

REPORT

Latvia's development cooperation policy

CSO PERSPECTIVE

Latvian Platform for
Development Cooperation
(LAPAS)
2023

Iceland
Liechtenstein
Norway



Active
citizens fund

LAPAS



Latvian Platform
for Development
Cooperation

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Introductory remarks by the Director of LAPAS

The year 2022 was a turning point in development cooperation in Latvia. Following Russia's aggressive invasion of Ukraine, citizens, companies, municipalities, civil society organisations and government agencies actively participated in both humanitarian aid and reconstruction processes. There was no longer any necessity to explain that what is happening in other countries also affects Latvia; solidarity and support became self-evident.

A high level of participation also means increased competition for available resources and demands for openness in the processes of their redistribution. Until now, Latvia has been proud of having one of the most responsible development cooperation policies in the European Union, but with the rapid growth of its scope and the parties involved, it has become increasingly challenging to ensure transparency and close monitoring of the outlined policy goals.

Of course, I particularly want to emphasise the prominent role of citizens and civil society organisations in development cooperation and humanitarian aid; however, the sustainability of these initiatives requires a constantly supportive environment and available resources. The creation of a national humanitarian aid system should become one of

the priorities since it is practically impossible for Latvian organisations to access multilateral funding and large donor resources. Likewise, in the reconstruction processes of Ukraine, along with infrastructure, we should not forget about investing in people who return and continue to develop their country.

The association "Latvian Platform for Development Cooperation" (LAPAS) is a "critical friend" of the Ministry of Foreign Affairs in development cooperation by actively and constantly participating in open policy-development processes; however, it also offers a healthy critical view of the field, offering suggestions for its improvement and taking the initiative in the implementation of various activities.

In 2023, the work invested in attracting financial resources culminated in new projects, including the involvement of members in the implementation of development cooperation policies and the development of annual reports, assessing the quality of development cooperation and improving its essence.

We also thank all our cooperation partners who support our work and understand how interconnected the world is and the importance of international solidarity and strengthening democracy.



INESE VAINARE,
Director of the association
"Latvian Platform for Development
Cooperation" (LAPAS)

Glossary of abbreviations

CFCA	Central Finance and Contracting Agency
CSO	civil society organisation
EU	European Union
GNI	gross national income
LAPAS	association “Latvian Platform for Development cooperation – LAPAS”
MES	Ministry of Education and Science
MFA	Ministry of Foreign Affairs
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
SDG	Sustainable Development Goals
UN	United Nations

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Process of report development

This report has been developed during the long process of consultations with different stakeholders, especially LAPAS members.

In 2023, LAPAS has implemented a wide range of activities within the project “Stronger and wider community of LAPAS members and friends” (supported by the Social Integration Foundation) – questionnaires and interviews with members, meetings with different experts from the international and national level, members’ events and others. Within the projects of the Active Citizens Fund, there have also been discussions on topics such as social resilience, development aid, members’ events and opinion polls.

LAPAS has also been involved in consultative processes with the Ministry of Education and Science (hereinafter – MES), Ministry of Foreign Affairs (hereinafter – MFA), Ministry of Interior and other institutions.

LAPAS closely follows European and global level processes in organisations such as CONCORD Europe, Forus International, as well as in consultative

mechanisms of Organisation for Economic Co-operation and Development (hereinafter – OECD) and other processes.

The recommendations have been discussed with relevant members and the LAPAS council.

Policy documents and legal acts, the AidWatch 2023 process and other publicly available information is also used to develop this report.

Within the process of development of this report, the Ministry of Foreign Affairs provided access to data on development cooperation, gave interviews and organised meetings on the review of results.

This document serves as a discussion document for further LAPAS work in advocacy and capacity building of civil society organisations (hereinafter – CSO).

In 2024, LAPAS plans to improve the methodology of the review of development financing and reporting involving members’ organisations and other experts.



The discussion with Latvian organizations that provide humanitarian aid to Ukraine and representatives of the Ministry of Foreign Affairs and the Embassy of Latvia in Ukraine (Riga, 27.11.2023). Photo: LAPAS archive

Policy framework

Institutional framework
Legal framework

Institutional framework

The main institution responsible for the development of cooperation policy is the Ministry of Foreign Affairs (hereinafter – MFA). MFA develops policy guidelines and an implementation plan that state the framework of development cooperation and related activities such as grant schemes, national-level events and others. Regular events with stakeholders, for example, on the reconstruction of Ukraine, private sector engagement, impact assessment and others help to build the capacities of partners and increase the quality of policy implementation.

The Development Cooperation Policy Consultative Council¹ is a consultative body consisting of the representatives of state institutions (mainly ministries) and non-governmental partners. It aims to strengthen Latvia's bilateral development cooperation, promote public understanding of the development cooperation policy and provide multi-stakeholder support in its implementation. Council meetings are held on a regular basis and all main policy documents are consulted with its members. Since 01.01.2022, The Central Finance and Contracting Agency (hereinafter – CFCA) (under the Ministry of Finance)² has become the national development

cooperation agency, as the amendments to the Law on International Assistance came into force. The agency has started its work and is implementing its first coordinated pilot project in Uzbekistan on good governance.

CFCA's main pillars of work are:

- To promote Latvia's involvement in the implementation of large-scale development cooperation projects financed by the EU and other donors, integrating related functions into the work of the CFCA and conducting an evaluation of EU pillars;
- To ensure CFCA's capacity and professionalism to transparently, qualitatively and responsibly provide support to the community of Latvian development cooperation implementers;
- To provide conditions for inter-sectoral cooperation and stimulate the creation of partnerships for the implementation of development cooperation activities.

