diena*, 29 March 1999).

◆ Standards of conduct of public servants

7.7

Minimum obligatory standards and principles of conduct defined by law

- The Civil Service Law in Article 17 states that "a civil servant shall execute the public civil service responsibilities, acting in accordance with the respect and trust demanded by the position both on and off duty".
- The Law on Disciplinary Violations lists the standards and principles of conduct which are considered unacceptable (Special Section, Articles 16-33). This list gives the most detailed overview of inappropriate behavior that can be punished.
- Regulation 154 on the Process of Administrative Acts defines the way in which a civil servant must act.

Ethical Guidance

A civil service candidate comes into contact with ethical guidelines in his/her induction (Article 14, Civil Service Law). The Latvian School of Public Administration's general training courses provide a half-week course on ethics. Information is theoretical, and actual case studies of ethical dilemmas in everyday situations are not used. According to the civil service law, civil service candidates must inform their immediate supervisors when faced with illegal actions, but not ethical ones.

In 1994 a non-governmental Ethics Office was established that also works with public administration affairs. The office exists to this date, but has not developed public relations, so its work goes largely unnoticed. Certain institutions have developed their own codes of conduct – the State Revenue Service, judges and police, for example. Strong institution heads enforce ethical guidelines and publicly state ethics principles, given the opportunity.

For example, the Director of the Privatisation Agency promotes transparency of decision-making and openness of information on the privatization process.

The Council on Prevention of Corruption approved a set of Guidelines for Behavior of State and Local Government Employees in late 1998 based on recommendations developed by the Council of Europe and submitted by the Bureau of Public Administration Reform. These guidelines are to be published in the government's official paper *Latvijas Vestnesis* (a formality), and few civil servants know about their existence.

Questions initially considered ethical in nature are often looked upon as a result of incomplete regulation. The press began a campaign in November 1998 about the use of cars by public officials for private use. On 18 March, the *Saeima* passed an amendment to the Law on Prevention of Corruption stipulating that state property is not to be used for personal use unless otherwise permitted by law.

7.8

The direct supervisor has the obligation to inform the head of an institution of any breach of conduct. The head of the institution must initiate a disciplinary investigation or refer the question to the Civil Service Administration. The Civil Service Administration may also initiate an investigation in response to a complaint or on its own initiative or return it to the institution for a decision. A higher-standing institution has the right to take over an investigation. The head of an institution informs the Civil Service Administration if the violation requires civil servant status termination. If the investigation reveals criminal wrongdoing, the head of the institution or the Civil Service Administration immediately informs the Prosecutor's Office. (Law on Disciplinary Violations, Articles 8-13). The Law on Disciplinary Violations does not apply to those who have been re-hired under the Labour Code.

The Anti-Corruption Unit and the Finance Police of the State Revenue Service are responsible for monitoring breaches of the Law on the Prevention of Corruption.

The State Audit Office has the right to levy fines in cases of misuse of funds and to inform the Prosecutor's Office if a breach of the Criminal Code is evident (Law on the State Audit Office).

All persons are required to inform the Prosecutor's Office if they see criminal wrongdoing. The Prosecutor's Office may investigate any allegation of criminal activity, and must do so at the request of the *Saeima*, Cabinet of Ministers and the President (Law on the Prosecutor's Office).

7.9

Grounds and penalties for disciplinary action are defined in the Law on Disciplinary Violations.

Procedural safeguards are defined in the Law on Disciplinary Violations and in Regulation 154 on the Process of Administrative Acts. These include written or oral explanations from the plaintiff, minutes to be taken in cases of oral explanations, conclusions within a month's time, the right to be informed of the conclusions within a week, the right to see material

upon which the decision was made, the right to appeal to the Civil Service Administration and then to the courts.

7.10

No institutional arrangements have been made for resolving day-to-day ethical problems or dilemmas facing individual public servants.

◆ Mechanisms preventing incompatibilities and conflict of interest

7.11

The Law on Prevention of Corruption, enacted in 1995 and significantly amended in 1998 and 1999, establishes mechanisms for preventing incompatibilities. The Cabinet draws up a list of public officials (including elected officials) including, among others, heads and deputy heads of state institutions, all civil service candidates, and all those performing state jobs in state institutions, if the persons have authority to make decisions in compliance with legislative acts, perform supervision, control, investigate or impose penalties on those not under subordination or those who perform transactions with the state's financial assets.

The officials are required to:

- transfer responsibilities in potential conflict of interest situations in decision-making concerning supervision, control, investigation of punitive functions;
- register diplomatic gifts and submit or buy personal gifts;
- submit written reports following appointment if involved in incompatible activities and request dismissal from incompatible posts;
- submit written notices to superiors on situations of potential conflict of interest;
- request, in certain cases, permission of superiors to combine jobs;
- disclose assets to the State Revenue Service upon accepting a position, and submit declarations annually and upon retirement from duty. These documents are available to the public.

Amendments passed on 18 March 1999 include:

- prohibition of the use of state and local government property for private use unless allowed by law;
- disclosure of sources of income upon acquiring real estate, motor vehicles, businesses or shares of businesses in excess of income, within the time period of the submitted declaration.

These amendments are not included in the translation of Annex 1.1.5 !

7.12

Restrictions may exist for State Security Forces. Public servants on boards of state-owned enterprises are not allowed to work in the enterprises upon terminating public service.

