

NJORD Lithuania: Changes in public procurement law in the Republic of Lithuania

In the light of the ongoing war in Ukraine, Lithuania has taken measures to ensure that the contracting authority in public procurement can refuse to enter into an agreement or terminate the agreement with subjects from countries and territories that the Government of the Republic of Lithuania deems as hostile and unreliable.



The changes to the Law on Public Procurement of the Republic of Lithuania have come into force on 1 April 2022 and set out new rights for contracting authorities to reject an application or terminate the agreement if it was already concluded if certain conditions are met, and mobilisation, state of war, or state of emergency has been announced and is active. Contracting authorities can exercise these rights if at least one of these conditions is met:

1. The supplier, its subcontractor or economic entity, if it is relied upon, the manufacturer of the goods (including their components) offered by the supplier or the persons controlling them (both individuals and legal persons) are registered or live in the countries or territories that the Government lists.
2. The origin of the goods (including their components) or services is provided from the countries or territories listed by the Government.
3. The Government has made a decision that certain subjects or agreements do not meet the security interests of the country.
4. The contracting authority has information from competent authorities that certain subjects have interests that could infringe on the safety of national security.

The list of countries and territories that the Government has announced contains the Russian Federation, the Republic of Belarus, Crimea, which is annexed by the Russian Federation, the territory of Transnistria that is not controlled by the Government of the Republic of Moldova, the territories of Abkhazia and South Ossetia that are not under the control of the Government of Sakartvel.

Even though this list is active only for the time of mobilisation, state of war, state of emergency, or decision by the Government of the Republic of Lithuania, these changes are imperative to ensure the safekeeping of national security and to provide contracting authorities with the chance to avoid supporting or sponsoring activities by the authorities or subjects from the listed hostile regions.

It is important to mention that the state of emergency in Lithuania has been prolonged until 29 June 2022 and might be extended further. Therefore, these changes are relevant not only now but also in the upcoming future.