¹ <https://likumi.lv/ta/id/247343-attistibas-sadarbibas-politikas-konsultativas-padomes-nolikums>

² <https://www.mfa.gov.lv/lv/latvijas-attistibas-sadarbibas-agentura>

Local governments, private enterprises, CSOs and academia also play an important and active role in the development of policy and project implementation. Latvia follows the whole-of-society approach and cross-sectoral cooperation.

Civil society organisations are important partners in the implementation of the development cooperation projects, raising discussions on different policy areas, information and education of society, and work with partners to ensure needs-based policy implementation.

For CSOs the following are available at the national level:

1

an open call for grant projects, implemented by government institutions, non-governmental organisations and the private sector is organised, aiming to direct 50% of the funding to CSO projects (including CSOs established by local governments and private sector companies);

2

co-financing call for projects in development cooperation and global citizenship education;

3

since 2022, a call for feasibility study visits with funding is available.

CSOs are also involved in capacity-building training and public events, and LAPAS receives direct funding to support international and educational work.



On June 16, 2023, the discussion “Development cooperation after 24.02.2022. Conclusions and perspectives” took place. Participants of the panel discussion “Definition and financing of development cooperation” Andris Sprūds, Chairman of the European Affairs Commission of the Saeima, Madara Siliņa, Head of the Development Cooperation Policy Department of the MFA, Agnija Birule, Head of Advocacy for “Society for Openness – Delna”, Dana Heibergera, CFCA Environmental Investment and director of the international cooperation department. Photo: LAPAS archive

Legal framework

Latvia's development cooperation is implemented in accordance with the guidelines approved in the planning documents. The main planning documents in the development cooperation policy implemented by Latvia are development cooperation policy guidelines and development cooperation policy plans.

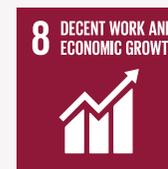
Policy Guidelines

The policy framework is defined in the Development Cooperation Policy Guidelines 2021–2027³.

Latvia's development cooperation is based on the global development agenda and agreements – the United Nations (UN) Agenda for Sustainable Development 2030 (Agenda 2030), which defines the 17 Sustainable Development Goals (SDGs), the European Consensus on Development Cooperation “Our World, Our Dignity, Our Future”, the Addis Ababa Action Agenda on Financing for Development, as well as the Paris Agreement of the UN Framework Convention on Climate Change.

Latvia specifically focuses on SDG 4, SDG 5, SDG 8, SDG 13, SDG 16, SDG 17:

- promotion of the rule of law,
- development of public administration and strengthening its capabilities,
- development of entrepreneurship,
- gender equality,
- promotion of democratic participation,
- promotion of civil society in the fields of development,
- education,
- climate change and environmental protection.



³ <https://likumi.lv/ta/id/322455>

According to the Guidelines, the geographical priorities of Latvia's development cooperation are the countries of the Eastern Partnership of the EU (especially Georgia, Moldova, Ukraine, as well as Belarus) and the countries of Central Asia (especially Kyrgyzstan, Tajikistan and Uzbekistan). At the same time, with the increase in funding for the implementation of the development cooperation policy, Latvia for the first time prioritises providing support to other regions (especially African countries), contributing to global public goods and solving global challenges, as well as observing Latvia's official development aid obligations to support the least developed countries as well.

Policy guidelines are implemented with plans – Development Cooperation Plan 2021–2023⁴ and the newly developed Development Cooperation Plan 2024–2027 (in the process of development at the time of this report).

These plans contribute to the main priorities, as well as define how financing available will be divided and how the planned results will be obtained.

It must be pointed out that MFA holds consultations with different stakeholders about the draft policy documents, which ensures quality and needs-based documents.

There are also other documents that are linked to this policy field such as the Law on International Help, Regulation on fees, per diems and hotel costs for persons involved in development cooperation projects.

Since the full-scale aggressive invasion by Russia in Ukraine in 2022, Latvia has contributed to humanitarian aid, as well as the reconstruction and development of Ukraine by public and private means including donations by individual citizens. In 2022, separate policy documents were developed by the MFA – informative report “Involvement of Latvia in Reconstruction of Ukraine”⁵, as well as more detailed reports on the involvement in Chernihiv region⁶ by MFA and separately by Latvia's entrepreneurs⁷.

⁴ <https://likumi.lv/ta/id/325339>

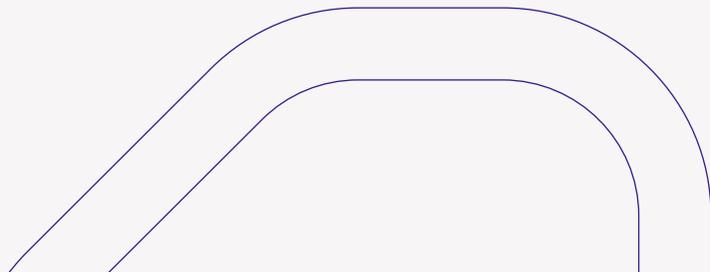
⁵ https://tapportals.mk.gov.lv/legal_acts/34b7c74e-b95a-4efe-8d24-6d1aeea98f4a

