

PUTTING PEOPLE FIRST

*Challenges and Opportunities
For Cooperation between Latvia and the United Nations System*

June 2000



A United Nations Common Country Assessment

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Foreword

Under the influence of overall social and economic globalisation Latvia has become an international political actor involved in all social and economic processes, which include identification of political priorities, solving different problems and taking responsibility for decisions made by governments and other institutions. The level of interdependence among different countries has become increasingly high, creating a network of issues common to all. One such issue is strengthening the role of the state.

Since the restoration of independence Latvia has taken irreversible moves towards the forming of civil society, sustainable development and improvement of living standards. Definite progress has been already achieved, and, although still mainly symbolically, Latvia became a donor country to the UN system in 1999. Latvia has received significant support in this process towards the formation of civil society Latvia from UNDP, which has provided assistance to Latvia in human resources development, social integration and poverty eradication issues, as well as in strengthening of state institutions and the democratisation process.

As a post socialist state Latvia's experience of democracy and an active civil society is rather short. Therefore Latvia has to accumulate all resources available for creating society with a strong middle class – the guarantee of human security in its widest sense. To achieve this, Latvia has to implement long-term economic, social and educational policy reforms, and society as a whole has to go through a process where people learn to be aware of their rights and obligations, and to assume responsibility for their actions.

We have to recognize that no transition could occur without difficulties. Therefore, let us evaluate the significance of the present measures in relation to their impact on the future development of our society.

This document allows the government of Latvia to identify the areas where there is still a lot of work to be done. However, the whole population of the country should also be aware of the problems existing in Latvia. It is only with joint efforts that we will be able to overcome them.

Roberts Zīle

Minister of Special Assignment for Cooperation with International Financial Agencies

Introduction

Recognising that the world is becoming an increasingly small, precious and fragile place, where all countries are increasingly inter-dependent, political leaders and representatives of civil society from all nations came together during the 1990s in a series of global United Nations conferences to determine how to preserve the *global goods* and fight the *global bads*. Taken together, the goals and targets for action set at those global conferences at the international, regional and country levels form a global agenda for development and international co-operation, which informs the work of the United Nations, globally and in each country.

The global conferences focussed on issues that are both universal and represent challenges to each country: children (New York), environment (Rio de Janeiro), population and reproductive health (Cairo), social development and poverty (Copenhagen), human rights (Vienna), gender equality (Beijing), and urbanisation and human habitat (Istanbul). However, they have one thing in common: the focus on people, on the betterment of life of each individual, and of the human race, as the only valid yardstick and ultimate goal of development.

Latvia, for its part, participated in these global conferences, which became the first opportunity for Latvia, as an independent country, to participate in discussions about issues of global importance. Latvia also endorsed the platforms for action, adopted at the global conferences and has since made progress in addressing common global human development issues in national actions.

As part of the ongoing UN reform, which aims at increasing the coherence and impact of the work of United Nations organisations, the UN system is engaged in all countries in a common effort to analyse the development challenges the countries are faced with, as seen from the perspective of the global agenda, as a platform for collaboration between the individual country and the United Nations system. The present study, referred to as a *Common Country Assessment*, (CCA), is the first such situation analysis produced in Latvia, using national statistics and reports and studies by United Nations agencies as a basis.

The purpose of this assessment is to provide a concise review of the main areas of Latvia's human development, and to identify priority needs and concerns, which need to be addressed. It does not purport to provide a comprehensive and detailed analysis of the full spectrum of Latvia's needs across all sectors. Indeed, the assessment has been a practical and pragmatic effort by the UN system to draw together Latvia's essential development achievements, needs and challenges, and to outline areas for UN intervention.

Using a focus on people as the point of departure, the analysis in the report leads to the conclusion that much more deliberate attention needs to be paid to the poorest and most vulnerable groups in Latvia, and to issues of equity, transparency and accountability in social policy and governance. For this reason the structure of the report follows various crosscutting themes. The discussion of poverty heads the thematic analysis followed by health, which is closely linked. Gender equity issues are examined as one of the most pervasive problems in society. Children's rights and human rights concern, respectively, the rights of the weakest members of society and each member of society. Issues of education, however, are addressed across each thematic area. For obvious reasons, the political agenda in Latvia is focussed on economic policy, and on meeting the EU accession criteria in the shortest possible time. Underlying the analysis in this report, is the notion of the need to pay more attention to the more long-term strategic issues of human development, of forging a more inclusive society. In

the final analysis, these issues are of crucial importance also for economic productivity and competitiveness.

This assessment has been written with several groups of readers in mind, and serving several purposes. Its direct purpose is to serve as a common reference framework for UN system organisations and their Latvian partners, synthesising the development challenges which UN bodies are working with Latvian partners to address, so that everyone uses “the same map”. For the general reader, this assessment provides an introduction to Latvia’s human development trends, but the more specialised reader will be able to see linkages between crosscutting areas of concern. I trust, therefore, that this CCA will serve to whet the appetite of development practitioners, decision-makers and opinion-formers and help to better direct the work of Latvia’s development partners.

Jan Sand Sorensen
UN Resident Coordinator
Riga, Latvia – June 2000

I. Executive Summary

As indicated in the Introduction, this report reflects an analysis of the state of Latvia's human population. The basic premise is that optimum growth and prosperity in every nation is best achieved when the human capacities of all its population are developed to the maximum—what in the United Nations is called “*sustainable human development*.” This emphasis on the centrality of human development is not theoretical, but based on empirical observation and research, and the grassroots experience of the United Nations System throughout the world in its work in development over the last 50 years. This premise in turn is the common thread running through the global agenda for the future development of the human race which emerged from the series of Global Conferences organised by the UN during the 1990s, in which Latvia and most other countries of the world participated.

Starting from that premise then, the report sets out to analyse in some detail the challenges in the areas of *poverty eradication, improved health, enhanced gender equity, improved status of children and youth, improved human rights, and improved environment*. These areas were chosen on the basis of two factors: First, amongst the goals established by the Global Conferences, those most relevant to the situation in Latvia today are in these areas; and second, these are the areas where most of the co-operation between Latvia and the UN agencies has taken place in the past, and is most likely to take place in the future.

The analysis, all of which is based on existing documentation from UN or Latvian Government sources, is limited. The intention is both to make it readable for a wide range of audiences, and to keep it in line with the relatively modest scope of UN System activities in Latvia. Thus, there is no attempt to deal with vital and important macro level issues such as economic policy formulation and sector reform, which in Latvia fall within the ambit of the partnerships with the World Bank, the European Union, and others.

Chapters II and III provide an overall picture of the major recent trends in Latvia's development, and the governance context within which the country's human development challenges have to be addressed. The overall picture which emerges is one of considerable progress since the restoration of Latvia's independence in 1990, with fairly steady economic growth and the establishment of democracy, marked by free and fair elections with high voter turn out. But in common with other countries formerly under Soviet rule, the transition is not without its difficulties. In particular, the deterioration or collapse of various industries has resulted in a degree of unemployment. This, in combination with the weakened social safety net, have been factors in pushing a significant minority across the divide into poverty. In turn, the deterioration or collapse of many of the state mechanisms which formerly provided a vast array of support to the population has exacerbated the growth of poverty, as well as an alarming downturn in many of the indicators of human well-being for the population as a whole. The positive trend towards more transparent government responsible to the people is undermined by countervailing corruption, and alienation between people and government. Increased drug trade and use is another trend with potentially negative impact on governance, as well as the health and well being of the society, particularly the youth.

Each of these trends, plus many others, are treated in much greater detail in Chapter IV under the six areas mentioned above. Chapter IV is the core of the report's analysis, and provides a wealth of data. Amongst the many trends analysed, the following may be highlighted:

Regarding *poverty*, nearly 20% of Latvia's population now lives below the poverty line, a new phenomenon that was virtually unknown previously. In turn, poverty is very unevenly spread along the urban/rural divide, with the Riga region having much lower poverty and unemployment rates than Latgale region, for example, where poverty is estimated

to be over 30% and unemployment over 20%. Fortunately, there are now indications that poverty is beginning to diminish.

Regarding *health*, the increased poverty coupled with widespread stress for families and individuals arising from the difficult economic transition, has led to increasingly unhealthy lifestyles, as witnessed by growing alcoholism, smoking, poor eating habits, cancer, and drug use amongst youth. Another symptom has been a dramatic drop in fertility, to the point where Latvia's is now amongst the lowest in the world. The added factor of the deterioration in state provided health and other services, has in turn led to a significant drop in life expectancy, especially for men, which at 64.1 years, is 10 years lower than the average for the EU to which Latvia seeks entry. Further symptoms of the deteriorated public health situation are increased infant mortality and a rise in tuberculosis. An escalation in HIV/AIDS infections, closely related to drug injection, is also alarming. There are fortunately many indicators of gradual overall improvement, one of the most positive of which is data showing an increased sense of individual responsibility for one's own health.

Regarding *gender*, significant discrimination against women in the labour market, a need for greater integration of men into family life and closer attention to their particular health problems, and other evidence of gender-based inequality in access to opportunities for personal development, call attention to the need for increased awareness of the gender dimension of development, and for the mainstreaming of gender analysis and thinking in social and economic policy formulation in Latvia.

The *status of children* has not been exempted from the problems of increased social stress and the deterioration of social and health services in Latvia, as witnessed by the emergence of new groups of children and youth rendered particularly vulnerable through the poverty of their families and a concomitant rise in non-attendance at school, increased difficulties finding employment on leaving school, and increased alcohol and drug use. On the positive side, there are overall improvements in the health of children and youth, in the protection of children's rights, and in the participation of youth groups in civic affairs.

