

SLOVAKIA: PUBLIC PROCUREMENT

BUSINESS WITH THE PUBLIC PROCUREMENT AUTHORITIES: NEW REQUIREMENTS

The Slovak Act on Public Procurement no. 25/2006 Coll. ("**Act**") was recently amended by the Act no. 252/2015 ("**Amendment**"). In this respect, a new register of final beneficiaries will be established by the Slovak Office for Public Procurement ("**ÚVO**") on 1 November 2015.

NEW REGISTER OF FINAL BENEFICIARIES

The Amendment aims to increase the transparency level in the public procurement. Public procuring authorities will be entitled to conclude (public) contracts only with those entities whose ownership structure is clear up to the level of natural persons. Therefore, entrepreneurs (bidders as well as subcontractors) who are interested in concluding (public) contracts with public contracting authorities should apply for an entry in the register of final beneficiaries with ÚVO.

APPLICATION FILED BY ENTREPRENEURS

Entrepreneurs may file the application for an entry in the register of final beneficiaries (only) from 1 November 2015 on (*i.e.* not at an earlier date). The application shall be based on a template published on the website of ÚVO and accompanied by several enclosures.

The application shall also state the final beneficiaries of the respective entrepreneur. The term "*final beneficiary*" means a natural person who, *inter alia*,

- owns a share of min. 25% in the entrepreneur (being a legal person) or
- has the right to appoint a member of the management board or of the supervisory board or
- controls the entrepreneur in another way.

SANCTIONS

Entrepreneurs should pay great attention to the new register of final beneficiaries since the following sanctions may apply:

- penalty EUR 10.000 – EUR 1 000 000 and a prohibition to participate in public tender procedures for the period of three years
 - if the entrepreneur concludes a (public) contract with a public contracting authority without its entry in the register of final beneficiaries or

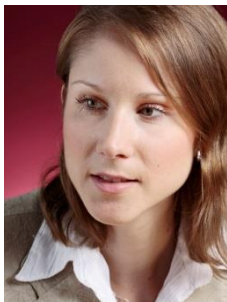
- if the relevant documents submitted to ÚVO are not correct or incomplete.
- penalty up to EUR 100.000
 - if the entrepreneur does not inform ÚVO about relevant changes of data stated in the register of final beneficiaries or
 - if the entrepreneur does not submit the relevant documents to ÚVO upon its request.

Please feel free to contact us. We will gladly support you in filing your application for an entry in the register of final beneficiaries with ÚVO.

ABOUT WOLF THEISS

Wolf Theiss is one of the leading law firms in Central, Eastern and South-Eastern Europe. We have established our reputation over a combination of unsurpassed local knowledge and strong international capabilities. We opened the first Wolf Theiss office in Vienna over 50 years ago, and today our team is comprised of over 300 associates with different practice areas, working in offices spread in 13 countries in Central and Eastern Europe.

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