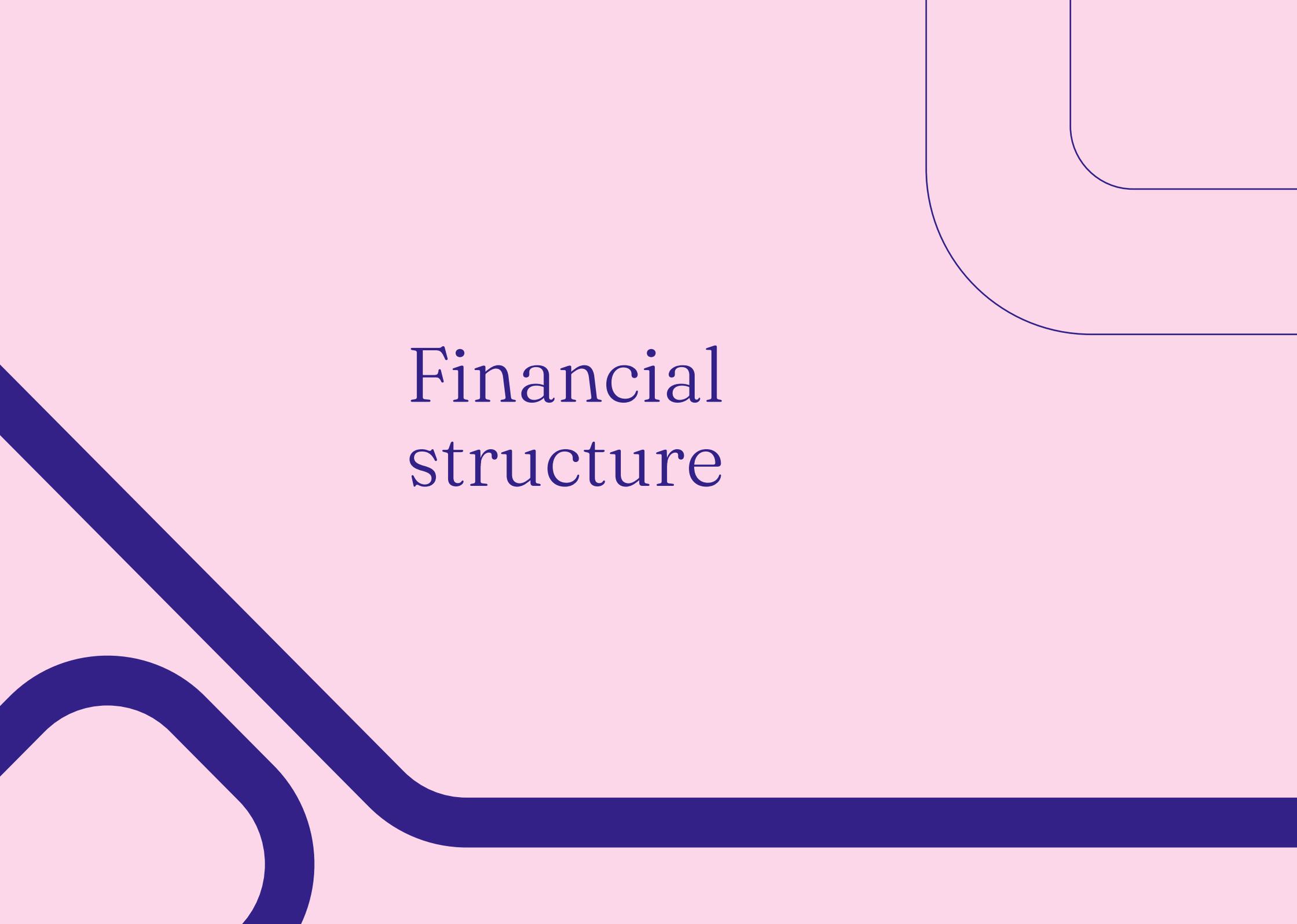
⁶ <https://lvportals.lv/dienaskartiba/353154-latvijas-uznemeju-iesaiستي-ukrainas- Chernihivas- apgabala- atjaunosana-em-rikos-sarunu-proceduru-2023>

⁷ https://tapportals.mk.gov.lv/legal_acts/d873b4ee-b6bd-464b-8db4-121c0dc8ff8e



On December 7, 2023, a meeting of the Development Cooperation Policy Advisory Council was held at the Ministry of Foreign Affairs. Photo: MFA archive





Financial structure

In the policy guidelines, Latvia reaffirms its commitment to allocate 0.33% of the gross national income (hereinafter – GNI) to official development assistance (hereinafter – ODA) by 2030, including allocating 0.15–0.20% of GNI to the least developed countries. The guidelines state that by 2027, Latvia should allocate at least 0.23% of GNI to ODA.

ODA is implemented by two main instruments – multilateral cooperation and bilateral cooperation.

Multilateral cooperation

In multilateral cooperation, Latvia contributes to the promotion of global development by allocating funding to development cooperation programmes, projects and aid funds of international organisations, as well as by making regular contributions to

international institutions (e.g., EU, UN, OECD, World Bank). Mandatory contributions mainly result from Latvia’s participation in the relevant international institution but there are also voluntary contributions, including unplanned ones such as humanitarian aid in crisis situations.

Considering the fact that most of the development aid provided by Latvia is channelled through EU development policy instruments, programmes, etc., it is especially important for Latvia to actively participate in multilateral development policy planning. CSOs, private entrepreneurs and government institutions, academia can apply to direct project funding in different EU calls, as well as partner with countries in priority regions when they access these project calls in EU Representations and by other means available.

Bilateral cooperation

Approximately 10% of the development aid provided by Latvia is bilateral aid (29% in 2022), which includes projects implemented within the framework of the development cooperation policy budget allocated to the MFA, humanitarian aid and financing for bilateral development cooperation, which is paid from the budgets of the other relevant state institutions.