Regarding *human rights*, there has been evident progress in establishing a firm framework for the protection of human rights, involving national legislation, establishment of the National Human Rights Office, and changes in the citizenship laws to bring them in line with international norms. Further challenges remain in integrating the 25% minority of non-citizens and other disadvantaged groups more fully into Latvian society and political processes, in improving the prisons and other places of detention, and in dealing with the apparent passivity of the population in seeking protection of their individual human rights.

Regarding the *environment*, substantial progress has been made in establishing the legal and institutional framework for dealing with environmental problems, and in improving air and drinking water quality, while challenges remain to improve co-ordination of the different government entities involved, in the application of more sophisticated analytic tools to environmental policy formulation and implementation, and in finding the substantial investments necessary to deal with major military base clean-up, and modernisation of energy production, public transport, waste water treatment, and municipal waste disposal.

The final Chapter V identifies those areas where co-operation between the UN agencies and the Government could be best pursued. According to the report's analysis, the priorities most relevant to both Latvia's human development situation and the goals of the Global Conferences and the related mandates of the UN agencies are:

- Ensuring maximum access to the health care, the education, and the useful employment necessary for each individual in Latvia to lead a healthy and productive life, without regard to gender, nationality, or other considerations;

- Reduction, by as much as possible, of the poverty that has grown up amongst certain groups since the restoration of independence and the introduction of open market reforms in the economy;
- Improvement in the health and well being of all children in Latvia, addressing in particular the needs of those who are vulnerable because of the effects of poverty, exposure to drugs, alcohol, and other negative health and social trends;
- Continued widening of the processes of dialogue and consultation on public policy, and of strengthening civil society;
- Continued strengthening of governance institutions and mechanisms, and the protection of the human rights of all people in Latvia;
- Continued improvement in the environment, particularly in terms of water quality and waste disposal.

The analysis in Chapter V goes on to identify the main comparative advantages which the UN agencies may bring to the table in their further partnerships with the Government and people of Latvia, and then concludes with a tentative listing of those aspects of Latvia's further human development on which the UN agencies and the Government should focus in their future co-operation, based on the report's analysis.

II. Overview of Economic and Social Development in Latvia

Latvia's development can be measured with a variety of yardsticks, ranging from the purely economic, to the UN global conference indicators, such as poverty levels, school enrolment rates and infant mortality rates. In order to get a complete picture that shows Latvia's social and economic development from all aspects, it is necessary to employ the full range of such measures. Therefore, while poverty and health, for instance, are examined in greater detail in other parts of this report, the following section is intended to provide an introduction to Latvia's most important economic and social characteristics.

Since the restoration of independence in 1991, Latvia has successfully stabilised its economy, (re) created democratic institutions, (re) instituted democratic practices, and made considerable progress towards integration with the European Union. However, this transition period has also seen the growth of inequity and inequality between various social groups. Differences run along regional and economic lines, as well as the gender divide. Poverty eradication is a major challenge for Latvia, as is the reversal of several negative health trends. Education, and learning in the broadest sense, may hold some of the solutions to these problems.

The progress that Latvia has made towards providing a stable economic and social environment was reflected by the European Union (EU) announcement at its December 1999 Helsinki summit, that Latvia would be invited to begin direct negotiations for membership of the EU. This process began in February 2000, and Latvia is expected to be on the fast track, which could lead to its accession together with "first round" countries, such as Poland and the Czech Republic. Nevertheless, a great deal remains to be done, not least in narrowing the various gaps that have appeared between social groups, both as a result of the transition process, and as part of the legacy of fifty years of Soviet rule.

Economic development

In economic terms, levels of inflation and unemployment compare favourably with both Latvia's neighbours and the European Union, ending 1999 at 3.2% and 9.1% respectively. In common with other countries in transition, Latvia experienced near hyperinflation (reaching around 900% in 1992) following price liberalisation, but avoided widespread unemployment. This latter point, however, hides substantial differences between the capital, Riga, where unemployment levels have rarely risen above 5%, and the regions, such as the south-eastern region of Latgale, where levels of unemployment of 20% are more common. Indeed, regional differences in income are quite marked. This is not only the case for Latgale, but is seen all along the rural/urban divide.

Growth in gross domestic product (GDP) slowed to 0.1% in 1999, down from 3.9% in 1998 and 8.6% in 1997. This compares favourably with a drop in Estonia during 1999 of 1.5% and 4.1% in Lithuania. Indeed, GDP has enjoyed steady growth since 1996, despite the effect of the Russian financial crisis of 1998 on Latvia's export industries and financial sector, both of which were partially reliant on the markets of Russia and the CIS. However, the financial sector had already weathered a crisis of its own in 1995 when the largest bank in Latvia collapsed, but is now considered stable enough to warrant major foreign investment.

Table 1: Changes in Levels of Unemployment, Inflation and GDP, 1993-1999

	1993	1994	1995	1996	1997	1998	1999
Unemployment	5.8	6.5	6.6	7.2	7.0	9.2	9.1
Inflation	109.2	35.9	25	17.6	8.4	4.7	3.2
Growth of GDP	-14.9	0.6	-0.8	3.3	8.6	3.9	0.1

Source: Latvia Human Development Report 1999 and Central Statistics Bureau data

Accumulated foreign direct investments (FDI) into Latvia now equals US\$ 777 per capita,¹ which is among the highest levels in European countries in transition. It should be noted, nevertheless, that the bulk of FDI goes to Riga, with other regions benefiting less.²

Changes in human development

Latvia's human development index (HDI), as calculated by UNDP, placed Latvia in 74th place in the 1999 Human Development Report, below both Estonia (54th) and Lithuania (62nd).³ Latvia started in 35th place in the 1993 Report, dropping as low as 92nd place based on 1994 and 1995 data.⁴ The main reason for Latvia's slide down the HDI scale has been deteriorating health. Male life expectancy is one of the lowest in Europe at 64.1 years (1998) and Latvia's demographic situation has been witnessing falling birth rates.

The population was estimated by the Central Statistical Bureau of Latvia to be 2.4 million at the end of 1999, which means that there has been a drop of nearly 10% since the restoration of independence. The levels of fertility and of natural increase now prevailing in Latvia are the lowest in its history and amongst the lowest in the world. They currently stand at 45% to 50% below replacement levels. 1999 however, witnessed an increase in the total number of births for the first time since independence.⁵

While forecasts of future trends vary, the general direction is downwards, with the United Nations Department for Economic and Social Affairs suggesting that Latvia's population could fall by over 30% by 2050. This reduction will no doubt impact Latvia's economy as the balance between the active parts of the population and dependants changes. For this reason, the issue of generational replacement is one of the most urgent problems facing the country.⁶ It is worth noting here that Latvia's social security system underwent a wholesale reform starting in 1994, and this included the introduction of a new three-tier pension system, designed to help alleviate the pressure generated by such changes in the dependency ratio.

In terms of other negative influences on Latvia's human development, the incidence of tuberculosis, which provides a good indicator of a population's health, has been increasing since 1993. The main causes of unnatural death are road accidents and suicide, with the latter being recorded at 31.5 per 100,000 in 1999. Registered HIV infections have increased rapidly each year since 1996, when the cumulative number of registered HIV infections was 63, rising to 88 in 1997, 251 in 1998 and 492 by the end of 1999.⁷ The figure for May 2000 was 622. While small in absolute terms, the trend is extremely discouraging, not least because of the means of transmission, and demands urgent preventative action. (See further discussion below under Health).

As one might expect given demographic changes, the average total floor space per inhabitant has increased by around 10 % since 1991, more rapidly in urban than rural areas.

Many of Latvia's environmental indicators have shown improvements since independence, notably regarding air and water pollution. In part this can be explained by the collapse of notoriously polluting Soviet industrial enterprises.

Social integration

An important factor in Latvia's human development is the issue of the integration of all population groups into her society, with the objective of maintaining the peace and harmony in relations between all groups. Just over a quarter of Latvia's population are non-citizens, which means that they are unable to participate fully in the economic, social and political life of the country. This is mainly a Soviet legacy, since the migration of hundreds of thousands of people from the Soviet Union to Latvia took place during the 1970s and 1980s. Many of the non-citizens, who are permanent residents of Latvia, have poor knowledge of Latvian, which is essential to be able to naturalise.

Although naturalisation began in 1995, various conditions meant that even amongst those eligible to apply, the rate was rather low. To bring law and practice in line with international standards, Latvia approved key amendments to its law on citizenship and adopted a law on the use of the state language, as recommended by the Organisation for Security and Cooperation in Europe. Since these changes, there has been a significant increase in the number of persons applying for naturalisation, and also in demand for instruction in the state language, which is one of the main means for social integration, and a focus of UN System support.

While the term “social integration” has been understood in the past in Latvia to pertain almost exclusively to the issue of naturalisation of non-citizens, more recently the concept is being broadened to encompass the poor, the disabled, and other disadvantaged or socially excluded groups. Recently published studies of poverty have shown that the lack of access to information channels is a limiting factor for people’s access to the social security system and hence to greater social integration.⁸ Similar links exist between health and information, and while Latvia’s population is generally well educated, non-attendance at schools is on the increase and child illiteracy, once unknown, has appeared. This shift towards viewing social integration in a broader perspective creates a likely new area for partnership with UN agencies, with particular focus on education and information programmes for the most disadvantaged.

Other human rights issues faced by Latvia during the transition process concern children’s rights, gender equality, treatment of prisoners and illegal immigrants, integration of disabled people, and as noted above, the social and economic rights of the weakest and poorest. A noteworthy development was the abolition of the death penalty in 1999. (See below for further discussion of poverty, gender, children, and human rights issues).