◆ Mechanisms for combatting corrupt activities

7.13

The **Law on Prevention of Corruption** establishes a series of reporting mechanisms for dealing with potential conflict of interest of public officials (including government

members). Foremost is the submission of a declaration of assets and a procedure for reporting a potential conflict of interest situation to superiors. In September 1997 the government established a **Corruption Prevention Council** of high-level officials to develop policy for combating corruption and to oversee its implementation. In February 1998, the Council submitted to the government a **Corruption Prevention Programme**. All mechanisms needing improvement are listed in this programme, including improving the process of administrative procedure, transparency of administrative decision-making, implementation of an internal audit system, informing people of their rights, to name a few. See Annex 5.15.1 -- *Corruption Prevention Programme*
See Annex 5.15.2 -- *Law on Prevention of Corruption*

Non-independent bodies investigating allegations of corruption:

The **Anti-Corruption Unit** (51 persons) of the State Revenue Service processes the declarations of public officials (37,000 annually).

If suspect, declarations are referred to the **Finance Police** (121 persons), an arm of the State Revenue Service. The Finance Police have the right to investigate and enforce all prohibitions covered in the Law on Prevention of Corruption and have broad rights, including search and arrest, access to bank account information, etc. If a case contains a breach of law that amounts to a criminal charge, the Head of the Finance Police refers the case to the **Prosecutor's Office**.

7.14- 7.15

The **Prosecutor's Office** has the right to investigate any breaches of the law on corruption amounting to a criminal charge (on its own initiative, in reaction to a complaint from an individual or institution, by request of the President, Cabinet of Ministers or the *Saeima*), receive all requested information from any institution, submit warnings and protests, press criminal charges and initiate pressing of administrative and disciplinary charges. This independent body has its basis in the Law on the Prosecutor's Office and the Law on Judicial Power.

The **State Audit Office**, an independent body, has the right to ensure that all government funds are used "legally, effectively and correctly" at all levels of the government. It audits every institution at least once every two years. The Head of the State Audit Office has the right to inflict administrative penalties on wrongdoers and forward criminal cases to the Prosecutor's Office. The State Audit Office has its basis in the Law on the State Audit Office and in the Constitution, Articles 87-88.

7.16

There are no special operative bodies with powers to prosecute corrupt action and enforce sanctions against them.

C. PUBLIC SERVICE DEVELOPMENTS AND CONSTRAINTS

8. PUBLIC SERVICE DEVELOPMENT

◆ Government action on public service development

8.1

Birkavs' Government, 1993 - September 1994

- Establishes Ministry of Public Administration Reform – Minister Gailis.
- PHARE project on Public Administration Reform (1994-1996)
- Law on the Civil Service - May 1994
- Establishes Civil Service Administration, Latvian School of Public Administration - May 1994
- Civil service candidate attestation begins
- Regulation on the Structure of Ministries - 1994 (Law on Internal Structure of the Cabinet of Ministers passed 1997)
- Regulation packet governing the civil service system, including Regulation on Disciplinary Violations - August 1994
- Work on strategic areas, drafting of Public Administration Reform Policy

Gailis' Government, September 1994 - December 1995

- Reforms, attestation continue
- Public Administration Reform Policy - March 1995
- Regulation on the Process of Administrative Acts - June 1995
- Sunset clause sets in – Ministry of Public Administration Reform abolished - July 1995
- Department of PAR in the State Chancellery – no political leadership
- Law on Prevention of Corruption - September 1995
- Training peaks (total of 25,000 persons/week from 1994-1996)
- Banking crisis, teachers' strikes – no increase in remuneration, no civil servant status

Skele's Government, December 1995 - August 1997

- Management Audit Council established – operational until 1998
- Policy on Technical Personnel in State-Financed Institutions (passed, not implemented)
- Policy of Uniform Names of State Institutions - August 1996
- Policy on a Management Control System in Public Administration - October 1996
- Policy on Management Contracts - October 1996
- Creation of legislation on agencies begins - Autumn 1996
- Law on Human Rights Office (ombudsman functions) - December 1996
- Regulation on Management Contracts - January 1997

State Minister of Labour Berzins given responsibility for PAR affairs, LSPA and CSA - 1 January 1997

Cabinet Reshuffle – Minister of Labour steps down - February 1997

World Bank Review of Public Sector Development - February 1997

Associate Minister Kaksitis responsible for Public Administration, April 1997 - August

1998

- Administration Reform Council established - June 1997 (six ministers)
- Bureau of Public Administration Reform established, with the Civil Service Administration and Latvian School of Public Administration as its subordinates - July 1997
- Regulation on Unified Information on State-Financed Institutions - July 1997 - April 1998 (establishes a common public administration [not only civil service] database under the Civil Service Administration)
- Civil service begins to shrink, as institutions recognize civil service system's restrictiveness. Civil servants' status changed to public servants under the Labour Code. Functions decentralised to state non-profit, limited companies lacking agency regulations.

Krasts' Government, August 1997-November 1998

Government Declaration to increase effectiveness of civil service, identify overlaps of functions, to delegate functions to NGOs and decentralise, increase investments into creation of infrastructure for information technology.

- Training of 25 civil servants in internal audit techniques and basic methods
- Census of 700 public institutions - September 1997
- Government establishes a Corruption Prevention Council - September 1997
- *Strategy 2000* – Medium-Term Public Administration Reform Policy - December 1997
- Cabinet approves the Council's Corruption Prevention Programme - February 1998
- *Strategy 2000*, Action Plan 2000 approved by Cabinet - March 1998
- SIGMA mission on assessment of civil service system - May 1998
- White Paper on Further Development of the Civil Service - July 1998
- Wage Reform Policy - July 1998
- Massive EU-related training of civil servants under PHARE
- Work on *Strategy 2000* Issues
- Training of 75 officials in Human Resources Management
- Finance Ministry begins utilising programme budgeting approach with performance indicators and outputs
- Civil Service Law drafting begins - September 1998
- Regulation on Delegation of State Functions - October 1998
- PHARE project on Public Administration Reform 1998-2000 begins

Kristopans' Government, November 1998 -

See 8.2 below.