Bilateral cooperation is implemented based on Latvian political priorities and opportunities, as well as on the national development plans and current needs of partner countries. Most of the projects are included in the implementation plan.

Part of the projects are already predefined at the plan level and some are distributed in the open call where state and local government institutions and their representatives, non-governmental organisations, academia and the private sector can participate.

In this project call, 50% is ensured for CSO projects (including CSOs established by municipalities and private enterprises). The project call has undergone many improvements and also has a considerable increase in the amounts of financing available.

The co-financing call for projects in development cooperation and global education ensures the possibility to apply for EU and other donor funds and increases overall contribution.

Feasibility studies that are newly introduced by MFA help to build new partnerships and develop higher quality projects, especially in new regions for Latvia's development cooperation.

Bilateral development cooperation is also an essential tool for promoting the country's international visibility, strengthening the experience of experts, as well as building contacts.

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ODA 2022

In 2022, the largest amount of all of Latvia's Official development assistance (hereinafter – ODA) financing was channelled through EU institutions (42.16%), International Monetary Fund (15.69%), International Development Association (8.92%), International Bank for Reconstruction and Development (6.63%), and also directly through the government of Nicaragua (5.75%) and Latvian institutions (State Social Insurance Agency, State Emergency Medical Service and Office of Citizenship and Migration Affairs of Republic of Latvia) – 6.61% in total.

The main ODA is multilateral (71.0% in 2022). For bilateral ODA, Eastern Partnership countries have been a priority, but in recent years countries in Africa have also become a priority (including a higher weight of the evaluation criteria in the open call of projects). Since Russia's war of aggression intensified

in February 2022, support for development in Ukraine is also a priority (9.8% in 2022). Since 2020, the civil society of Belarus has also been supported, and during 2022, the specific financing for Belarus was integrated into the general bilateral ODA call.

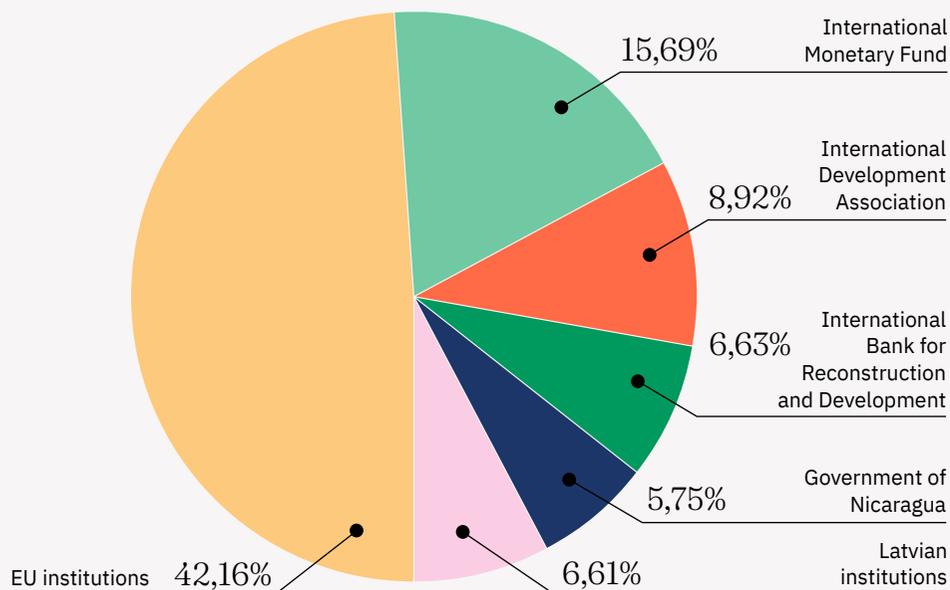
In recent years, the amount of overall bilateral aid has been increased – from EUR 6 021 339 in 2021 to EUR 27 411 734 in 2022. It has to be noted that only bilateral aid by the Ministry of Foreign Affairs is distributed in an open process within the framework of the policy guidelines, with some other projects included in the three-year implementation plan. The bilateral aid by MFA in 2022 was 1 324 430, which was an increase from the planned EUR 924 000 in the policy guidelines, also due to the additional funding for humanitarian goals in Ukraine.

MFA co-financing of projects has also increased (from EUR 19 682 in 2021 to EUR 27 766 in 2022). The MFA financing of the predefined projects (included in the implementation plan without an open call) has increased from EUR 155 684 in 2021 to EUR 197 028 in 2022.

New financing for capacity building for project implementers has been implemented in 2021 (EUR 14 000) and has increased to EUR 25 436 in 2022; this financing is implemented by MFA itself and targeted at Latvian project implementing bodies.

Support for the Latvian Platform for Development Cooperation has remained unchanged since 2018 – EUR 21 000, EUR 14000 for activities and EUR 7000 for membership fees and participation in international platforms.

LATVIA'S ODA FINANCING (2022)



Analysis of development cooperation financing 2022

Gender perspective
CSO support
Support projects for Ukraine
Inflated ODA and risks for equality
Other risks of ODA quality
Quality and accountability of multilateral aid

Gender perspective

Based on the CONCORD Europe AidWatch methodology, LAPAS has reviewed Latvia's ODA from different perspectives such as gender, CSO

support and also specific risks concerned with this policy field such as inflated aid, imputed student costs and other risks.

There have been several bilateral aid projects directly aimed at gender equality in 2022. As the priority area for Latvia, gender equality has also been indicated as an aim for several multilateral activities, but they need to be traced at the project level to ensure their relevance.