III. Overview of the Impact of the Governance Environment on Sustainable Human Development in Latvia

In every nation, the governance environment in which a society's goals are set and pursued is determined by the prevailing political culture, and by the degree to which the rule of law prevails. Good governance is necessary to provide the political and social environment in which sustainable human development (SHD) goals receive the attention and resources needed to ensure equitable and balanced development which benefits the people of a nation as a whole. It implies a number of fundamental practices, amongst which are: the separation of powers, the absence of which leads to lack of control over the arbitrary exercise of power; civic participation, the lack of which leads to alienation and loss of influence over development priorities; and an effective legislative and institutional framework which promotes and reflects public participation in decision making. Thus, the better the governance, the more a nation is able to focus on future-orientated human development priorities, and the more likely sustainable human development will be achieved.

Turning to Latvia, the governance environment since the restoration of independence offers a mixed picture of both opportunities and challenges.

On the positive side, the following practices can be cited as conducive to the pursuit of forward looking human development goals and practices in Latvia today:

- Regular, free and fair elections carried out at the local and national levels (1997 and 1998 respectively) with over 70% of eligible voters participated in elections of the last two Parliaments;⁹
- efforts to formalise and institutionalise the fight against corruption, underway since 1995, with the Corruption Prevention Council established by the Cabinet, and the Programme to Fight Corruption formally adopted in 1998. Further, laws have been adopted to avoid conflict of interests, as well as to criminalise bribery and other forms of corrupt practices;
- greater transparency in the work of governmental bodies since the adoption of legislation giving the public access to information and making documents prepared for Parliament and the Cabinet accessible via the Internet;
- increasing participation of NGOs in decision making processes. For example, since 1998 trade unions play an active and important role in the work of the Tripartite Consultative Council which brings together labour, employers, and government representatives. Members of NGOs are also now admitted to take part in deliberations before some of the Standing Committees of Parliament, and members of minority NGOs are widely represented in the work of Integration Councils at the municipal level; and,
- continued increase in the number of cleared-up crimes, going from 35.3% in 1995, to 44.2% in 1996, to 51.4% in 1997, and to 56.6% in 1998.¹⁰

On the negative side the following tendencies can be identified:

- Widespread corruption is reported at various levels in the Government and civil service, with Latvia ranked 58th in Transparency International's corruption index (Estonia—27th and Lithuania—50th).¹¹ Amongst the reasons are the impact of the Soviet legacy of merging executive, legislative, and judicial powers without effective control; weakness of democratic traditions, and lack of experience in the practice of party politics in dealing with the division of powers at the highest political level; poor public education about corruption; low remuneration of civil servants; and a relatively

weak judiciary.¹² This corruption severely undermines the trust of the public in governmental institutions, and thus promotes alienation as well as distortion of SHD priorities.

- Participation of the public in NGOs is declining, having gone from 68% of Latvian residents in 1990, to 36% in 1996 and 31% in 1999.¹³ In 1990 the work of NGOs was of a political character, and after the restoration of independence the interest in self-organising for non-political reasons has dropped dramatically. Further, the legal environment for the creation and operation of local NGOs is not encouraging, and about 80% of the funding for NGOs is considered to come from foreign donors.¹⁴
- Criminality is high for Latvia's population of only 2.4 million, and is rising: 34,686 registered crimes in 1990, 39,141 in 1995, 36,674 in 1998¹⁵, and 43,969 in 1999.¹⁶ The current average length of incarceration for all offences is 4.6 years for men and 3 years for women,¹⁷ which is harsh in comparison to practices elsewhere.¹⁸ Among the reasons cited for increased crime are difficulties in adjusting to the free market economy, too rapid liberalisation of markets, and the poor economic situation. This level of criminality adversely influences social stability in Latvia, while the over-emphasis on punishment rather than prevention deprives significant numbers of individuals of the possibility of pursuing their own human development.
- There is an increase of crimes connected with drugs: 362 in 1996, 433 in 1997, 395 in 1998, and 521 in 1999.¹⁹ In turn, increasing numbers of drug addicts are registered as patients each year: 2549 in 1999, compared to 1970 in 1998. Further, 60.7% of the drugs are consumed by injection which considerably increases the risk of spreading HIV/AIDS²⁰ as further discussed below under Health. There is cause for alarm in Latvia, that this spreading of drug use could become a severe problem in the future, not only because of the negative impact on the health of individuals in the society, but because of the potential negative impact on the society as a whole through increased local criminality, and the expanded and highly corrupting influence of international criminal cartels. Please see Annex I, "An Overview of the Drug Control and Drug Abuse Situation in Latvia", for further discussion of this important topic.
- A further important aspect of the governance environment in Latvia today is weakness in the judiciary. Lack of sophisticated training, coupled with other factors, (see the further discussion below in Chapter IV, Part E on Human rights) inhibits the judiciary in effectively carrying out its tasks, which undermines the rule of law.

In summary, while there are definitely positive developments in the governance environment in Latvia since the restoration of independence, the short history of democratic traditions, insufficiencies in the judiciary, and corrupt practices are among factors leading to a certain degree of alienation between the government and the public.²¹ Although participation in elections has been high, active participation in the work of domestic NGOs and other aspects of civil society, through which Latvia's population could play a more active role in influencing their governance environment, is unfortunately declining. Reversing this tendency towards passivity is an important governance challenge, for the longer it continues the more there is the danger that it will foster a decline in government's transparency and accountability to the people, thus distorting the focus on the issues and priorities of sustainable human development.

IV. Analysis of Development Priorities and Challenges

Chapters II and III above have been intended to provide an overall picture of the major trends in Latvia's current human development, and the governance context within which the major human development challenges for the future will need to be addressed. This Chapter will deal in more detail with the major challenges in six areas of human development, which are considered to be the areas of most likely future partnership between UN agencies and the Latvian Government. Those areas are *poverty eradication; improved health; enhanced gender equity; improved status of children and youth; improved human rights; and improved environment.*

In addition, education is seen as a further key area for partnership, particularly as a tool for increased social integration which is of such importance in Latvia today. In the context of UN/Latvian partnership, education is being treated as a crosscutting priority, discussed in the context of the six areas below, rather than being dealt with as a separate sector (where the World Bank and others already have active programmes—see more below).

As indicated in the Introduction, it has never been the intention for this brief document to provide a holistic and comprehensive analysis of all the development challenges facing Latvia today. Rather, the goal is to produce an analysis that is in keeping with the more modest scope of UN System activities in Latvia now and for the immediate future. Thus, there is no attempt to deal with such vital and important issues as educational sector reform, public sector reform, macro-economic policy formulation, fiscal reform, and other matters where Latvia is working with other multilateral organisations such as the World Bank, the International Monetary Fund, and the European Union, or with various bilateral donors, who by and large are dealing with considerably greater resources than are available through the UN System. Thus, the intention here is to tailor the analysis to those areas where the UN agencies have been or are likely to be active, and where they may have a comparative advantage and/or a catalytic role to play, where the apoliticality of the UN System and the access it provides to the best practices from around the globe work to advantage.

A. Poverty eradication

Poverty in Latvia under Soviet rule was not a significant feature, at least for mainstream society. The concept of “poverty” is relatively new in Latvian academic, social, and official thinking. Heretofore the notion of “being poor” was strongly associated with “being a loser, unsuccessful, lazy, alcoholic etc.” This stigma has tended to limit debate of poverty issues and policy choices, both for government institutions and for the individual. In turn, the strong state and social control over private life which characterised the Soviet period tended to give rise to the belief that the State will take the main responsibility in solving the problems of individuals—employment, social security, education, etc. This situation has created what has come to be called “learned helplessness”²² as a way of coping. Needless to say, this strategy is inappropriate under the prevailing liberal conditions of development in Latvia today, although it continues to have a deep influence on the most vulnerable groups in the population, limiting their proactive efforts to escape poverty.

There is nevertheless no doubt that poverty is increasingly recognised around the world as a critically important challenge for social and economic development, and as an increasingly important threat to the future stability of nations, and of the entire global community. The essence of poverty has been aptly defined by the United Nations as

*“The denial of opportunities and choices most basic to human development – to lead a long, healthy, creative life, and to enjoy a decent standard of living, freedom, dignity, self-esteem, and respect of others.”*²³

Viewed from this perspective, there can be no doubt that poverty is amongst the most important current challenges for Latvia and her development partners.

In dealing with poverty in Latvia, the first challenge is how to measure it, as no official poverty line has yet been set by the Government. An income of 28.23 Ls or less per month per person, about \$3 per person per day, has been suggested for determination of eligibility for social assistance benefits to poor families²⁴. However, while this line is recommended, it is not consistently used. For instance, a number of municipalities use higher eligibility standards, depending on their financial situation. In February, 2000 the Latvian Government approved the concept of a guaranteed minimum income, where the assistance level is set at an income of 21 Ls or less per month per person. The establishment of this level, however, has been budget driven, and does not reflect the reality that effective poverty starts at a higher income level. For statistical purposes the measure of 50% of average household consumption per capita has been used by Central Statistical Bureau of Latvia and the Ministry of Welfare as a more realistic alternative. By that measurement, income poverty would begin at a level of 32.36Ls per month in 1999.

Nevertheless taking the social assistance eligibility level of 28.23 Ls as the poverty line, (even though this undoubtedly understates the actual degree of poverty), approximately 19.4% of Latvia's people are poor today, with approximately 45% of all poor being rural poor.²⁵ Thus, there are significant regional differences based on the urban/rural make-up of the regions, with the poverty rate in the Riga region only 12.6%, while in Latgale region it exceeds 30%.²⁶ See Table 2.