8.2

Annex 8.2.1 -- Government Declaration, Section 9: Public Administration

Annex 8.2.2 -- Action Plan to Implement the Government Declaration

Plus:

- Functional review in Ministry of Agriculture, sponsored by WB (in progress);
- Review of agencies (WB/BPAR/Ministry of Finance) initiated;
- Civil Service Pay Regulation drafting in progress.

8.3

Between November 1998 and March 1999 no policy documents were issued.

See Annex 8.2.2 -- Action Plan to Implement the Government Declaration for complete list of policy documents to be issued, 1999-2001.

8.4

1. All projects to implement the Government Declaration are in progress.

See Annex 8.2.2 -- Action Plan to Implement the Government Declaration.

2. Also in progress are:

- All projects described in Strategy of Development of Latvian Public Administration until the Year 2000, approved by the Cabinet of Ministers in December 1997
- *Strategy 2000* Action Plan, approved March 1998

Strategy 2000 is Latvia's Medium-Term Public Administration Reform Strategy.

See Annexes 3.6.1 and 3.6.2

3. Supplementing the above is the PHARE Public Administration Reform in Latvia Programme 98-0471.00 and other technical assistance programmes.

See Annex 3.6 -- PHARE Public Administration Reform Project

All documents describe expected results, stages and deadlines.

The Bureau of Public Administration Reform's Annual Report is available for a review of the activities of 1998 (not provided).

8.5

In 1995 the government passed the Law on Prevention of Corruption, which provides public officials (including politicians) with procedures for periodic assets declarations and reporting in cases of conflict of interest. This supplements the Criminal Code provisions relating to the corruption of public officials.

See Annex 1.1.5. -- Law on Prevention of Corruption

In September 1997 the government established a Corruption Prevention Council, chaired by the Minister of Justice and comprising ministers and senior officials, including the Director of the Latvian School of Public Administration Reform.

In February 1998 the Cabinet approved the Council's Corruption Prevention Programme, which emphasizes public education and support of the community, prevention of corruption and enforcement of the laws against corruption.

See Annexes 5.15.1 and 5.15.2 -- Corruption Prevention Programme and Progress Report

In June 1998, the Latvian School of Public Administration organised a nation-wide conference on Corruption Prevention for the public and private sector, which was a milestone in citizen/state relations.

◆ Staffing strategies to facilitate EU accession

8.6

The underlying premise for Latvia's staffing strategy in preparation for EU accession is that all public servants must be prepared for European accession and that the capacity to deal with accession must be developed in the existing human resources potential. For this reason, Latvia is placing priority on training in EU affairs and languages for the entire public administration and customized training for specialists.

At present a Council of Senior Officials, established in 1998 and chaired by the European Integration Bureau, disseminates information, decides on division of responsibilities and coordinates activities for the integration process. Ministry coordination strategy varies. The Ministry of Environment and Regional Development has an Under-Secretary of State responsible for EU affairs. In the Ministry of Welfare, the Legal Department coordinates approximation of legislation. The Department Director for International Affairs and European Integration in the Ministry of Agriculture coordinates the extensive PHARE programme and all EU activities. The Ministry of Foreign Affairs has a division that will soon be upgraded to a department. In each case, European Affairs are coordinated by line public servants. PHARE-financed local experts work with ministries on some PHARE projects.

Training in EU affairs is widely available. The number and depth of the training courses will increase as trained trainers begin piloting their courses under the auspices of the Latvian School of Public Administration. Area specialists are usually provided with customized training under branch PHARE or bilateral programmes. Language studies are provided either by the Latvian School of Public Administration or through these programmes.

Representatives of the Ministries of Economics and Agriculture note that local experts involved in branch PHARE projects should be integrated into the ministry staff once projects are concluded.

The Bureau of Public Administration Reform has been put in charge by the government of coordinating the Latvian Institution-Building twinning process between EU Member States and the Latvian administration in the area of *acquis*-related institution-building. BPAR, in cooperation with ministries, must prepare a National Institution-Building Plan by April 1999 that lays out the goals, objectives, measures and needed resources for raising Latvian administrative capacity to enforce the *acquis*. Staffing strategies will be addressed by this plan.

8.7

No specific personnel mechanisms are in place to ensure stability of staffing for EU accession. At present, civil servants are motivated to participate in EU affairs. They have access to the most up-to-date information, receiving education and training that will make them competitive in both the public and private sectors. Promotions are more likely for those who are working with EU affairs – partly because ministries, if they are structuring, are doing so in order to be able to implement the *acquis*.

European Affairs is a “fast growing field”. The recent economic crisis in Russia has, for the short term at least, influenced the private sector, leading to a slowdown in growth and a resulting temporary decrease in demand for public servants in the private sector. Given this

situation, although personnel mechanisms, i.e. secondment and transfers, may not exist, they are not really needed.

Stability could be increased through adequate remuneration for all public servants, and especially for certain professions, including legal specialists.

