



LATVIA

“Effective and Responsible Development Cooperation Financing” a task to be continued”

LAPAS

Main trends

In 2023, Latvia experienced a significant increase in ODA, driven by several new multilateral initiatives. Despite this marked increase in multilateral contributions, Latvia's bilateral aid levels remained disproportionately low. Bilateral aid, unlike multilateral aid, is often more transparent and traceable, allowing for greater scrutiny of its allocation and effectiveness. This disparity highlights a potential issue in the focus of Latvia's ODA, as the shift towards multilateral funding may obscure accountability and hinder efforts to ensure that aid aligns with national priorities.

Latvia's continued support for Ukraine through humanitarian aid, particularly through innovative measures like the donation of expropriated cars from drunk drivers, reflects the country's sustained commitment to crisis response. Additional support to Ukraine included contributions to the IMF, the EIB and UN Women initiatives aimed at assisting Ukrainian women. In 2023, a notable portion of Latvia's ODA also went towards refugee-related costs, further reflecting the country's response to the ongoing crisis in Ukraine. The Latvian Ministry of Economics also continued its involvement in Ukraine's reconstruction, committing EUR 2 million to related projects.

Since January 2022, the Central Finance and Contracting Agency (CFCA), under the Ministry of Finance, has assumed the role of Latvia's national development agency. It launched its first projects, which include partnerships with NGOs and other stakeholders. However, concerns have been raised about the transparency of the selection process for project inclusion, casting doubt on the fairness and inclusivity of project financing.

Reported ODA: EUR 124.8 million
0.33% GNI (↑ from 0.21% in 2022)

Non-inflated ODA: EUR 86.4 million
0.23% GNI (↑ from 0.19% in 2022)

Total inflated ODA: EUR 38.4 million
31% of total



The rapid expansion of ODA funding in 2023 has raised the need for more robust monitoring and accountability mechanisms. In response to this growing need for oversight, the Latvian Platform for Development Cooperation (LAPAS) and its members launched a project titled “Effective and Responsible Development Cooperation Financing” in 2023. The project aims to develop a national methodology for ODA evaluation, build the capacity of NGOs in this field, and produce two national ODA evaluation reports. This initiative reflects a proactive approach to enhancing the quality, accountability, and effectiveness of Latvia's development assistance in the context of its expanding global commitments.

Government's relationship with civil society

MFA involves LAPAS in decision-making processes including timely non-formal consultations on legal acts and policy documents, involvement in a consultative body on development cooperation and an openly elected NGO representative in the project evaluation commission of the bilateral open call by MFA. At the same time despite the very rapid increase of ODA the direct support by MFA for the national platform LAPAS in 2023 has remained unchanged since 2018, the amount of EUR 21 000 annually for communication activities and membership in international platforms.

The Latvian government should:

- Increase the proportion of the MFA bilateral financing for the open project call to ensure transparency and accountability.



- **Develop the mechanisms to review the bilateral and multilateral commitments beyond MFA financing as part of Latvia's development cooperation policy framework.**
- **Increase the direct support to LAPAS to support the growing need by NGOs for capacity building and partnerships with Ukraine and other Eastern Partnership countries.**
- **Ensure transparent and open principles in the management of the new national development agency.**