Table 2: Poverty Measures by Region in 1998

Regions	%	Population share
Latvia	19.4	100.0
Riga	12.6	45.5
Kurzeme	24.5	13.8
Vidzeme	24.1	11.8
Zemgale	20.6	13.0
Latgale	30.0	16.0
Source: "Latvia Poverty Assessment, Vol. 1: Main Report", World Bank, 2000		

Interestingly, while there are further concerns about the possible increased skewing of income, the Gini coefficient, the standard measure of income inequality, has been fairly stable since 1995 at about 32 for per capita income, which is about the same level as in Poland, Lithuania or Hungary, but less than in other states making the transition from command economies.²⁷

Fortunately the evidence shows that the overall situation of poverty in Latvia is slowly improving. Average household disposable income is increasing,²⁸ and significantly, the share of food in household consumption is decreasing, which means that families are able to spend more for health, education, transportation, communication, and leisure.²⁹ At the same time there are unfortunately specific groups of the population whose situation is worsening, with the depth of poverty of the poorest increasing.³⁰ In addition, there are other indicators that cause serious concern that poverty for these groups in Latvia in the near future may become self-sustaining. For instance, the latest Living Conditions Survey indicates that 23.3% of young people at age 18-24 have only basic education, and that 1.1 % of children at age 7-16

do not attend school (the figure is 2.1% in rural areas).³¹ Other research shows that children that do not attend school come from the lowest income deciles in the population.³²

What have been the most important factors in creating recent poverty in Latvia?

After independence, like other transitional countries, Latvia of course faced several severe economic shocks. The implementation of market oriented reforms led to dramatic decreases of output, decline of GDP, and hyperinflation that critically affected not only the national economy, but also the resources of every individual and family.³³ The banking crisis in 1995 and the Russian financial crisis in 1998 worsened the situation, particularly for those groups of the population who were already slipping into poverty.³⁴

Thus, one of the most important determinants of poverty in Latvia has become lack of access to paid employment.³⁵ Unemployment as a relatively new phenomenon appeared in Latvia in the early nineties, facing people with new and unexpected difficulties. The unemployment rate has grown consistently during this time, reaching its peak as a consequence of the Russian crisis, of approximately 10 % at the end of 1999. In 2000, the unemployment rate has fortunately begun gradually to decrease.³⁶ However, the labour market in Latvia is currently quite static, as witnessed by the fact that approximately 30% of the unemployed have been without work more than 6 months.³⁷ These long-term unemployed have limited opportunities to return to the active labour market and have limited social protection. The young unemployed and pre-retirement age unemployed are in the most difficult situation. The young unemployed lack professional experience and their education may be inappropriate to labour market demands. The pre-retirement age people, especially women, very often are perceived by employers as prospectless, not worth the investment in training, and incapable of adapting to new labour market demands.³⁸

In the overall, the impact of unemployment on poverty in Latvia is unmistakable, with the data showing that the presence of an unemployed household member reduces household welfare by 25%, while if the unemployed person is the head of the household, the reduction in welfare is 39%.³⁹

Latvia, like other transition economy countries, also has extensive “low wage poverty”— incomes from paid work that are too low to ensure subsistence even for one person. The low level of wages in the national economy is affected by low labour productivity, particularly in the agriculture sector, the high level of supply on the labour market, and the low wage level in institutions financed by the national budget.⁴⁰ The overall wage level is also influenced by the established minimum wage, which in Latvia is 50 Ls per month, far below the subsistence minimum (82.15 Ls in 1998).⁴¹ The low wage level likewise adversely influences the level of social insurance benefits (such as pensions, unemployment, and sickness benefits), as well as budget resources available to municipalities,⁴² and determines especially low living standards for some regions.⁴³

Further, both the unemployed and the low income poor have very restricted opportunities to seek jobs or to work far away from their place of residence due to the lack of housing they can afford, coupled with inadequate and increasingly costly public transport service. Their possible wages cannot cover the potential additional expenditures for transportation or housing, thus adding to the inelasticity of the labour market for low wage earners⁴⁴.

Education determines wage levels as well as opportunities in the labour market. The higher the level of education, the higher the wage, and vice versa.⁴⁵ In lower income deciles, the percentage of households where the breadwinner has only basic education is three times more than in higher deciles. In turn, parents with low levels of education are not so keen to

provide education for their children.⁴⁶ Likewise, those with low education make up the greatest percentage of the population classified as “discouraged”.⁴⁷

Poverty and poor health also go together in Latvia, as one factor intensifies and responds to the other. For example, ill health causes loss of employment, which in turn makes someone less able to afford proper medical care. Serious accident or illness serves as a shock which can push families over the edge of poverty by turning a former earner into a dependent, and/or by forcing families to pay large medical expenses, which they can afford only by selling assets or borrowing money.⁴⁸ In addition, people with poor health often face difficulties finding a job, especially in smaller communities where people know each other.

There are also indications of a strong correlation between poverty, mental health problems, and alcoholism in Latvia. Almost one third of poor families report some alcohol-related problems in their households, although they usually do not directly relate alcohol use to poverty themselves, but generally focus on other causes, such as job loss.⁴⁹

Another important determinant of poverty in Latvia is restricted access to information. Ordinary channels of communication most often are not effective in the case of the poor — they do not normally have access to newspapers, TV, and radio. The most common information channel is “word of mouth”. As a result the poor are unable to exploit existing social and economic opportunities to cope with their problems. Their lack of information aggravates other negative factors — not being aware of their rights, individuals fail to use even those opportunities and social contacts which are accessible.⁵⁰ At the same time there is a hypothesis that the basic skill level of poor people is not sufficient to understand the complexity of bureaucratic procedures and therefore they do not even try to seek assistance.⁵¹

When poverty in Latvia is looked at from the point of view of household composition, the groups most at risk are small households composed of the aged, with elderly single women being particularly at risk, plus large multi-child households.⁵² However, the relative position of the elderly versus large multi-child families is better than in most other transition countries⁵³. Households whose main source of income is social benefits other than pensions have a poverty rate that is 2 ½ times the country average.

In facing the challenge to eradicate poverty as much as possible in Latvian society in the near term, the Latvian Government has committed itself to development of a sustainable, effective, and efficient social safety net. With the assistance of the World Bank, UNDP, ILO and the Norwegian Government, an extensive poverty assessment exercise was carried out in Latvia in 1998-99, which has led to the development by Government of its National Poverty Reduction Strategy which is currently before the Cabinet for approval, and which proposes actions which stress the structural causes of poverty with emphasis on employment and employability in the further development of the national economy, and improved social protection measures, particularly targeting the poorest of the poor.⁵⁴

But much work remains to be done to develop effective measures to help the most disadvantaged, both at the national level, and as important components of regional development plans. In pursuit of this commitment, the Latvian Government has since 1996 initiated and is implementing a comprehensive welfare reform programme covering the development of a national compulsory social insurance system, and improving the effectiveness and efficiency of the social assistance system.⁵⁵ (See Annex II for further description of the Latvian social security system.) Despite these measures, however, there remain significant groups who are not benefiting from existing systems. (See discussion above about problems of information access by the poorest.) Amongst other things, a lack of professional social workers trained in reaching out to the most disadvantaged exacerbates these problems.⁵⁶

B. Improved health

The health and well being of people is the ultimate aim of social and economic development.⁵⁷ Individual health is also a precondition for personal and family well being and quality of life. Successive Latvian Governments have been, and remain, committed to the right of every Latvian to enjoy the highest attainable standard of health.

Although the most recent statistics show some improvements in the health situation of the people, public health in Latvia remains a cause for serious concern. The introduction since independence of participation fees has increased costs for medicines and treatment, which has become a barrier to some groups of people for access to health care services.⁵⁸ In turn, the introduction of certain compulsory preventive measures and treatment has been abrupt, provoking increases in the postponement of treatment, especially for oncological diseases. Increased stress in everyday life caused by the struggle for subsistence has increased unhealthy behaviour, such as use of alcohol, smoking, incorrect nutrition habits, and the use of medicine without prescriptions.⁵⁹ See Table 3.

	1996		1997		1998	
	Males	Females	Males	Females	Males	Females
Infectious and parasitic diseases	25,1	8,4	29,0	9,0	31,4	9,2
Cancers	263,3	187,9	258,3	192,3	261,5	206,1
Diseases of the circulatory system	740,6	785,5	704,0	797,9	717,0	826,1
Diseases of the respiratory system	53,9	22,5	53,5	24,6	51,9	19,6
Diseases of the digestive system	47,3	30,7	45,0	32,7	46,6	38,3
External causes of mortality	254,5	70,8	249,0	75,5	263,8	73,9

Source: Demographic yearbook of Latvia, 1997, 1998, 1999

At the same time, research shows that people are increasingly accepting the view that the main responsibility for their health lies with themselves, their lifestyle and their habits.⁶⁰ This positive development means that in the future more can be done through information and health education to improve the overall health of the Latvian population.

In any event, it is clear that further improvement of the public's health, and sustaining the positive gains that have been made, are amongst the major human development challenges for the Latvian people, the Latvian Government, and the country's health professionals for the near future.

Life expectancy and mortality are main indicators characterising the health conditions of the people. Average life expectancy in Latvia in 1998 was one of the lowest in the Europe (64.1 for males and 75.5 for females)⁶¹. Since 1990 the decline in male life expectancy reached 7 years, while it reached 2½ years in women. Although this downward trend has begun to recover since 1994, life expectancy in Latvia still remains considerably lower than the average figures for the European Union (approximately 10 years lower for men and 6 years for women).⁶² See Table 4 below.

Another key health indicator is infant mortality. Amongst the states making the transition from command economies, Latvia historically had one of lowest infant mortality rates. Since 1991, however, it has unfortunately risen considerably, with peaks in 1992 (17.4 per 1000) and 1995 (18.5 per 1000). In 1999 it returned to pre-independence levels (11.4 per 1000),⁶³ with the number of preventable infant deaths from infectious diseases, respiratory diseases, and certain conditions originating in the perinatal period, decreasing markedly.⁶⁴ According to WHO, this positive trend in infant mortality is probably due to better health

information and education, changes in attitude towards health, and improved overall economic well being.