◆ **Resourcing public service development**

8.8

Bureau of Public Administration Reform – 12 positions

Civil Service Administration – 25 positions

Latvian School of Public Administration - 16 positions

8.9

European Integration Bureau – 21 positions

◆ **External assistance and conditions**

8.10

External assistance, including training, is available from PHARE (large Public Administration Reform Programme 1998-2000, the British Council's PADBAS programme (Internal Audits, Human Resources Development, etc.), the UNDP (training of top-level officials), Swedish International Development Agency (management issues), SIGMA (civil service system, draft Law on the Civil Service, national training strategy, etc.), World Bank (public service delivery) and others. Training assistance is also available through bilateral assistance.

The Bureau of Public Administration Reform coordinates technical assistance. Training assistance is coordinated by the Latvian School of Public Administration.

The International Assistance Coordination Unit in the Ministry of Finance is responsible for general technical assistance coordination. The State Minister for Foreign Economic and Technical Assistance as of December 1998 is the former Finance Minister, Mr. Roberts Zile.

8.11

The World Bank, in its first Aide-Mémoire to the Structural Adjustment Loan (60 million USD), prescribed a list of necessary medium-term actions to address public sector performance problems as a precondition before the disbursement of the second tranche of SAL (Annex 8.11). In response, the government approved the Medium-Term Strategy for the Development of the Latvian Public Administration until the year 2000, or *Strategy 2000* (Annex 3.6.1), and its action plan (Annex 3.6.2), which, together with the Public Administration Reform Policy (Annex 6.4), form the backbone of public administration reform in Latvia today.

D. NUMBERS AND TABLES

9. DATA

Data collection on public administration issues in Latvia

There is no centralised data collection on public servants as a whole. From 1994 until July 1997, the Civil Service Administration was mandated to aggregate information on civil service candidates for the purposes of hiring, developing career histories and registering civil service disciplinary proceedings. Civil Service Administration in-house IT experts set up a database that could not track non-current information. For this reason, statistics not compiled beforehand cannot be retrieved. To clarify, the database contains the data from the moment of its establishment. However, the necessary software to process this information has not been developed, and therefore active use of the data for statistical purposes is limited.

In July 1997, Regulation 249 on Uniform Collection of Statistics for State-Financed Institutions gave the Civil Service Administration the right to collect a wider range of information, including information about remuneration, employees under the Labour Code, etc. In September 1997 and April 1998 the Civil Service Administration received a tranche of information that comprises a significant part of the data presented in this section. Data collection was short-lived (institutions found it a burden to submit the detailed information), and the regulation was rescinded in April 1998.

Today, with a large number of public servants having “left” the civil service by being rehired under the Labour Code, the Civil Service Administration and the Bureau of Public Administration Reform continue to promote the concept of collecting information on the entire public service. They are trying to find support for regulations allowing the CSA to do so. Slowly branches are perceiving the need, too. For example, the Ministry of Welfare, which is entrusted with coordinating a Pay Reform Programme is having difficulties executing its task due to lack of statistical information. The more that leading public servants in different branches recognize the need for aggregate data collection, the more likely it is that authority to carry out this task will be delegated to the Civil Service Administration.

The PHARE Public Administration Programme 1998-2000 has as one of its key outputs for Project C – Development of Human Resources Management in public services – the computerisation of the HRM system to allow for a detailed analysis of the public administration. (Annex 3.6 -- PHARE Public Administration Reform Programme Project Overview).

◆ **Numbers and distribution of public servants**

9.1

Table 9.1 -- Information from the Statistics Bureau

Table 9.1

Employment figures in
Latvia

	1994	1995	1996	1997
Total labour force	1,083,000	1,046,000	1,018,000	1,037,000
<i>Total employment in:</i>				
State administration	na	37,825	41,294	43,768
Local self-government	na	13,224	15,010	15,497
Private sector (rounded)	623,000	624,000	636,000	680,000

State administration, among others, includes	1995	1996	1997
Defense system, including military forces	5724	5945	5029
Court system	...	4884	4976
Home affairs, including police force	...	12218	14491
firefighters	...	3083	3108
Social insurance workers	1143	1345	1281

Information compiled from the Latvian Statistics Office data.

Employment figures include only those people registered to work with tax books.

Figures for those employed in the black market are not included.

9.2

Table 9.2.1 -- Breakdown of All Public Servants by Institution - 01.09.98

[Excel file - available upon request]

Table 9.2.2 -- Numbers of Civil Service Candidates and other Employees - 01.09.97.

Breakdown of civil service candidates and other employees by branch and by level.

[Excel file - available upon request]

Table 9.2.3 -- Summary of Number of Employees - 01.09.97

Table 9.2.3 Number of Civil Servant Candidates – Breakdown by Branch 1994-1998

Number of civil servant candidates

Branch	Number of civil servants				
	<i>1994</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>
Defense	267	278	267	249	251
Foreign Affairs	214	281	272	293	287
Economics	462	567	560	559	550
Finance *	2268	3,075	339	370	212
Interior	10	194	40	32	6
Education and Science	155	245	255	258	232
Culture	58	123	128	149	131
Welfare **	914	1,205	1,515	1,441	782
Prosecutors Office	1	0	82	85	83
Transport	192	290	204	132	107
Justice	308	1,291	1,392	1,398	1,387
State Chancellery	64	199	117	118	95
State Comptroller	90	90	112	93	121
Environmental Protection and Regional Development	186	432	421	410	376
Agriculture	631	1,152	1,000	3,492	3,492
State Forestry Service ***	0	2,396	2,438		

European Integration Bureau	0	0	5	9	16
Public Admin. Reform	0	0	0	33	32
<i>Ministry of State Reform ****</i>	51	0	0	0	0
Total	5,871	11,818	9,147	9,121	8,160
:					
Of which in central admin.		1,538	1,583	1,488	1,271

