



“Our interests [of Latvia] require us not to be indifferent to our country and the wider world. Our Latvian interests require support for human rights, democracy and the rule of law both at home and in the world.”

– Edgars Rinkēvičs, Minister for Foreign Affairs, at the annual Foreign Policy Debate in the Latvian Parliament (Saeima), 28 January 2021

MAIN CHANGES IN 2020

The Ministry of Foreign Affairs continued drafting new guidelines for the 2021-2027 development cooperation policy, focusing on new issues such as expanding the partner regions for bilateral aid, defining priority SDGs and emphasising the role of the private sector more.

The strengthening of the institutional framework for development cooperation policy implementation is underway – EU accreditation of the national development agency will increase the competitiveness of Latvian-led projects. Also, the introduction of three-year budget planning should improve the quality of development cooperation projects in the future.

Active cooperation with the OECD has started and workshops and recommendations have been delivered, in particular on role of the private sector in 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

The road to Latvia's candidacy for the UN Security Council in 2025 could play an important role, raising the profile of the country's development cooperation policy and increasing funding levels.

There will be a greater focus on action in priority cross-cutting areas such as climate change, human rights, digitisation and gender equality.

The private sector will become more involved in development cooperation, so there is still a strong need to make a clear distinction between national development cooperation and export policies.

CASE STUDY BOX: CRISIS IN BELARUS



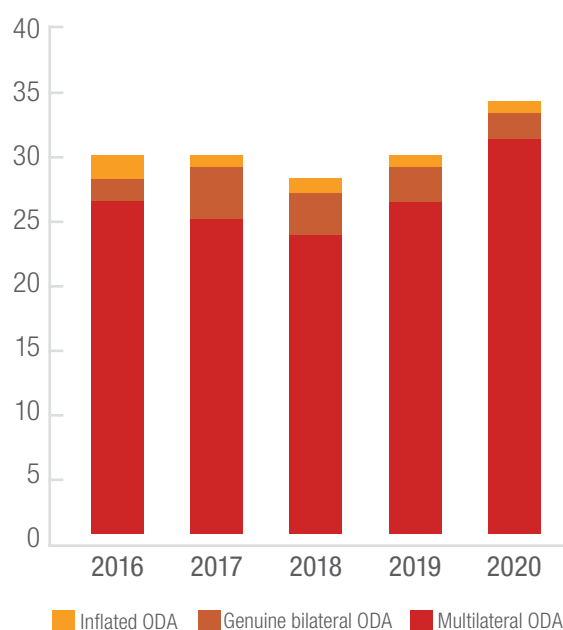
The Latvian government was one of the first to react to the crisis in Belarus. Rehabilitation programmes were implemented for civil society activists, journalists, and victims of government violence, ensuring their safe movement out of the country on humanitarian visas. In addition, significant funding was invested in civil society organisations in Belarus, for legal assistance, the documentation of torture and community mobilisation.

RECOMMENDATIONS TO THE LATVIAN GOVERNMENT

- 50% of open calls under bilateral aid must still be reserved for CSOs, as this is the main financing source for smaller local CSOs involved in development cooperation and building local resilience.
- Specific support for Belarus must be continued, as the flexibility of bilateral aid ensures effectiveness.
- The humanitarian aid system must be defined in more detail, as various global political, social and environmental crises require increasingly urgent responses.
- An increase in bilateral ODA should be combined with an overall review of projects, including an impact assessment, and an improvement of the financing system, ensuring equal and open access to all.

LATVIA – GENUINE AND INFLATED ODA

(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	5.57	0.02	18.40
2017	5.67	0.02	18.96
2018	5.57	0.02	19.65
2019	6.01	0.02	19.57

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	3.40	3.40	0.00	0.00
2017	4.24	4.24	0.00	0.00
2018	4.05	4.05	0.00	0.00
2019	3.99	3.99	0.00	0.00

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	1.37	1.37	0.00	1.33	0.00	0.04	0.00	2.93
2017	3.65	3.65	0.00	3.57	0.05	0.04	1.25	1.16
2018	2.81	1.19	1.63	0.60	0.54	0.04	45.76	3.70
2019	2.67	0.75	1.92	0.37	0.34	0.04	44.76	5.18

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor-CSO-Earmarked	International-CSO-Earmarked	Recipient-CSO-Earmarked	Donor-CSO-Core	International-CSO-Core	Recipient-CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	3.31	0.00	0.02	0.00	0.00	0.08	0.00	2.75	0.31	2.26	0.25
2017	4.07	0.11	0.00	0.00	0.00	0.07	0.00	4.13	0.59	1.62	0.23
2018	3.89	0.07	0.00	0.00	0.00	0.09	0.00	3.79	0.54	2.11	0.30
2019	3.82	0.07	0.00	0.00	0.00	0.10	0.00	4.14	0.54	2.43	0.31