Table 4. Mortality in Latvia by Gender and Age (per 1000 population)						
	1996		1997		1998	
	Males	Females	Males	Females	Males	Females
Whole country	15.18	12.57	14.62	12.69	14.94	13.13
Of which at age:						
15 – 19	1.38	0.49	1.39	0.56	1.25	0.45
20 – 24	2.89	0.53	2.57	0.73	2.64	0.74
25 – 29	3.30	0.92	2.90	0.74	3.28	0.78
30 – 34	4.42	1.01	3.72	1.13	3.80	1.17
35 – 39	5.98	1.70	5.50	1.77	5.94	1.54
40 – 44	9.02	2.71	7.57	2.43	8.63	2.66
45 – 49	13.30	4.88	13.22	4.14	12.35	4.17
50 – 54	19.28	6.39	17.91	5.98	19.49	6.54
55 – 59	26.42	8.42	24.21	8.31	25.51	8.93
60 – 64	36.01	12.68	33.72	12.11	35.76	12.32
65 – 69	49.87	18.66	47.16	18.18	46.29	19.25
70 – 74	68.40	32.70	67.42	32.18	67.26	32.55
75 – 79	98.29	55.95	97.42	60.38	90.84	58.09
80 – 84	135.65	93.36	133.33	89.54	127.75	97.82
85 and over	249.43	211.86	248.75	215.37	239.72	215.62

Source: 1999 Demographic Yearbook, Central Bureau of Statistics, Riga

A further positive trend has been an increase in visits by pregnant women to health care facilities prior to their 12th week of pregnancy which has been promoted by Government's policy of doubling the state allowance where health check-ups are started earlier in the pregnancy.⁶⁵ This may also be a factor in lowering infant mortality, and certainly has helped lower maternal mortality, which nevertheless remains a problem.⁶⁶

Breast feeding, which is a major protective factor against infections and allergies, and contributes greatly to physical, mental and emotional development, is low in Latvia: In 1998, only 35% of mothers were still breast feeding at six weeks, dropping to 32% and 23% at three and six months respectively.⁶⁷ Since 1995 there have been an attempts to introduce the WHO/UNICEF "Baby Friendly Initiative" to encourage breast feeding and other improved early childhood health practices in Latvia, and a Commission for Breast Feeding Protection and Promotion under the Ministry of Welfare has been established. These attempts have not yet resulted in broad acceptance, however, and currently there is only one hospital in Latvia which has submitted an application to become "Baby Friendly" under the programme.

While Latvia does not have a formal reproductive health policy, reproductive health care services are offered through private clinics and through projects run by governmental and non governmental organisations. Family planning services are provided in maternity hospitals, obstetrics/gynaecology consultants, polyclinics, general practitioners, private practices and PHC facilities. Within this environment the use of contraceptives has also increased, and the total number of abortions decreased and is now less than the number of births, although the abortion rate still remains high compared with Western European countries.⁶⁸ The number of teenage pregnancies has also decreased,⁶⁹ and might be explained by more open discussion of reproductive health issues in society at large, and by improving health education in schools, and the fact that adolescents do not need an authorisation to receive family planning services in Latvia.

In the latter regard, current curricula include health lessons only in grades 5 and 9 (optional), but within the framework of a World Bank education sector loan, health education is due to be integrated throughout the educational system, where the experience to date in Latvia with the WHO “Health Promoting Schools” programme should provide the basis for a “life-skills” approach.

A move towards improved health education for youth in Latvia may in fact be an important human development priority, given the results of a WHO survey of health behaviour amongst youth conducted in 1997-98, which revealed, *inter alia*, that:

- Overall only 55% of adolescents are assessed to be fully healthy and 6% have a serious chronic disease or disability;
- 74% of 13 year old boys and 52% of 13 year old girls report having tried a cigarette;
- 27% of 15 years old boys 12% of 15 years old girls report smoking daily;
- 47% of 15 year boys and 23% of 15 year girls report having been drunk;
- Between 1996 and 1998 there was a doubling of diagnosed alcoholism and alcohol abuse among teenagers; and a steep increase in the diagnose use of narcotics; and
- Road traffic accidents are the main causes of death from ages 5-19 years, with drowning second among 5-14 year olds, and suicides second in the 15-19 age group. All are highly preventable.⁷⁰

The present unsatisfactory physical condition of the Latvian population interacts with another serious public health concern, the growing morbidity from tuberculosis. See Table 5.

	1991	1992	1993	1994	1995	1996	1997	1998
Total	28.7	29.0	33.3	44.1	50.4	59.0	68.4	74.0
Including adults	34.3	34.5	41.2	55.4	62.9	72.6	83.6	88.6
Teenagers	5.7	14.4	6.9	12.0	11.2	15.0	22.7	26.9
Children	7.5	6.1	7.8	9.5	12.0	16.9	18.1	26.4

Source: Social Report 1999, Ministry of Welfare, Riga, 1999.

In Latvia, tuberculosis is contracted mostly in the active working age range (18-54). There is also evidence of an increase in tuberculosis morbidity among children. In 1999, however, the number of patients who have contracted tuberculosis for the first time has declined, to 68.4 persons per 100,000 inhabitants.⁷¹ This might be explained by the introduction of DOTS (Directly Observed Treatment, Short Course) since 1997, and DOT Plus (a more complex case-management strategy) since 1998.

But perhaps the most alarming aspect of the recent rise in TB is the incidence of drug resistance, which according to the WHO is becoming a severe problem in Latvia, with 727 cases of active multi-drug resistant diseases reported in 1998. More recent research suggests that 20% of all TB cases in Latvia are at least partially drug resistant. It is likely that spread of disease in prisons, and subsequently to the population outside prisons, is a major factor in these high rates of drug-resistant TB.⁷² Likewise, insufficient preventive care and the tendency of delaying visits to the doctor create an additional threat for the spread of the infection.

Another growing public health problem with potentially serious implications for the future human development of the Latvian population is the rapid increase in the number of HIV/AIDS cases. See Table 6. There has been a considerable increase of people infected by

Table 6: HIV Positive Persons and AIDS Cases in Latvia

	1997	1998	1999	June 1, 00
HIV - positive persons reported, total cumulative number	88	251	492	655
HIV - positive persons who have developed AIDS	20	31	48	60
Of which deaths	4	8	14	17

Source: data from AIDS Centre, June,2000

HIV since the beginning of 2000, mostly intravenous drug users. While the scope of drug abuse itself is not alarming when compared with the situation in other countries, there is reason to worry about indications of a continuing upward trend, especially among young people, and about new drug abuse patterns linked to the introduction of new drugs into the market.⁷³ (See Annex I on Drug Abuse and Drug Control in Latvia). This implies a possible further increase in the spread of HIV amongst the youth, and poses special challenges to focus effective health education and awareness programmes on the “at risk” groups.

Extensive alcohol abuse is yet a further serious public health problem in Latvia, which strongly effects not only mortality in the population, but has extensive social implications. (See the discussion above of alcoholism and poverty). Due to lack of reliable statistics it is difficult to assess the real scope of the problem. Experts estimate that the actual number of people suffering with alcoholism is possibly 100,000 to 150,000, or even more,⁷⁴ with an upward trend in the registered cases of alcoholism and alcohol psychosis.⁷⁵ In the recent past, the number of women receiving treatment for alcohol psychosis has also risen. The average age of patients is falling, pointing to the fact that alcohol is being used by very young people. The relatively low cost of strong beverages, the ease to obtain them, and other complex social problems are factors in the spread of alcoholism.⁷⁶

A further important public health challenge in Latvia is the spread of so called “social diseases” in addition to tuberculosis. As most of the spread of STDs (and HIV/AIDS) in Latvia is found among young people, it points to the unavailability of appropriate health information for them.⁷⁷ The increase in the other diseases are related to the deterioration of living standards arising and increased poverty amongst certain groups. See Table 7.

Table 7: Reported Cases of Infectious and Parasitic diseases

		1997	1998	1999
Tuberculosis	per 100,000 population	68.4	74	68.3
	total	1689	1820	1673
Viral hepatitis	per 100,000 population	112.93	97.51	67.72
	total	2825	2418	1652
Diphtheria	per 100,000 population	1.68	2.7	3.32
	total	42	67	81
Syphilis	per 100,000 population	121.3	105.6	63.2
	total	3008	2597	1541
Gonorrhoea	per 100,000 population	68.1	50.3	45.1
	total	1690	1237	1101
Scabies	per 100,000 population	90.2	75.3	59.2
	total	2237	1852	1444
Pediculosis	per 100,000 population	107	96	

Source: Report on Population Health and Health Care in Latvia 1999. Ministry of Welfare, Agency of Health Statistics and Medical Technologies, Riga, 2000

These include diphtheria, and sexually transmitted diseases (STDs) which have increased significantly since 1990. While syphilis and gonorrhoea for instance, may have peaked in 1995-96, they were virtually absent at the start of the 1990s.

Likewise, an increase in domestic violence is also coming to be viewed as a “social disease,” which in the view of UNICEF and other UN agencies, needs to be addressed more from the public health perspective than as a law enforcement problem.