* *State Revenue Service as of 06.08.96. Cabinet Regulations Nr.301 not a civil service institution.*

** *State Social Security Funds as of 01.01.1998. not a civil service institution.*

*** *State Forestry Service as of 07.05.1997. under supervision of Ministry of Agriculture.*

*** *Ministry of State Reform dissolved July 1995.*

Table 9.2.4 -- Civil Service Candidates -- Breakdown by Educational Level - 01.09.98
[Excel file - available upon request]

Table 9.2.5 -- Civil Service Candidates -- Breakdown by Age and by Branch - 01.07.1998
[Excel file - available upon request]

Table 9.2.6. -- Civil Service Candidates -- Breakdown by Gender and by Branch - 08.08.1996 and 07.27. 1998

No information is available by grade/function/level, although a top-level position list has been prepared by the Civil Service Administration.

[Excel file - available upon request]

9.3

Table 9.3.1 -- Same table as 9.2.1

[Excel file - available upon request]

Table 9.3.2 -- Vacancies -- number of civil service candidate vacancies and other employee vacancies by ministry and by type of institution - 01.09.97

[Excel file - available upon request]

Table 9.3.3 -- Civil service candidate vacancies in ministries - 1996 and 1997

[Excel file - available upon request]

9.4

The proportion of public servants with a working knowledge of a language is impossible to determine or estimate. Civil service candidate application forms include a section on languages. Since filling out this information is not mandatory, many applicants have not done so. Also, language level of the populace has increased significantly in the last four years, but data in personnel files has not been updated.

◆ Pay levels

9.5

Table 9.5 -- Pay Levels of Civil Service According to Positions - 1998. Payment is not made according to grade, function or seniority. Each position is accorded a pay range.

[Excel file - available upon request]

9.6

Table 9.6 -- Finance Level According to Branch - 01.09.97

[Excel file - available upon request]

9.7

Table 9.7 -- Minimum and Average Wage Levels in the Private Sector, 1994-1997

[Excel file - available upon request]

◆ Turnover rates among public servants

9.8

Turnover rates are for civil service candidates which, in the nine-month time period covered in the statistics, comprises most of the non-technical public service personnel.

Table 9.8.1 -- Turnover by Branch and in the Ministry Central Administration (three sheets) - 9 months of 1996.

[Excel file - available upon request]

9.9

Statistics are not available for the number of civil servants replaced following changes of government. Three state secretaries have been replaced by ministers for reasons outlined in the Public Administration Reform Policy, Annex 3, paragraph 1. No verifiable information is available about changes in heads of institutions. See 1.3 above or Table 9.5 for the list of positions that *must* change with the end of tenure of a minister. According to a wide range of sources, replacements following changes of government go no deeper into institutions.

◆ Redundancy and termination rates among public servants

9.10

Staff Reductions: No overall staff reduction projects have been implemented

Table 9.10 -- lists institutions that have terminated civil service institution status in 1996 and 1997. The employees were released from civil service candidate status and re-employed under the Labour Code; hence they suddenly disappear from statistics on civil service candidates.

[Excel file - available upon request]

9.11

No information on redundant staff available.

9.12

No information available on termination for reasons other than redundancy.

◆ **Training of public servants**

9.13

Table 9.13 -- Number Participating in School of Public Administration's General Training Programme, 1994-1997. These statistics only reveal participants of the Latvian School of Public Administration's coordinated programmes.

[Excel file - available upon request]

9.14

Table 9.14 -- Number of Public Servants participating in Donor-Funded Training Programmes, 1994-1997

[Excel file - available upon request]

According to the International Assistance Coordination Unit of the Ministry of Finance, most donor-funded programmes contain elements of training. Information about donor-funded training components is not centrally compiled. Personnel managers in ministries requested to provide information for this SIGMA project submitted their information from the branches. It may not be complete because some subordinate and supervised institutions in some branches may not have responded or the information was returned in different ways – averages, percentages, aggregated, by institution, breakdown by years, total for years.

9.15

Table 9.15.1 -- Number of Public Servants Participating in Centralised, Government-Funded Language Training, 1994-1997

Table 9.15 Number of Public Servants Participating in Centralized, Government Funded Language Training – 1994-1997

***State Language School Students –public administration workers
1994 - 1997***

Language	October 1994. June 1995	August 1995 December 1995	1996	1997
English	633	98	660	509
German	0	34	139	72
French	0	16	71	21
TOTAL	633	148	870	602

Public servants also study language privately, on an individual basis and at language programs sponsored by institutions at which they work.

Statistics from the Public Service Language Centre

Table 9.15.2 -- Public Servant Language Training at the Language Centre

Table 9.15.2 Public Servant Language Training – Breakdown by Institution

Civil Servants
October 1994 / June 1995

Language : English

Ministry	Level					
	Beginners	Elementary	Low-Int.	Intermediate	Adv.	TOTAL
Economy	31	0	0	41	4	76
Welfare	31	49	0	16	0	96
Justice	0	0	11	8	0	19
Statistics	33	33	9	30	0	105
Interior	13	20	13	0	0	46
State Control	0	0	8	0	0	8
Foreign Affairs	0	13	12	11	0	36
State Reforms	10	19	2	10	6	47
Agriculture	0	14	0	15	0	29
Finance	25	8	29	9	0	71
State Archives	0	14	12	17	0	43
State Chancellery	4	0	1	3	0	8
State Lang. Centre	6	0	0	6	0	12
Adm.School+ State Civil Adm.	0	8	9	11	0	28
Education	0	4	0	4	0	8
Defence	0	0	0	1	0	1
TOTAL	153	182	106	182	10	633