Centre MARTA

Centre MARTA, together with cooperation partners in Ukraine, established a rehabilitation centre for women who have suffered from crimes of sexual violence committed by the Russian army. In cooperation with Ivano-Frankivsk medical institutions, it has opened a hotline for victims of sexual crimes and

torture. The helpline provides counselling, psychological assistance, information and access to social, medical, legal and humanitarian assistance. In four months, more than a hundred women who suffered from sexual violence have received help.

The project "Shelter for women and girls who have been victims of war crimes" was implemented thanks to the financing of the development cooperation policy of the Ministry of Foreign Affairs of Latvia. Latvia allocated 58,925.76 euros for the implementation of the project and is one of the biggest financial supporters of the project. Additional funding was provided by organisations from Lithuania, Slovakia, South Korea and the USA.



On November 30, 2022, in Ivanofrankivsk, Ukraine, a rehabilitation center for women who have suffered from crimes of sexual violence committed by the Russian army was just opened. Photo: MFA webpage

⁸ <https://www.mfa.gov.lv/lv/attistibas-sadarbiba/atbalstite-projekti>



As part of the project “Female Founders Across Borders” experience exchange trip to Latvia, the Uzbekistan representatives had the opportunity to join a networking event at the Presidential Palace, where the biggest achievements and projects of Riga TechGirls were highlighted. The participants had the opportunity to meet each other and industry representatives in real life. Photo: Riga TechGirls archive

Riga TechGirls

With the support of the Ministry of Foreign Affairs, Riga TechGirls implements the international initiative Female Founders Across Borders, which promotes the involvement of Uzbek women in entrepreneurship in the field of technology. Using Latvia’s

experience in promoting gender equality and entrepreneurship, the project provides support for the creation and development of technology companies founded and managed by women⁹.

⁹ <https://www.mfa.gov.lv/lv/attistibas-sadarbiba/atbalstite-projekti>

esiLV

The Latvian diaspora association esiLV, in cooperation with Riga Business School, is implementing the first Latvian development cooperation project She Rebuilds the World in Africa with the aim of supporting women's involvement in business in Namibia

and Zambia. In the project, Latvian and international experts share their experience in raising women's entrepreneurial skills, promoting the development of an inclusive and sustainable business and entrepreneurial environment¹⁰.



The launch of the second season of the “esiLV” project “She Rebuilds the World” in Namibia. Photo: “esiLV” archive

¹⁰ <https://www.mfa.gov.lv/lv/attistibas-sadarbiba/atbalstite-projekti>

CSO support

In 2021, 50% of the bilateral development funding overseen by the MFA was provided to projects implemented by CSOs. In 2022, 51.5% of the bilateral development funding overseen by the MFA was provided to projects implemented by CSOs.

In 2022, 23 CSO projects were supported in total, as well as:

- Five CSO projects received co-financing, one CSO received funding for the implementation of a research visit.
- LAPAS and the Association of Local and Regional Governments received direct financing
- Three projects by CSOs were financed by additionally approved funding for Ukraine support.

Civil society projects are defined as a policy priority, increasing from 55% in 2019 to 80% in 2027. (This goal is set for % of the bilateral ODA managed by the MFA in which the civil society of the partner country is involved).

In the open call, a 50% quota is defined for CSO projects but they cannot be considered as civil society projects as CSOs established by the private sector and local governments are also financed under this quota.

MFA involves LAPAS in decision-making processes, including timely informal consultations on legal acts and policy documents, as well as the work of a Consultative body on development cooperation, and there is an openly elected CSO representative in the project evaluation commission of the bilateral open call by MFA. At the same time, despite the rapid increase of ODA, direct support by MFA for the national platform LAPAS has remained unchanged since 2018 – EUR 21 000 annually for communication activities and membership in international platforms. This support has become the lowest specific support to national platforms at the Baltic level, with Estonian and Lithuanian National Platforms receiving on average EUR 50 000 annually for their work with members and related activities.

“This internship gave us the opportunity to learn from the experiences of Latvian colleagues, which can become good practices for the realities of the Republic of Moldova, by ensuring equitable access to information and quality services for the community served. We understood that development of a local democracy is achieved by raising awareness of the public library’s values, resources and role in building social resilience of the community.”

ELENA PINTILEI, General director of the National Library of the Republic of Moldova





LAPAS

LAPAS, together with the National Library of Latvia and Vidzeme University, implemented a project with the aim of promoting democratic development at the level of local communities, strengthening resilience against misinformation and emphasising the role of librarians as leaders of change in local communities.

A delegation of representatives of the Moldovan librarians' association is meeting with Dagdas library (Latvia) colleagues in the framework of the Latvian-Moldovan development cooperation project implemented by LAPAS in November 2022. Photo: LAPAS archive



Latvian Rural Forum

The Latvian Rural Forum strengthened the capacity of Moldovan regional and local development planning organisations and youth involvement in rural development by providing support for the creation of a parliamentary platform for rural communities in Moldova.

In Chisinau, a Moldovan rural parliament is planned as part of the project. Photo: Zane Siliņa



Volunteers from EU aid Volunteers sent by the association Esi Labs! visit cocoa plantation workers in Suchum, Ghana, along with local partner organisation Ecocare. In Ghana, cocoa farming is one of the main incomes for many farmers, and it is also one of the biggest reasons for deforestation. During the project, volunteers, along with Ecocare, called on farmers to introduce various sustainable farming solutions. Photo: Sara Lorenzini

Esi Labs!

The association Esi Labs! with the support of the Ministry of Foreign Affairs, implements the EU Aid Volunteers initiative project with the aim of sending volunteers to Cameroon, Guinea, Congo, Vietnam

and Ghana to strengthen the work of local organisations in the protection and sustainable management of rainforests. The main financier of the project is the European Commission.