There is good evidence that the Latvian Government is increasingly focusing on the human development challenge of ensuring that the entire population will enjoy the highest attainable standard of health. Current national health policy is aimed at promoting primary health care and preventive rather than hospital care, and there has been some success in increasing the supply of general practitioners. Importantly, a Public Health Department was added to the Ministry of Welfare in 1997, and a National Health Promotion Centre established in the same year. Further, the Government has committed itself to a complex of measures and actions in order to improve health of Latvian population.⁷⁸ Since 1998 there has been a World Bank loan for health reform, with an important component for “Public Health Reform” under which a public health strategy is currently being developed. Further strategies for development of primary and secondary health care systems have been elaborated, and regional plans for health care improvement initiated. Pilot studies on implementing a “capitation” or “per capita model” for financing of primary health care, have also been carried out with promising results. This scheme is intended to increase the resources allocated to preventative medicine, and will be introduced nation-wide this year.⁷⁹ Other reforms in health financing have been carried out in order to ensure effectiveness and transparency, as well as to reduce unnecessary costs, and eight Regional Sickness Funds which channel finances and procurement of health care services to the regions are now operating.

The establishment of the National Health Promotion Centre in 1997 further demonstrates the positive change in Government’s attitude from being “treatment oriented” towards “preventive oriented.” Health promotion has become more systematic and purposeful, with a clear role for the public health system as a whole, replacing the past “campaign” orientation.

While the above measures are positive indicators of the Government’s commitment to improved health, and the financing in total figures for health care has been increasing, the share of GDP for health in Latvia nevertheless remains low compared with other developed and even transitional countries.⁸⁰ See Table 8.

Table 8: Latvian Govt. Expenditures on Public Welfare (at current prices)					
in thousands of Lats	1995	1996	1997	1998	1999
Gross domestic product	2349.2	2829.1	3275.5	3773.5	3838.1
Social insurance*	274.3	320.8	390.4	429.5	472.6
• as % of GDP	11.7	11.3	11.9	11.4	12.3
Social assistance	7.8	53.2	67.0	67.7	75.2
• as % of GDP	0.3	1.9	2.0	1.8	1.9
Health care*	105.4	117.6	122.3	139.6	146.3
• as % of GDP	4.5	4.2	3.7	3.7	3.8
Employment*	10.8	13.1	17.6	29.9	47.5
• as % of GDP	0.5	0.5	0.5	0.8	1.2
Total	389.0	496.0	586.5	666.7	741.6
• as % of GDP	16.6	17.5	17.9	17.6	19.3
Source: Data of the Ministry of Welfare, June, 2000.					

* Total expenditures of the general (basic) and special budgets

In 1999 health expenditures as a share of GDP were only 3.8%, and it is forecasted by the Ministry that it will be only 3.58% for this year. This limits opportunities to devote more resources to preventive care, health promotion, and improvement of health care infrastructure, and breeds lingering dissatisfaction, both on the side of public health professionals, who cannot fulfil their professional duties at an acceptable level, and the public, who do not receive services of reasonable quality, because doctors have to “save” money. In turn, despite the commendable shift in public health policy towards preventative medicine, the major part of total health expenditure is still directed at secondary and tertiary care.

In the overall then, Latvia still faces considerable human development challenges concerning the improved health of her population. Improvement will require facing the complex of problems surrounding the increased poverty amongst certain groups, low health expectations, and high levels of unhealthy behaviour in the public in general.

C. Enhanced gender equality

Inattention to gender disparities has serious implications for human development and the prosperity of a society as a whole.⁸¹ Enhancing gender equality must be a priority of development policy—not with the goal of making men and women identical, but rather of ensuring that men and women are granted equal opportunities, and equal access to the means by which to enjoy these. In Latvia, the complex set of issues surrounding gender equality may be examined along two axes: First, causes and manifestations of differences between men and women in areas of concern to human development (health, education, employment and others); and second, the manner in which these disparities are or are not addressed by legislation, policies and programmes.

From the outset it is important to note that both men and women in Latvia face barriers to their enjoyment of the highest quality of life possible. This means that both genders must be participants in identifying solutions to gender related problems, while also being the focus of solutions.

Regarding women’s status, main areas for concern are women’s position in the labour market, societal attitudes towards the role of women as homemakers and child care givers, and their participation in high level decision-making in the country—all issues which are closely interrelated in terms of cause and effect.

To begin with the labour market, women are frequently discriminated against while job seeking, as employers commonly use their status as mothers (or even potential mothers) as grounds not to hire them.⁸² Surveys of small-and-medium sized entrepreneurs verified that these employers would prefer to hire men over women,⁸³ although the reasons given (i.e. need for certain skills) do not match the educational profiles of the two genders, as women are in fact better educated than men. A further part of the problem may be that only 26% of entrepreneurs are women.⁸⁴

Once in the labour market, women are paid less than men (see Table 9) and are clustered in professions with low wages and relatively low social prestige, such as teaching, health care, and social care.⁸⁵ It is also important to note that over the past 10 years, these indicators have shown no significant signs of improvement.

This portrait of the average working woman should further be examined alongside issues of poverty and social stress. Recent research on poverty in Latvia has revealed that female-headed households with three or more children are at the greatest risk of poverty.⁸⁶ Despite the fact that women are more active than men in using job-seeking services offered by the state,⁸⁷ the discrimination within the labour market described above remains a significant barrier to women seeking to alleviate their poverty. Furthermore, given that women are

primarily responsible for child care, this leads them to accept lower paying jobs, or terms of employment which do not comply with legislation aimed at supporting their role as mothers.⁸⁸ To many women in poverty, feeding and clothing their children are often their number one priority, no matter what it takes.⁸⁹

Monthly wage	Men	Women
< 38 Lats	5.44	8.90
38 – 50 Lats	14.30	26.11
50.01 – 100 Lats	42.2	45.35
100.01 – 200 Lats	29.76	16.57
> 200 Lats	6.26	1.96

Source: M. Keune. *Poverty and the Labour Market in Latvia*. UNDP/ MoW. Riga, 1998

The overall result for women is often thus a vicious circle of poor quality employment, poverty, and social stress. The gaps that need to be addressed here include improving women's access to information regarding their rights within the labour force, as well as educating employers about their responsibilities. Furthermore, measures need to be taken to ensure that existing policies and legislation are actually implemented and enforced, and that the social, human and financial benefits of such measures are explained to employers and employees alike. Otherwise, hidden discrimination against women will only continue.

Another aspect of the complex of problems facing women in Latvia concerns the role of men in society. In order for women to be relieved of their double burden as care giver/homemaker and member of the labour force, a shift in male responsibilities is necessary. Employed women spend almost twice as many hours on housework and family care as do employed men.⁹⁰ It follows that if men were more involved in the household, women would be able to enjoy a higher quality of employment. See Table 10.

	Employed Men, aged 20-29	Employed Women, aged 20-29
Child care, total	02:00	07:56
of which:		
physical care, supervision	00:52	04:18
Activities with children (reading, playing, talking, teaching)	00:52	02:29
time related to child institutions, incl. travel	00:16	01:09

Source: *Time Use by Gender in Latvia*, Eds. P. Eglite and I.B. Zarina. Institute of Economics. Riga, 1999

However, it would be an oversimplification to characterise men's lack of participation in household matters as a completely free choice on their part, or simply taking advantage over women. The situation of men in Latvia, in terms of human development indicators, is also cause for concern, and the roots of many male problems can be found in their isolation from the family, and expectations regarding traditional male roles in Latvian society.⁹¹

In particular, the disparities in male mortality, morbidity, and illness indicators in comparison to women in Latvia paint an alarming picture. See Table 11.

Table 11: Gender Disparities in Health, Mortality and Morbidity	Male	Female
Average life expectancy at birth	64.1	75.5
Deaths per 100,000 inhabitants, (1997) from:		
infectious diseases	29.0	9.0
transport accidents	40.5	13.8
exposure to noxious substances, incl. alcohol poisoning	16.4	5.5
mental and behavioural disorders	13.4	5.5
suicide	59.7	12.3
Adults who smoke (%)	62	27

Source: Latvia: Human Development Report, 1999. UNDP. Riga, 1999 and Demographic Yearbook of Latvia, 1998. Central Statistical Bureau of Latvia. Riga, 1998.

While the root causes of these disturbing trends undoubtedly need thorough research, some experts have posited social stress, and a lack of coping mechanisms and support structures, such as family, as factors in these negative male indicators. Single men, and widowers in particular (i.e. men without family/female support) are also at very high risk of poverty,⁹² which tends to substantiate these conclusions.

It appears likely, therefore, that a more integrated role for fathers in families would thus not only improve women's quality of life, but men's as well. The challenge to be addressed here is the provision of information and outreach services on these issues, which are accessible and acceptable to men.

Regarding government programmes to address the above issues, there is a distinct lack of gender-disaggregation in terms of objectives and interventions.⁹³ This "gender blind approach" unfortunately means that the specific needs of both men and women are unlikely to be addressed. More comprehensive efforts to "mainstream" gender into policies and programmes are thus needed. (See below).

Closely linked to the lack of gender sensitive social policies and programmes, is the lack of gender-disaggregated data, plus a lack of comprehensive population-based surveys on gender-related issues. One issue of particular concern here is the paucity of data concerning gender-based violence and harassment, which may largely account for the absence thus far of government programmes to address this violence. Further, there is a need for more effective dissemination of research and data that do exist. This is a critical barrier to effective policy-making.

The second analytical axis in this area concerns the need for policies and institutions that support and monitor goals for lessening or eliminating gender based disparities in human development. To this end, many countries are moving towards a "gender mainstreaming" approach within state administration, whereby gender concerns and perspectives are integrated into government policy and decision-making at all levels.