**Report on PSLC Students
Civil Servants
1995 / 1996**

<i>Ministries and Organizations</i>	<i>No of Students (English)</i>	<i>No of Students (German)</i>	<i>No of Students (French)</i>	<i>No of Students (Latvian)</i>	<i>Total No of Students</i>
Administration School + Civil Service Administration	19	2	3	0	24
Antimonopoly Committee	14	4	0	0	18
Department for the Naturalisation	2	0	3	0	5
Human Rights Office	8	0	0	0	8
Integration Office	3	2	0	0	5
Local Government	5	1	0	0	6
National Guards	1	0	0	0	1
Ministry of Agriculture	20	2	1	0	23
Ministry of Culture	2	0	0	0	2
Ministry of Defence	21	9	1	0	31
Ministry of Finance	27	11	2	0	40
Ministry of Economy	35	7	3	0	45
Ministry of Education	19	4	8	0	31
Ministry of Environment	5	4	7	0	16
Ministry of Foreign Affairs	22	4	1	0	27
Ministry of Interior	16	2	0	34	52
Ministry of Justice	8	2	4	0	14
Ministry of Transport	0	1	3	0	4
Ministry of Welfare	92	18	4	0	114
Saeima	57	2	1	0	60
State Archives	18	18	0	6	42
State Chancellery	7	2	7	0	16
State Control	23	1	0	0	24
State Revenue Service	70	6	3	0	79
Veterinary Service	0	3	0	0	3
Statistics	68	0	7	0	75
TOTAL	562	105	58	40	765

**Report on PSLC Students
January - December, 1996**

**Civil Servants
English**

Ministries and Organizations	20 h (2 months)	40 h (1 term)	60 h	Total No of Students
Antimonopoly Committee	20	9	8	37
Civil Service Administration	9	1	0	10
Department for the Naturalisation	4	1	0	5
Human Rights Office	6	4	0	10
Integration Office	4	0	0	4
Ministry of Agriculture	20	0	0	20
Ministry of Culture	5	1	0	6
Ministry of Defence	22	2	0	24
Ministry of Finance	11	7	0	18
Ministry of Economy	2	9	0	11
Ministry of Education	7	8	0	15
Ministry of Environment	4	1	0	5
Ministry of Foreign Affairs	25	2	1	28
Ministry of Interior	21	0	0	21
Ministry of Justice	10	0	0	10
Ministry of Transport	15	4	0	19
Ministry of Welfare	49	28	0	77
Saeima	74	67	0	141
School of Public Administration	6	3	0	9
State Archives	21	0	0	21
State Chancellery	8	16	0	24
State Control	18	0	0	18
State Revenue Service	58	11	0	69
Statistics	12	25	0	37
Treasury Department	1	10	0	11
State President's Office	2	0	0	2
One-to-one				8
Guntis Ulmanis	1			
Andris Šķēle			1	
Dzintars Rasnačs	1			
Māris Grīnblats	1			
Valdis Birkavs	1			
Jānis Vaivads		1		
Aleksandrs Jerumanis		1		
Raimonds Graube		1		
TOTAL	438	212	10	660

**Report on PSLC Students
January - December, 1996**

**Civil Servants
German**

Ministries and Organizations	20 h (2 months)	40 h (1 term)	60 h	Total No of Students
Antimonopoly Committee	5	0	0	5
Civil Service Administration	0	0	1	1
Integration Office	2	1	0	3
Ministry of Agriculture	6	2	0	8
Ministry of Defence	5	6	0	11
Ministry of Finance	14	4	0	18
Ministry of Economy	8	0	0	8
Ministry of Education	5	2	0	7
Ministry of Environment	5	3	0	8
Ministry of Foreign Affairs	5	1	0	6
Ministry of Interior	3	0	0	3
Ministry of Justice	4	0	0	4
Ministry of Transport	2	0	0	2
Ministry of Welfare	8	1	0	9
Saeima	1	0	3	4
School of Public Administration	0	1	1	2
State Archives	18	5	3	26
State Control	2	0	0	2
State Chancellery	3	0	1	4
State Revenue Service	2	3	0	5
Treasury Department	0	2	0	2
State Prezident's Office	1	0	0	1
TOTAL	99	31	9	139

*Report on PSLC Students
January - December, 1996*

*Civil Servants
French*

<i>Ministries and Organizations</i>	<i>40 h (1st term)</i>	<i>40 h (2nd terms)</i>	<i>Total No of Students</i>
Administration School + Civil Service Administration	3	1	4
Department for the Naturalisation	3	0	3
Ministry of Agriculture	1	1	2
Ministry of Defence	1	0	1
Ministry of Finance	2	1	3
Ministry of Economy	3	0	3
Ministry of Education	8	1	9
Ministry of Environment	7	5	12
Ministry of Foreign Affairs	1	0	1
Ministry of Justice	4	0	4
Ministry of Transport	3	1	4
Ministry of Welfare	4	2	6
Saeima	1	0	1
State Chancellery	7	0	7
State Revenue Service	3	0	3
State Prezident's Office	0	1	1
Statistics	7	0	7
TOTAL	58	13	71