Support projects for Ukraine

Support to Ukraine has been Latvia's high priority in 2022. Many projects in different areas have been implemented with the support of MFA bilateral aid financing, and other humanitarian aid has also been supported.

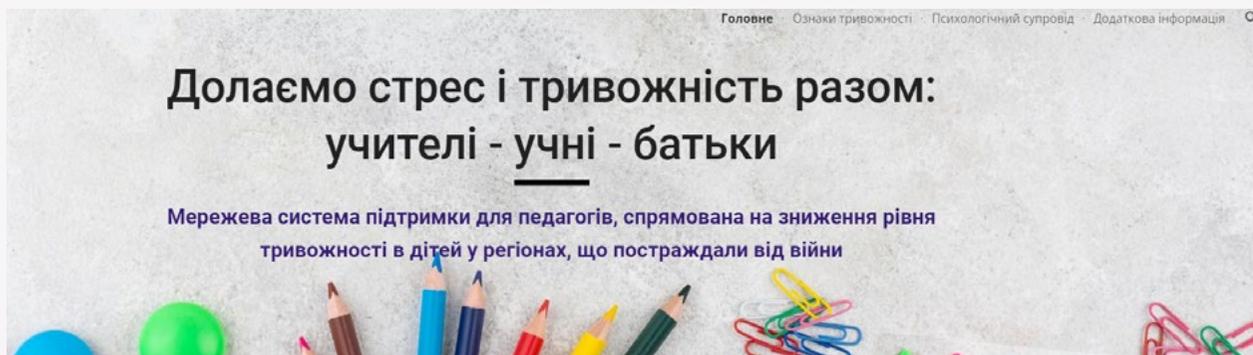
The National Rehabilitation Centre "Vaivari"

The National Rehabilitation Centre "Vaivari" provides assistance to six Ukrainian hospitals to implement rehabilitation programmes for patients after limb amputations. Using Latvia's experience in medicine, consultations were provided to Ukrainian

partners on the implementation of rehabilitation programmes, educational materials in Ukrainian were created and distributed, and training sessions were organised in care institutions.



Photo: National Rehabilitation centre "Vaivari" archive



Rezekne Academy of Technology

Researchers of Rezekne Academy of Technology, in cooperation with colleagues from Ukraine, provided support to Ukrainian educators working with children in war-affected regions. The project has developed a website, which collects information in Ukrainian on various types of therapy to reduce anxiety caused by war for children.



The Judicial Administration and the Supreme Court

The Judicial Administration and the Supreme Court shared Latvia's experience in the development of the justice system according to European Union standards with Ukrainian colleagues. Together with the Supreme Court of Ukraine, a study was developed on the impact of European integration on the work of the judicial system, as well as 22 computers were handed over to Ukrainian justice institutions to ensure work in wartime conditions.

Chairman of the Supreme Court of Ukraine Vsevolod Kniazev (Всеволод Князев) at the opening of the presentation of research on the impact of European integration on the work of the judicial system. Photo: [Website of the Senate of the Supreme Court of Latvia](#)

The Confederation of Latvian Employers

The Confederation of Latvian Employers implemented a project for the recovery and growth of the Ukrainian labour market, promoting the development of Ukraine's workforce potential and human capital. LDDK shared its experience and knowledge on creating learning based on the work environment and provided support in the creation of a qualification centre in Ukraine. Also, during the project, cooperation between Latvian and Ukrainian businessmen was promoted by organising contact exchanges and meetings of businessmen.

The Latvian Chamber of Commerce and Industry

The Latvian Chamber of Commerce and Industry provided support for the integration of Ukrainian small and medium-sized enterprises into the European Union's single market, transferring Latvia's experience in implementing the requirements of the European Union. The project promotes cooperation between Latvian and Ukrainian businessmen in the fields of waste processing, renewable energy, food, wood industry and ICT.

University of Latvia

Since 2015, the University of Latvia has been implementing the new professional training programme for Ukrainian students "European Union Studies – Internal and Foreign Policy". More than 423 students have graduated from the programme. In 2022, the set of lectures "EU studies – internal politics" will be supplemented with courses for Ukrainian public administration professionals and new civil servants on the negotiation process for joining the European Union.

Uzdevumi.lv

Uzdevumi.lv provided support for the development of the platform and digital learning environment of the Ukrainian education system, sharing Latvia's experience in the digitalisation of education. With the support of the MFA, the digital curriculum was developed to ensure the continuity of the distance education process.

Inflated ODA and risks for equality

Inflated aid by CONCORD Europe methodology comes from donor refugee costs and imputed student costs; as this financing is not spent in the donor country, in Latvia such cannot be considered as development cooperation. As Latvia has always been one of the most transparent and accountable donors, in this report, LAPAS also points out these specific risks for ODA inflation in 2022 and the next years if applicable.

Refugee costs in donor countries

As for AidWatch, in 2022, the EU27 reported over EUR 13.8 billion in donor refugee costs. This figure is almost three times the average of the previous three years (EUR 4.9 billion in 2021 and a similar amount in 2020), and demonstrates the huge impact of Russia's war in Ukraine on ODA levels. In 2022, in-donor refugee costs represented 13% of reported ODA flows on a grant-equivalent basis, up from 6% in the previous year.

In the case of Latvia, the in-country cost reported as ODA amounted to 6.07 million euros, representing a total of 6.42% of total ODA.