Significantly, at the beginning of 1999 a Gender Focal Point (GFP) was established within the Ministry of Welfare, and charged with co-ordinating all government activity in the area of gender, although specific goals concerning the achievement or promotion of gender equality remain to be set by the Government. The current and most pressing challenge for the GFP is the preparation of a National Plan of Action on gender by the autumn of 2000. Preparatory work by the GFP has included the utilisation of support from the Nordic Council of Ministers and UNDP to arrange a series of introductory seminars on the concept of "mainstreaming" for civil servants from all line ministries, and to review of both policy and legislation from a gender perspective (using national consultants). Furthermore, the GFP's

attention to men's problems as opposed to just women's issues, is an important step in terms of breaking down stereotypes that characterise "gender equality" as a women's issue.

At the same time, the efficacy of the GFP is hampered by a number of factors: lack of understanding about "gender" as an issue of basic human welfare and development; lack of high-level political will; lack of budgetary allocations to implement projects and programmes; and lack of capacity in the GFP office. This is evident in the lack of gender mainstreaming in policies that are developed by the Ministry of Welfare itself, which hosts the GFP. Hopefully the GFP will soon gain needed strength, so that it may take up its potentially important role in public policy formulation. It will be vital, for instance, to mainstream a gender perspective into the Poverty Reduction Strategy, as well as the National Integration Strategy currently being developed.

Perhaps the real crux of the gender mainstreaming exercise in Latvia is the transformation of the issue in the minds of the public and various policy-makers whereby it will be perceived and understood as a social scientific element of human development, with genuine and palpable costs and benefits, rather than only as an issue of fairness or women's empowerment. However, attempts to promote this transformation must take into account the sensitivity of the subject in Latvian society. Previous attempts have met with varying degrees of success.

A final area of concern is the achievement of gender balance at all levels of decision-making, which is a key issue both in terms of accountability and representation, and as a means of enabling gender-mainstreaming processes. Since the restoration of independence, women have consistently held less than 20% of parliamentary seats, with equally low or even lower participation in top Government jobs. Female participation as deputies at the municipal level is slightly higher (37.4% in 1994 and 38.73 in 1997), although nonetheless still far less than men's.

However, when seeking means by which to enhance women's participation, it is necessary to address root causes. One of these is undoubtedly the general public's attitude towards female politicians and leaders—for example, in a survey of young people, 50% of young men and 25% of young women did not feel that more top state jobs should be held by women.⁹⁴ Thus awareness and education campaigns aimed at dismantling gender stereotypes in Latvia are called for, with the media playing a crucial role.

Other barriers to women's participation, however, are more structural: Unequal sharing of housework by men robs women of time to be politically active, while unequal pay denies them equal financial resources. Furthermore, because women are the primary child care givers, they are less likely to risk both time and money for an uncertain political career.⁹⁵

Once again, the intractable links between political participation and other aspects of Latvia's social and economic life are evident, and highlight the need to address these problems in a holistic manner.

D. Improved status of children and youth

While it is undoubtedly true that "children and young people are the future of the nation," they are also human beings in the present tense as well, and guaranteeing the highest quality of life possible for them is a goal of sustainable human development in and of itself. Furthermore, Latvia has undertaken to guarantee the welfare and dignity of children as part of their basic human rights under the Convention on the Rights of the Child. Thus the Latvian State, as well as parents, and civil society in general, have a duty to ensure that these rights are respected.

In analysing the development needs of children in Latvia, two sets of issues require attention: the first concerns their status in terms of their health, employment, and education, etc., with particular attention to exceptionally vulnerable young people and their needs. The second concerns the means by which young people themselves are ensured status as actors for change.

Regarding the health of young people, it is positive to note that child mortality is gradually falling.⁹⁶ There are nonetheless other causes for concern: The last few years have seen an increase in infectious diseases, particularly tuberculosis and upper respiratory tract infections in children, as well as poor dental health (in part caused by low concentration of fluoride in ground water supplies).⁹⁷ Further, while there is no comprehensive data on child nutrition and eating habits, some research has pointed to the fact that many children have very unhealthy diets.⁹⁸ The poor diet of adults is also of issue here, as poor eating habits are inevitably passed on to their children. The State Health Promotion Centre has implemented some valuable campaigns on healthy eating, targeted at both children and teachers, and individual municipalities have organised various events to promote healthy lifestyles.

Latvia nevertheless faces the challenge of stepping up information and education initiatives to promote healthy living amongst children, their families, and the institutions dealing with children. This includes the introduction of health education at all school levels (currently mandatory in grades five and nine), and support to efforts to develop materials and train teachers.

Regarding employment, the rights of young people in the labour market are regulated by the Labour Code, which includes a variety of measures to protect them from exploitation and work that is hazardous to their health. There may be need for employers to be further educated regarding the rights of young people in the labour market, while guarding against the protective measures resulting in discrimination against young job seekers.

But the challenge in this area is not as much about protecting youth in the labour market, as it is their access to it. The fact that the age group from 15-24 has the largest percentage of unemployed people demonstrates that Latvian youth are experiencing some difficulty in making the transition from school to employment in the new economy.⁹⁹ There is thus a challenge for the educational system and the private sector to develop post-secondary and vocational education that prepares young people to meet the needs of the new open labour market. Young people must also have better access to information on job opportunities.¹⁰⁰

Looking at education, while access to basic education is formally guaranteed to all children in Latvia, unfortunately, the number of children not attending school is growing: Between 5-15% of children aged 7-15 do not attend school, 7% of teens quit school before 9th grade, and the percentage of 15 year-olds with a completed primary education is consistently falling.¹⁰¹

There is an obvious linkage between this problem and poverty,¹⁰² as poor parents cannot afford the cost of clothes, books, transportation and other things necessary for their children to go to school.¹⁰³ Furthermore, there is some evidence of children going hungry at school, as their parents cannot afford to give them lunch money.¹⁰⁴

Thus an important immediate challenge for the Latvian Government and Latvian society is to address both the causes for non-attendance at school, and the special needs of this group of youngsters, with appropriately trained school psychologists, social pedagogues, and school administrators. Otherwise, as discussed above in the Poverty section, Latvia faces the risk of this group becoming a permanently impoverished underclass.

This brings up other concerns for especially vulnerable groups of young people in Latvia. These include not only out-of-school youth, but also victims of child abuse and other forms of exploitation. Reporting (but not necessarily the incidence) of violence against children has dramatically increased over the past 5 years.¹⁰⁵ While there is a lack of comprehensive data on child prostitution, one survey reports that 40% of prostitutes are minors and that 80% of these have been victims of sexual abuse.¹⁰⁶ Furthermore, statistics show increasing alcohol and drug abuse amongst under-18s, and young people themselves express concern that this problem is growing.¹⁰⁷

Other trends of concern include the increasing number of children who are abandoned by their parents,¹⁰⁸ as well as an increasing number of children in the care of the state.¹⁰⁹ Experts urge that more support should be focused on developing alternative family solutions such as foster care, adoption, and guardianship, in hopes of reducing the number of orphaned and abandoned children in institutions.¹¹⁰

Despite extensive provisions outlined in the Law on the Protection of the Rights of the Child to address these problems, there remain few effective interventions to help the especially vulnerable youth. Several NGOs have made headway in establishing programmes for street children and other vulnerable young people, and growing awareness for the need for more life skills education is noted. More systematic interventions are nevertheless needed. For example, steps need to be taken to ensure that child prostitutes are not further victimised if picked up by police officers. This requires more training for members of the justice and law enforcement system to sensitise them to all issues concerning violence against children and youth at risk. Education of parents, teachers and other professionals who come into contact with children (camp counsellors, leaders of youth groups and clubs, etc) is also crucial.

Regarding UN interventions for especially vulnerable young people, mention should be made of the “Baltic Sea Initiative” proposed by UNAIDS, UNICEF, UNFPA, WHO, UNDP and USAID which is intended to address on a sub-regional basis issues such as increasing incidence of HIV and STDs, drug use, and other risk factors and behaviours amongst young people, with an emphasis on life skills education. Financial support for this initiative must be mobilised.

The second set of issues regarding the status of children in Latvia today concerns their participation in decision-making processes on issues that have a direct impact on their lives, as well as in the social, economic and political life of the country. Both positive and negative indicators can be identified in this respect.

On the positive side is the significant participation of young people’s organisations in the development of the National Programme for Youth. Additionally, the Youth Initiative Support Centre, under the jurisdiction of the Ministry of Education and Science, is serving as a liaison between young people’s NGOs and governmental bodies. It has formal agreements with a number of NGOs, outlining the terms of their cooperation.

While these are positive developments for increased youth participation, according to the young people’s organisations themselves, the State still lacks a clear understanding of what “working with youth” is all about. They argue that the current national machinery structured under the umbrella of “education”, does not address their practical needs, which go beyond education to encompass issues of employment, non-school based educational activities, development of civic responsibility, health, and mobility. In turn, efforts to enhance the capacities of youth NGOs are seen by both sides as a precondition for greater delegation of responsibilities to them for youth activities. Observers have noted that deliberate investment in capacity building for the adult NGO sector made a significant impact, and it is

suggested that now a similar investment should be made in youth NGOs, with emphasis on organisational, management, advocacy, and other skills.

Regarding the protection of the specific rights of children, an interministerial committee on Children's Rights Protection, headed by the Minister for Education and Science, was established in 1996 and includes representatives from state, local government and NGOs. Further, a State Centre for the Protection of the Rights of the Child (SCPRC) was set up last year under the jurisdiction of the same Ministry, and has become responsible for monitoring the implementation of relevant legislation on children's rights protection, and has been doing excellent work. A widespread information campaign implemented by SCRPC, in association with the UNICEF National Committee, has been having results. For example, The SCRPC invites young people on a monthly basis to express their opinions on rights issues, and based on their inputs, new activities and campaigns are planned, either to be implemented by the young people themselves, or with the help of the SCPRC. The SCPRC also holds monthly capacity-building seminars for NGOs. However, as the Centre itself has indicated, ensuring that these activities reach the groups of especially vulnerable young people remains a challenge that needs to be addressed.

