

Public Private Partnership in Latvia

In Latvia legal preconditions for the public and private partnership have been established. Implementation of the PPP projects is regulated by the Law on Concessions. To promote the development of the PPP the Cabinet of Ministers in April 2002 approved The Concept on promotion of concessions (attraction of private capital to perform state functions). According to the Concept, in september 2003 the Concessions Division started its work at the Ministry of Economics, while in february 2004 latvian investment and Development Agency began to promote PPP, and in may 2004 the PPP unit was established at Latvian Investment and Development Agency.

At present the analyses of the situation and the identification of problems are carried out to implement the PPP mechanism in country. The main problems that hinder the use of the PPP mechanism are the lack of knowledge about it, the lack of coordination in the field of PPP between institutions as well as the lack of methodological support instruments.

In order to make PPP a significant mechanism in the provision of public services and infrastructure the following activities will be carried out:

- continuing to work with the identified pilot projects in order to establish the range of problematic issues concerning the use of PPP and to form “good examples”
- working out the government policy framework document for public Private Partnerships in Latvia
- improving Concession Law by inclusion all standards and principles of EU and international community
- continuing to improve legal and institutional frame to form a favourable environment for the use of PPP mechanism
- working on the improvement of the knowledge and understanding of PPPs in the society, public institutions and private sector
- supporting public institutions in the preparation of PPP projects and improving consultancy support system.