As regards CONCORD Europe, it is important to note that whether or not to include in-donor refugee costs in their ODA figures is a policy decision by Member States. Countries such as Luxembourg have consistently opted to keep these figures out of their aid reporting, while still achieving consistently high levels of support for partner countries in relative terms (normally near to or even above 1% GNI/ODA). This year, in light of the impact on ODA figures of including the support for refugees from Ukraine, three Member States (Belgium, Hungary and Slovakia) chose to keep these costs out for Ukrainian refugees specifically.

Imputed student costs

As regards CONCORD Europe methodology, imputed student costs are calculated as an imputed share of education spending which is attributable to foreign students holding a passport from an ODA-eligible country. The amount is estimated as a share of total education costs, which are generally fixed and budgeted in advance, and is not based on actual costs, nor is it part of any form of grant scheme designed to support students from partner countries. However, donor countries are allowed to record the imputed costs as ODA. Given the fact that imputed student costs do not represent a flow going to partner countries, and that they are not part of any programme designed to support developing countries and contribute to their development, they should not be counted as ODA.

As for the AidWatch report in 2022, the EU27 reported an estimated EUR 2.8 billion in imputed student costs (EUR 2.6 billion in 2021 and a similar amount in 2020). The volume of imputed student costs has

remained relatively stable over time and accounts for approximately 3% of reported ODA flows in recent years. It is important to remark that only a small group of EU countries normally report on imputed student costs: Austria, France, Germany, Italy, Poland, Portugal, Slovenia and Spain. In 2023, Belgium also made the decision to stop reporting imputed student costs as ODA, starting with 2022 data.

In Latvia, the imputed costs of students reported as ODA in 2022 were 0.84 million euros (0.89% of total ODA).

Scholarships are related to priority countries such as Ukraine, Azerbaijan, Georgia, Kyrgyzstan, Moldova, Uzbekistan, Peru, but also others such as Kazakhstan, Indonesia, Mexico, Turkey, China, Mongolia and Vietnam. 54% of scholarships (Erasmus+) are not specified and cannot be evaluated if they are related to the priority countries of development cooperation.

Other risks of ODA quality

As per CONCORD Europe methodology, there are other risks to ODA quality – financing to the least developed countries and the inclusion of capacity-building projects and administrative costs. A specific topic is vaccine donations as it is ethically debatable. Also, in relation to Latvia's development cooperation policy and its priorities, the situation with support to Nicaragua has to be pointed out.

Least Developed Countries (LDC) quota

The percentage of development aid for LDC in 2022 is very small if we consider policy guidelines of Latvia. It consists of 1.09% of the total ODA and just 0.003% of the country's GNI.

Policy guidelines aim for a goal of 0.15% – 0.20% of the country's GNI.

Capacity-Building Projects and Administrative Costs

One of the main issues for Latvian development cooperation financing is that many projects are capacity-building activities to strengthen specific aspects of partner countries, and this type of project incurs higher costs for Latvian experts, which might distort the equal share of ODA's objectives. Further in-depth analysis should be carried out if administrative costs of the projects are equally shared. The same applies to the training/education programmes delivered in Latvia by Latvian experts/academic sector.

The administrative costs of the Ministry of Foreign Affairs and Ministry of Finance are also included. These projects covering a total amount of EUR 560 thousand also present a risk regarding aid efficiency.

Vaccines

The vaccine donations are indicated for Tunisia, Montenegro, Kosovo, Nicaragua, Benin, Egypt and the Global Alliance of Vaccines and Immunisation. There is no publicly available information on the criteria for these donations; therefore, the quality and accountability of this aid measure cannot be analysed.

Nicaragua ODA situation

The direct support to the government of Nicaragua, which in the case of the 2022 Latvian ODA was EUR 5.5 M (5.8% of the total) could also be considered as a risky transaction considering the current reputation of the executive office in the mentioned country. The government of Daniel Ortega has been accused of arrests of opponents, closure of media outlets and CSOs, and harassment of the Catholic community (La Voz, 2021¹¹). Recently, the government of Ortega has also shown strong support for Russia's war of aggression against Ukraine. The proper distribution of aid might not be appropriate considering international guidelines and could be used as an additional tool in the discrimination and oppression of opposition groups in Nicaragua.

Quality and accountability of multilateral aid

As for multilateral aid, there has not been a publicly discussed strategy for government contributions and a direct link to the overall development cooperation policy guidelines cannot be drawn in all cases.

¹¹ <https://www.lavoz.com.ar/mundo/daniel-ortega-de-revolucionario-a-dictador/>

Other important policy areas

Humanitarian aid
Global citizenship education
SDGs and social resilience

Humanitarian aid

Several other policy areas are partly included in the development cooperation policy in Latvia that are directly linked to the quality and quantity of ODA – humanitarian aid, global citizenship education and no less – SDGs and social resilience, as well as the link to security policies.

Before Russia's aggressive invasion of Ukraine, Latvia's humanitarian aid was rather low and based on the ad hoc decisions by the Cabinet of Ministers, with smaller donations by society to countries affected by

crisis situations. Since 2022, humanitarian aid has been given high importance and is also a source of national pride, with unprecedented volumes of financial, material and other aid transferred to Ukraine. In 2023, LAPAS organised several events on the building of an accountable and transparent humanitarian aid system in Latvia. Many challenges have been identified and further systemic and practical actions will follow. Please see the [LAPAS opinion paper](#) on the humanitarian aid system.

Global citizenship education

The global citizenship education framework is defined in the Global education strategic guidelines 2021–2025¹².

In 2023, the Ministry of Education and Science coordinated a Peer Review by Global Education Network Europe (GENE) for global education in Latvia. This Peer Review will serve as the basis for systemic improvements and stakeholder cooperation.