*January 1 – December 31, 1997**Civil Servants
English*

Ministries and Organizations	20 h	40 h	Total No of Students
Antimonopoly Committee	32	1	33
Civil Service Administration	9	7	16
CSDD	10	0	10
Department for the Naturalisation	4	8	12
Fisheries	7	27	34
Saeima	8	53	61
School of Public Administration	2	1	3
Archives	11	12	23
Archives' GD	11	1	12
State Chancellery	3	9	12
Statistics	30	27	57
State Control	0	1	1
State Insurance Office	0	4	4
State Language Centre	0	1	1
Treasury Department	3	5	8
State President's Office	4	3	7
Revenue Service	0	1	1
Ministry of Agriculture	2	41	43
Ministry of Culture	3	9	12
Ministry of Education	4	14	18
Ministry of Economy	0	12	12
Ministry of Environment	3	17	20
Ministry of Finance	19	13	32
Ministry of Foreign Affairs	2	18	20
Ministry of Interior	1	6	7
Ministry of Justice	1	3	4
Ministry of Transport	3	7	10
Ministry of Welfare	1	29	30
One-to-one			
Andris Šķēle		1	6
Jānis Vaivads		1	
Raimonds Graube		1	
Gunta Veismane	1		
Ziedonis Červers		1	
Silvija Dreimane	1		
TOTAL	175	334	509

*January 1 – December 31,1997**Civil Servants
German*

Ministries and Organizations	20 h	40 h	Total No of Students
Civil Service Administration	1	0	1
CSDD	0	3	3
Department for the Naturalisation	0	4	4
Integration Office	0	1	1
Saeima	0	4	4
School of Public Administration	0	2	2
State President's Office	0	1	1
Archives	0	4	4
State Archives	0	15	15
State Chancellery	0	5	5
Ministry of Agriculture	1	6	7
Ministry of Economy	0	1	1
Ministry of Education	0	2	2
Ministry of Environment	1	2	3
Ministry of Finance	0	2	2
Ministry of Foreign Affairs	0	7	7
Ministry of Interior	0	2	2
Ministry of Justice	0	3	3
Ministry of Transport	0	2	2
Ministry of Welfare	0	3	3
TOTAL	3	69	72

January 1 – December 31,1997

*Civil Servants
French*

Ministries and Organizations	20 h	40 h	Total No of Students
Civil Service Administration	0	1	1
Ministry of Agriculture	3	1	4
Ministry of Culture	3	0	3
Ministry of Defence	1	0	1
Ministry of Finance	0	1	1
Ministry of Economy	1	0	1
Ministry of Education	0	1	1
Ministry of Environment	0	5	5
Ministry of Transport	0	1	1
Ministry of Welfare	0	2	2
State President's Office	0	1	1
TOTAL	8	13	21

Table 9.15.3 -- All Types of Public Servant Language Training, 1994-1997

This last table is compiled from responses of personnel managers in ministries. *See 9.14 above* for description of the situation.

[Excel file - available upon request]

◆ **Disciplinary proceedings against public servants**

9.16

Table 9.16.1 -- (Four Sheets) Type of Disciplinary Violations: Total - 1995, 1998; by Branch - 1996, 1997

[Excel file - available upon request]

Table 9.16.2 -- Penalties Imposed – Breakdown by Types of Violations, 1995-July 1998
 Table 9.16.2 Penalties Imposed – Breakdown by Types of Violations 1995-July 1998

Penalties Imposed by Types of Violations
January 1st,1995 to
July 1st, 1998

Type of Disciplinary Violation	1995	1996	1997	1998 July 1
Unauthorized position	4	37		52
Not executing duties	331	304	266	27
Exceeding competencies	30	41	30	7
Loss or damage of state property	24	23	6	3
Breach of Confidentiality	1	2		
Malmanagement of subordinates	55	28	19	26
Inappropriate and impolite behaviour	53	13	4	16
Abuse of Public Power	16	3	7	3
Bribe taking	6		1	
Illegal non-administration of fines	10	4		
Illegal fine administration	4			1
Exceeding decision making competencies		2	1	1
Unsanctioned holding of additional positions	3	9	5	1
Illegal political activity				
Impoliteness and Intolerance	6	11	2	
Physical abuse		1		
Withholding Information	1	3	1	
Bureaucratic approach to visitors and colleagues		1		
Other disciplinary Violations			1	
Total	544	482	343	137

Information compiled by **Civil Service Administration Senior Desk Officer I. Benga**

Table 9.16.3 -- Disciplinary Violations – Breakdown by History, 1995-July 1998

**Overview of Findings of Disciplinary Violations from
January 1st, 1995 to
July 1st, 1998**

	Initiated Disciplinary Proceeding	Actual Violations	Punished Violations	Investigation Terminated	Decisio Viola Appe
1995	628	544	544	84	16
1996	531	482	482	49	36
1997	400	343	343	57	12
1998	144	137	137	7	5
Total	1703	1506	1506	197	70

Information compiled by
Senior Desk Officer
Civil Service Administration

I. Benga

E. THE JUDICIARY

10. DATA ON THE JUDICIARY

◆ Branches; hierarchical structure; distribution of officials

10.1

Branches of Courts

Latvia has a three-level court system consisting of district courts, regional courts and a Supreme Court. Together they address all criminal, administrative and civil issues. A land book court that registers land in the land book is under the jurisdiction of the regional courts while under the administration of the Ministry of Justice. (Law on Judicial Power, Article 2, Paragraph 3)

The **Constitutional Court**, mandated by the Constitution and governed by the Law on the Constitutional Court, is “an independent institution of judicial power”. (Law on the Constitutional Court, Article 1)

Specialised Courts

At present, no specialised courts exist. The proposed Law on Administrative Process does not envisage the development of separate administrative courts but rather especially trained administrative process judges in the court system.

