



Is Everything so Good Even When it Looks Good?

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12 IACC, Guatemala

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7.2 Defence Procurement Reform

LATVIA



Geography

LATVIA



In 1991, after gaining independence, Latvia joined the UN.

In 2004 Latvia joined the EU and NATO

Latvia actively contributes towards the strengthening of European security and participates in international peace missions



Defence Budget

Year	Expected GDP	Defence Budget % of GDP	Million Ls
2006 **	9 439.1	1.95	183.79
2007 **	10 430.4	2.00	208.61
2008 **	11 481.6	2.00	229.63
2009 **	12 612.4	2.00	252.25
2010 **	13 837.7	2.00	276.75



NATO

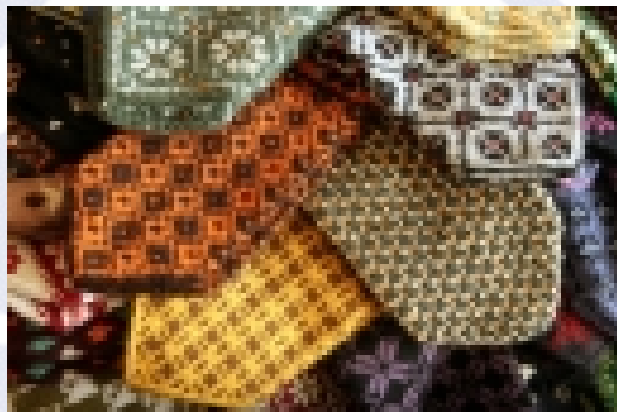
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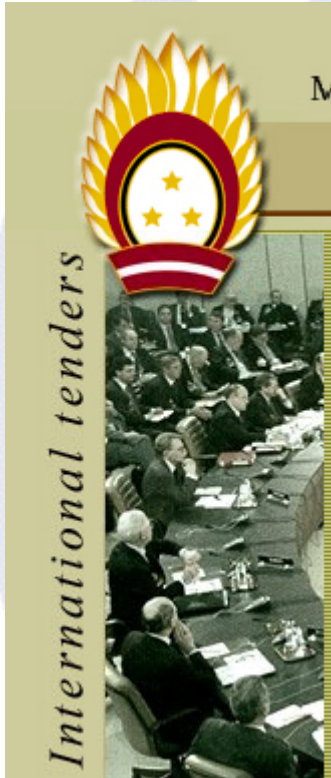
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Procurement for NATO



International tenders

- **NATO Summit Procurements**
 - Equipment**
 - Personnel Provision Procurements**
 - Medical Procurements**
 - Sustenance Procurements**
 - Technology and Communications Procurements**
 - Armament Procurements**
- **Construction Procurements**
- **Procurements up to 10 000 Lats**





Examples of military procurement

- 1. 2006|263 Supply of lightning flares**
- 2. 2006|115 Supply of modular armoured vests – result**
- 3. 2006|243 Supply of 40x53mm high speed double action taped granades**
- 4. 2006|242 Supply of microvawe radar and video systems**
- 5. 2006|138 Supply of radion survelliace receivers and modules – restult**

www.mod.gov.lv



Is everything so wonderful?

1. Transparent budget does not mean effective use of resources
2. The Ministry can publish corrupt tenders:
 - specially adjusted specifications
 - inflated purchase prices
 - Selecting procurement forms favoring certain providers
3. Access to information does not mean access to the ministry and reform

Partners for reform

1. NGO initiative+ setting the context
2. Reform minded leadership
3. Lazy political leadership+ efficient administrative staff



4. Endurance, persistence



Value of NGO involvement

1. The ministry learn how to deal with outsiders, loses fear from disclosing secrets
2. Gets a good partner
3. Gains trust from the international companies
4. Gains trust from public
5. Gets more value for money

Risk – dangerous STONES under water, everything breaks

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Thank you!

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