LAPAS organised CSO involvement and the [results can be found here](#).

For the ninth year, in 2023 LAPAS also implemented Global Education Week, with a specific focus on peace and security. Guidelines for the local event and conference were organised with the support of the EU Representation in Latvia.

SDGs and social resilience

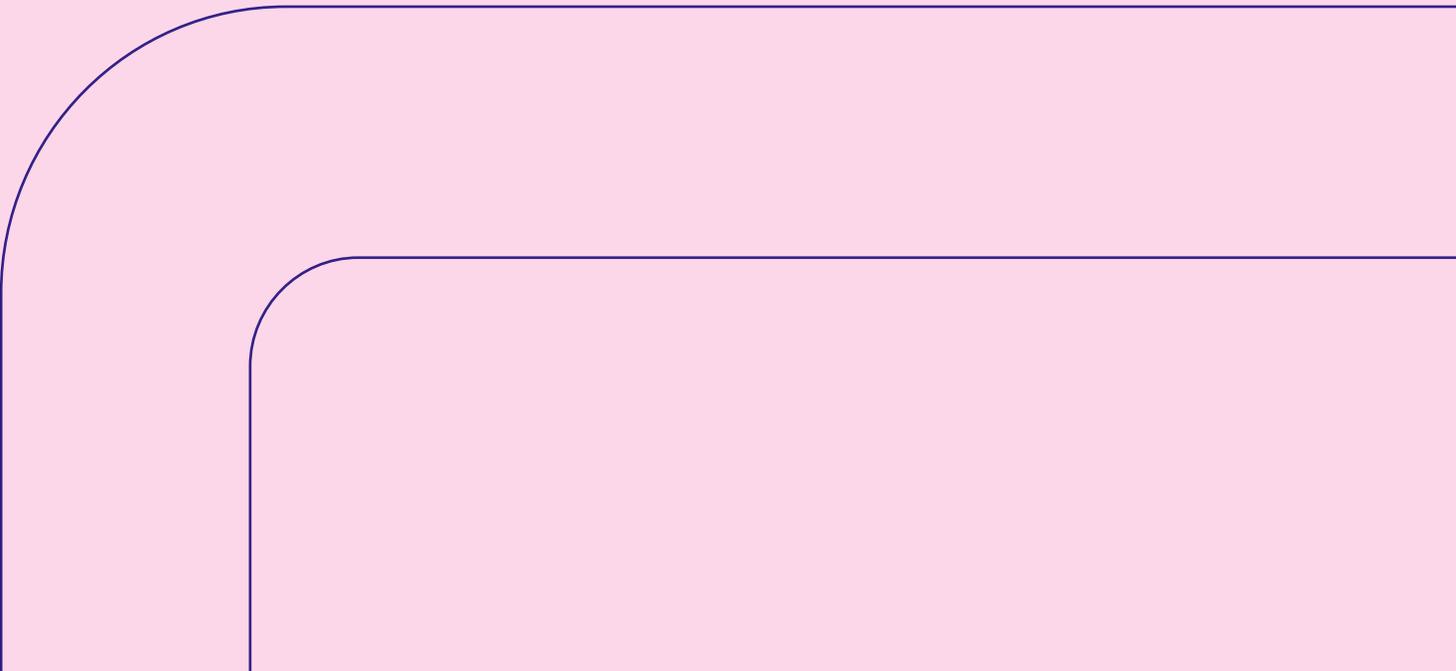
SDGs set the global framework for development and further raise awareness of the Global Goals. The review by the State Audit Office and LAPAS' active involvement in SDGs processes at the national, European and global levels invests in the overall quality of sustainable development, as well as international partnerships.

The link with security issues is defined by the geopolitics and review of international cooperation, as well as work of multilateral institutions. Development cooperation and humanitarian aid policies also build national resilience, which is of high importance. See more in the [LAPAS opinion paper on community resilience](#).

¹² https://lapas.lv/resources/metodikas-un-rokasgramatas/09_gi_vadlinijas_2022/LAPAS-GlobalaIzglitiba-Vadlinijas.pdf



Recommendations



- Divert more direct financing to the partner countries and reduce administrative cost proportion of the Latvian project implementors.
- Increase the proportion of MFA bilateral financing for the open project call to ensure transparency and accountability.
- Ensure a strategic approach to the reconstruction of Ukraine, as well as transparent and accountable processes.
- Develop the mechanisms to review the bilateral and multilateral commitments beyond MFA financing within the framework of Latvia's development cooperation policy framework.
- Review the support to CSOs targeting the financing towards the civil society development in partner country not to associations by legal status but with the business or governmental aims.
- Increase the direct support to LAPAS to support the growing need of CSOs for capacity-building support and partnerships with Ukraine and other Eastern Partnership countries.
- Ensure transparent and open principles in the management of the new national development agency.
- Develop the national humanitarian aid system and related activities such as training, informative events and capacity building for main stakeholders.
- Review the cofinancing scheme adapting it to the real needs and possibilities of the recipients.
- Develop detailed methodology for in-donor refugee costs.
- Invest in the further development of the national global education system.
- Track and evaluate national financing in the multilateral commitments.
- Actively communicate the role of the development cooperation policy in the overall foreign affairs and security policies of Latvia.
- Continue further implementation of impact assessments and horizontal priorities in the development cooperation projects.

The Latvian Platform for Development Cooperation LAPAS was founded in 2004 and unites 39 non-governmental organisations working in the field of global education, development cooperation, humanitarian aid, SDGs and social resilience, and includes national unions, associations, and cooperation networks.

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