

KNAB provides more information on the most recent criminal proceeding

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The Corruption Prevention and Combating Bureau (KNAB), as a result of extensive analytical and criminal intelligence work, including in cooperation with foreign and national counterparts, carried out a long-standing process of obtaining information and recording evidence. This long and extensive work was based on the commencement of criminal proceedings in November this year in connection with the procurement of Riga Municipality Transportation Company "Rīgas satiksme" (Company).

The cooperation of KNAB and foreign partner agencies in relation to the facts to be investigated was initiated a bit more than a year ago. KNAB informed Polish Central Anti-Corruption Agency (CBA) and other partner agencies of the allegedly criminal behaviour of certain persons. The agencies initiated joint concerted action to verify the facts. Based on information provided by the KNAB, CBA initiated its criminal proceedings and carried out investigation. We wish to stress that the information published the day before yesterday by the CBA on a bribe of EUR 800, 000 is a preliminary estimate which the Polish counterparts have thus far identified. In this respect, the investigation is continuing and the amounts may increase.

On the other hand, KNAB, on the basis of information in its possession, initiated criminal proceedings in November this year following the third part of article 320 (accepting bribes) of the Criminal Law, article 323 (giving of bribes), third part of article 195 (Laundering of the Proceeds from Crime).

Criminal proceedings have been initiated regarding the fact that representatives of the Czech and Polish enterprises, in agreement with the responsible officials of the Riga City Council and the Company, representatives of the enterprises affiliated with Company involving a natural person and related persons, who are engaged in money laundering and providing financial flow, attracting both real – performing and fictitious shell companies, provided the payment of bribes to the responsible officials of Riga City Council and Company in connection with three purchases and contracts entered into with these procurements:

the procurement of Company 2016 and the contract with this procurement for the supply of low floor trams (total amount of the contract EUR [62 597 477](#));

the procurement tenders announced in 2013 and the contract for the supply of trolley buses entered into with this procurement (total amount of the contract EUR [131 646 135](#));

the procurement tenders announced in 2013 and the contract for the supply of buses entered into by this contract (total amount of the contract EUR [75 808 297](#)).

As a result of the coordinated activities of KNAB and CBA, the active phase of investigations was commenced on 11 December 2018, carrying out immediate investigative activities in both Latvia and Poland.

In the framework of the criminal proceedings of KNAB, extensive initial and necessary investigative activities were carried out: more than 30 searches were conducted, six persons were detained. Deprivation of liberty (Arrest) as the security measure was applied to five out of six persons by Court. CBA detained and later Court Arrested two officials of enterprise.

In criminal proceedings initiated by KNAB, the amounts of bribes constitute percentage interest on the total amount of the contract entered into. Work to clarify the amounts of the bribe in the criminal proceedings of KNAB continues.

We reiterate that the criminal case is very complex; there is still much work to be done by the KNAB.

KNAB, continuing to collaborate with both national and international authorities, will carry out the necessary investigative activities and examine possible relation of other persons to criminal offence.

In view of the above, more detailed information on the specific criminal proceedings will be provided by KNAB to society as soon as it does not interfere with the interests of the investigation.

KNAB is very grateful to CBA and the Latvian law enforcement and security authorities, which provided all the necessary support.

The comment of Mr. J. Straume, Chief of KNAB: "The Bureau has regained strength over the past year. The officials of the Bureau, on a daily basis, expeditiously carry out investigations and criminal intelligence activities in the fight against corruption, advocating the rule of law, democratic values and interests of society. The future of Latvia is at stake. Upon entering into Bureau, I urged the people involved in corruptive offences to look into themselves, try to find a sense of conscience and start thinking about the future of our country. Today I repeatedly encourage doing so. If you fail, we'll have to help! I hope that the next government will continue to support and strengthen the capacity of KNAB."

It shall be indicated that no person shall be considered guilty until it is proven in accordance with the procedures laid down in law. We draw attention to the fact that the persons involved in any criminal proceedings have the right to defence and recall that the presumption of innocence is applied at all stages of the criminal proceedings, that is, from the time when the person is suspected or accused, until time when it is found guilty of committing an offence in accordance with the procedures laid down in law.

<https://www.knab.gov.lv/en/article/knab-provides-more-information-most-recent-criminal-proceeding>