The 1995 judicial reform established regional courts. For this reason, comparative statistics are available for 1996 to 1998.

10.2

See Annex 10.2 for a Chart of the Hierarchical Structure of the Court System.

10.3

Table 10.3 -- Number of Judges (breakdown by level of court), 1996-1998
[Excel file - available upon request]

10.4

Table 10.4 -- Table of Key Officials within the Judiciary, 1996-1998
[Excel file - available upon request]

◆ Integrity of judges

10.5

See 10.5 -- Constitution, Chapter 6

The Law on Judicial Power, Chapter 2, outlines the principles and guarantees for the

independence of the judiciary, including immunity of judges. Chapter 13 describes the rights and freedoms of judges. The law is not included in this packet because the Translation and Terminology Centre is presently working on a precise translation. Earlier translations are inaccurate and outdated.

10.6

No special voting is necessary in the *Saeima* to pass laws on the judiciary. Article 81 of the Constitution stipulates that the Cabinet does not have the right to issue regulations with the force of law between sessions of the *Saeima* on laws governing the court system and court proceedings.

10.7

Appointment of District, Regional and Supreme Courts

Based on the recommendation of the Board of Judicial Qualification Examiners, the Ministry of Justice selects judges for recommendation to the *Saeima* for appointment to district and regional courts. The Board of Judicial Qualification Examiners, a self-governing judicial body established to maintain the professional independence of the judiciary, determines the suitability of each candidate nominated to the office of judge for the first time. It conducts examinations and tests the qualification of the candidates. The judge's initial tenure is for two years. Following a review by the Board of Judicial Qualification Examiners, the Ministry of Justice recommends to the *Saeima* to appoint the judge for life. Thus, since regional and Supreme Court judges are promoted, their tenure is for life. The Chairman of the Supreme Court recommends Supreme Court judges to the *Saeima*. Their tenure is also for life.

(Law on Judicial Power, Articles 60-63).

Appointment of Constitutional Court judges and tenure

The *Saeima* confirms judges of the Constitutional Court. Three judges of the Constitutional Court are confirmed on the recommendation of the Cabinet of Ministers, and two judges of the Constitutional Court are recommended by the Plenum of the Supreme Court from among Republic of Latvia judges (Law on the Constitutional Court, Article 4). The term of office is ten years and a person may not be judge for more than ten years consecutively (Article 7). Upon termination, the *Saeima* confirms another judge upon the recommendation of the institution which had recommended the confirmation of the judge whose authority of office was terminated (Article 11).

Promotions

The chairperson of the court level requesting a judge suggests to the Ministry of Justice the judge whom he/she would like to see promoted if a position is available. The Board of Judicial Qualification Examiners evaluates candidates for promotion in all courts, with the exception of the Constitutional Court. It attests judges and assigns to them a category (highest level, 1-6). Judges can also request to be promoted to the Ministry of Justice. The *Saeima* must approve all promotions.

10.8

See Table 10.8 -- Pay Levels of Judges and Key Officials* - 1998

[Excel file - available upon request]

10.9

Statistics concerning the turnover rate of judges in district and regional courts have not been compiled, according to the Ministry of Justice. One judge of the Supreme Court has died.

10.10

No judges have been replaced as a consequence of changes of government. Two judges have not been given lifelong tenure by the *Saiema*, despite their having been recommended by the Ministry of Justice.

◆ Court proceedings

10.11

See Table 10.11.1 -- Number of Court Proceedings, 1994-1998
[Excel file - available upon request]

See Table 10.11.2 -- Number of Sentences Pronounced, 1995-1998
[Excel file - available upon request]

Review Chart 10.2 for interrelationship between levels and branches of courts. According to the Ministry of Justice, at present it is impossible to break down the number of court proceedings according to levels since statistics are compiled according to branches.

10.12

No information concerning the average duration of court proceedings is being compiled.

10.13

The Law on Judicial Powers guarantees legal aid to plaintiffs upon request. The Sworn Advocates must provide legal aid to plaintiffs (Law on the Sworn Advocates). The Ministry of Justice pays the Collegium of Sworn Advocates 25 Ls per day for legal aid (a total of 145,000 Ls in 1998). The Human Rights Office, trade unions and other organisations have the right to provide legal assistance on a voluntary basis.

◆ Training of judges

10.14

According to Inga Kaceska, Director of the Judicial Training Centre of Latvia, 80% of all judges at district and regional levels have participated in seminars on European Law. All judges undergo training twice a year, and the Judicial Training Centre organises training in different regions of Latvia to increase the number of participants and to include key officials and prosecutors in the training programmes. The Supreme Court organises its own training programs. According to the Assistant to the Chairman of the Supreme Court, approximately one third of the Supreme Court judges have participated in training in EC law. Judges of the Constitutional Courts have undergone intensive training through a programme coordinated by the Danish School of Public Administration.

The main impediment for not participating in training programmes outside Latvia is the lack

of knowledge of foreign languages and the overload of work of the judges.

Inga Kaceska estimates that 40 judges at district and regional levels are able to understand and participate in lectures in English, and 5-6 in French. Judges have participated in English and German courses at the Public Servant Language School under a UNDP-financed project. According to various sources in the judicial sector, judges, most of whom are overworked, give priority to pressing cases on the eventual applicability of European law.

*See Annex 8.10.3 -- List of External Assistant Programmes - the Judiciary; and
Annex 8.10.1 -- List of External Assistant Programmes - EU*

