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Information for mass media

**Minister for Environmental Protection and Regional Development Juris Pūce: The decision to suspend Mayor of Riga has been made to protect inhabitants of Latvia’s capital city from possible illegal wasteful public money spending**

**As of today Minister for Environmental Protection and Regional Development of Latvia Juris Pūce has suspended Mayor of Riga Nils Ušakovs from his duties. The decision has followed as systematic violation of law by the Mayor was found out in the Ministry’s inspection.**

Minister for Environmental Protection and Regional Development Juris Pūce: “The first phase of carrying out inspection of Riga’s City council legality of the action has been finished. Serious cases, where law has been violated, were discovered and the Mayor’s answers are hardly convincing of the opposite. Therefore, officials of the Ministry have prepared and I have signed the notice for suspending Riga City council Mayor from his duties. I want to stress - this is not a political dispute. This is decision for good governance. This decision has been made to protect inhabitants of Latvia’s capital city from poorly managed public resources and possible illegal actions with public money. With this signed notice oversight of Riga City council by the Ministry is far from over. The discovered facts and publicly available information shows that the violations could be systematic. In the meantime I want to highlight that all Latvia’s municipalities are monitored and overseen by the Ministry. The times are over, when law could be interpreted in self-interest or decisions by the Constitutional court of the Republic of Latvia ignored. I will make sure that elected heads of municipalities comply with the law regardless of political affiliation.”

During the past months the Ministry has carried out intensive and comprehensive inspection of Riga City council work. On the 21st of March the Ministry requested final explanations and information from the Mayor of Riga, Nils Ušakovs. After detailed analysis it was concluded that Ušakovs single-handedly and overstepping his authority has possibly illegally and wastefully spent millions of euros of Riga taxpayers’ money, deliberately misled elected members of Riga City council about the municipality’s budget expenditure, has not carried out sufficient oversight over municipally-owned public transportation and infrastructure company “Rīgas Satiksme”, that lead to massive corruption scandal. In the inspection it was concluded that Nils Ušakovs has violated at least eight law and other regulatory act norms.

One example of the above-mentioned can be traced back to 2017. In the annual Riga Municipality budget 18 432 000 euros were expected to be invested in “Rīgas Satiksme”. These public financial resources could only be used to increase the company’s capital assets, but it was not done so. “Rīgas Satiksme” did not use the financial resources for the aim mentioned, but in the annual report reflected the money as revenue form economic activity. Nils Ušakovs oversees the operation of this and other municipally-owned companies and according to law is responsible for effective, legitimate and economically sane use of financial resources. The Mayor was clearly aware of the consequences for inappropriate spending of the money. Therefore he misled the elected members of Riga City Council, who considered to be voting for the long-term investment, but actually had voted for “giving a gift” to the company.

Section 93 of the law On Local Governments states, that if the chairperson of a city or municipality council fails to fulfil the duties specified by the laws, the Minister for Environmental Protection and Regional Development, after the receipt of an explanation of the chairperson of the relevant city or municipality council, may with a substantiated order relieve the chairperson from performing the duties of office. Therefore, the Minister has to act properly, if threats to democracy and rule of law are found out.

All of the information and discovered facts about the actions of Mayor of Riga will be sent to the Prosecution Office of the Republic of Latvia and the Corruption Prevention and Combating Bureau (KNAB) for further investigation.