In completing the picture of the status of children in Latvia today, it may be noteworthy that in looking forward, young people themselves do not feel very secure. In fact only some 10% of young people feel that their future within the context of a market economy looks optimistic, with boys more confident about their chances of success than girls,¹¹¹ highlighting the need to mainstream a gender perspective into the school curriculum and other programmes for youth. (See discussion above of Gender).

E. Enhanced human rights

As discussed in Chapter III above, sustainable human development is optimised only when the rights and freedoms of the human population are maximised, thus establishing an environment of individual and community creativity in the establishment and pursuit of their development goals. Thus, it can be said that the preconditions for sustainable human development also can and should be formulated in terms of human rights norms. Establishment of a clear legal human rights framework is the crucial first step in this direction for every nation.

Looking at Latvia today, a number of trends can be observed in the field of human rights that will have far reaching consequences for the sustainable development of Latvia's human population. Often the positive trends also have negative aspects, which only shows the complexity of the human rights processes not just in Latvia, but in every society.

The following may be regarded as the most significant human rights trends in the context of sustainable human development in Latvia:

- Increasing protection of human rights in the national legislation;
- continued institution building to protect and promote human rights;
- insufficient financial means to support institution building and standard setting;
- rising awareness about human rights among the general public;
- absence of a strategic approach to human rights education;
- passiveness of individuals in protection of their rights before the courts;
- under-representation and participation of minorities in decision-making; and
- poor conditions in places of detention despite the ongoing reforms.

After the restoration of independence on 4 May 1990, Latvia found itself in the position of a state with irreversible aspirations to become a modern democracy, but carrying the legal and psychological legacy of the Soviet past. Considering the lack of legislation providing for effective protection of human rights, international instruments played an important role from the outset in the protection of human rights. At the same time standard setting continues on the national level—Parliament has passed some 2000 laws since independence, many of them having human rights implications, culminating in the addition of a new chapter on human rights to the Constitution in October 1998.

Based on experience elsewhere, the establishment of an institutional structure that puts human rights norms into practice must be an early priority. Happily, Latvia is making progress in this direction: The Latvian National Human Rights Office (NHRO), an independent national institution, was established in 1995. The NHRO receives complaints from individuals and reacts to violations, analyses the compliance of Latvian legislation with international obligations and standards, and educates the public about human rights. The role of the NHRO is increasingly recognised by the public, and individuals are eager to look for help from this institution, notwithstanding that it is still developing its capacities. Thus, the total number of applications for advice from the NHRO has increased from 1642 in 1996 to 3337 in 1999,¹¹³ with 40,7% of respondents evaluating its work positively, and only 14,8% negatively.¹¹⁴

Another positive beginning has been made on reform of the judicial system, so that individuals can now appeal against any administrative decision to the courts. Further, a Constitutional Court has been established that rules on the constitutionality of laws and their compliance with international human rights obligations. Legislation empowering individuals, lower courts, and the NHRO to refer cases to the Constitutional Court is currently under consideration in Parliament. Thus, the mechanisms for the protection of human rights, which were absent in the past, are well on their way to being established.

However, an environment conducive to maximum human development requires not only that the legal and institutional means exist, but that they are effective. Prioritising economic growth has left its impact on the institution building necessary to make the new mechanisms effective. For example, the budget of the NHRO for the last two years has been on average about two thirds of what is needed for effective operation, making it impossible to engage qualified personnel in sufficient numbers in the work of the organisation.¹¹⁵ In turn, the dependence of the NHRO on the Parliament for approval of its annual budget undermines its independence. The judiciary is also experiencing financial difficulties—there is insufficient funding to ensure elementary administrative needs in the courts and the remuneration of judges, which, coupled with the already low prestige of the judiciary carried over from the Soviet era, makes it difficult to attract qualified people to become judges. As of May this year, there were 21 vacancies out of 325 judgeships in the first and second levels of the court system, which is symptomatic of the situation.¹¹⁶

Given the lack of human rights education in the past, and the new open political and economic regime in Latvia today, it is important that the public, youth, and officials at various levels understand the role and place that human rights take in a democratic state. Although the overall level of awareness about human rights is increasing, individuals remain rather passive in protecting their rights, particularly before the courts. Thus, only 1,384 administrative decisions were taken on appeal to courts in 1996, and 1,227 in 1999.¹¹⁷ Further, the latest polls show that 74,3% of respondents would not look for help in any institution in case of violation of their human rights.¹¹⁸ Although many complaints are satisfied in municipal and other institutions, individuals must not be discouraged from addressing the courts and other higher institutions intended to ensure correct application of the law. Once individuals are

aware of the obligations the state has towards them, and of the means for the enforcement of their rights, they can demand the fulfilment of the state's obligations.

In the Latvian situation there is need for a twofold approach: Informing and educating the general public on one hand, and on the other inclusion of human rights in the curriculum of the full range of learning institutions, starting with schools and ending with professional training centres. While the NHRO and various governmental institutions, as well as NGOs and some donor organisations, have been successful in disseminating information on different human rights issues to the public, there is nevertheless a lack of a uniform human rights education strategy on the governmental level. Some human rights topics are taught on the level of primary education, and there are human rights courses taught at the University of Latvia, at the Masters level in the Riga Graduate School of Law, and some other establishments of higher education. Separate human rights courses need to be developed and incorporated into the programmes of the State Administration School, Judicial Training Centre, Police Training Centre and for special target groups like advocates, prosecutors, prison officers etc. Further, more systematic seminars and workshops need to be organised for the management levels of the civil service, as well as other possible target groups amongst professionals, to increase their understanding of the role and place of human rights in their daily work. The lack of qualified human rights trainers, however, is a major constraint that needs to be addressed before such programmes can be undertaken.

Amongst the most important human rights challenges in Latvia today are the concerns of the 25.6% of residents who are not citizens. This is a special group of people who settled in Latvia during the Soviet era and who, as non-citizens, do not enjoy the full spectrum of political, economic, and social rights. In particular, they cannot vote, thereby losing out in decision-making processes on issues affecting their well being. While they may obtain citizenship through a naturalisation procedure, the pace of naturalisation has heretofore been very slow—only some 30,000 people, or 5% of those eligible for naturalisation, have become citizens since 1995. Considering that most non-citizens are also members of ethnic minorities, minority interests are underrepresented on the national and municipal levels.

To help remedy this, Latvia has changed its citizenship laws to bring them into line with international norms, and the rate of applications for naturalisation has been increasing, as discussed above in Chapter II under "Social integration". Further, a Consultative Council on Minorities was established by the President in 1998, and the Government in December 1999 adopted the Framework Document of the National Programme on Integration of Society in Latvia. The goals of this programme include consolidation of society, and lessening alienation between the individual and the state, and between different parts of society. As a direct response to this programme, a number of local Integration Councils have been established with participation of minority representatives at the municipal level throughout Latvia.

Another human rights area where greater progress is needed concerns places of detention, especially pre-trial detention. It is estimated that only half of the population behind bars is incarcerated under humane and secure living conditions.¹¹⁹ Poor living conditions have also been reported in places of detention for illegal immigrants, as well as in facilities for the mentally disabled.¹²⁰ The main reason given for these deficiencies is inadequate financial resources to carry out prison reforms despite the launching of a prison reform programme in 1994. There is also a legacy from Soviet times of inadequate facilities and insufficient and unqualified personnel. Thus, under present prison conditions, pursuit of their own human development for many or most individuals is impossible while in detention, which bears a negative influence on rehabilitation, and on the rest of individual's life.

In addition to the condition of the prisons and other places of detention, there is also need for improved understanding and application of human rights standards by prison staff, the staffs of mental institutions and senior citizen's institutions, as well as by the police in their handling of people in custody. Further, the provisions of Latvia's Alien Law concerning detention need amendment to bring them into line with the European Convention on Human Rights. In turn, the report of the 1998 review mission to Latvia by the Committee on Prevention of Torture needs to be made public by the Latvian Government.

The human rights issues discussed above are common to the countries affected by the transition to independent democracies. Compared to the countries formerly under Soviet rule, Latvia can be singled out for its successful standard setting and institution building in the human rights area. The magnitude of the challenge of integrating a large non-citizen element of its population is unique to Latvia, however, and together with efforts to promote continuing improvement in the situation of vulnerable groups, has been an area of partnership with UN agencies in the country, and is likely to continue to be an important challenge for the future.

F. Improved environment

As in virtually all the states formerly under Soviet rule, when she regained her independence in 1990, Latvia was left a legacy of environmental damage, low environmental awareness, a poor legal framework for dealing with environmental problems, and deteriorating institutional capacity to deal with environmental matters. Thus, more than in other areas concerned with sustainable human development, the first challenge in Latvia regarding the environment has been to put into place the necessary legal and institutional frameworks, and to build required institutional capacities.

Substantial progress has been made. A new period for the development and implementation of environmental policy started in 1993 when the Latvian Parliament established the Ministry of Environmental Protection and Regional Development (MEPRD), responsible for the most important issues of environmental protection. An important initial environmental strategy and policy was put into place in 1995 in the form of a National Environmental Policy Plan (NEPP), and the complimentary National Environmental Action Programme (NEAP) for carrying it out. It is envisaged to update the NEPP next year. In turn, overall environmental protection legislation was adopted in 1991 and amended in 1997, and many others laws concerning various aspects of environmental protection have been developed and put into force. (For example: laws on hazardous wastes and chemical products; laws and regulations concerning environmental impact assessment, and nature protection; economic instruments to be applied in analysing proposed use of natural resources; and tax and permitting systems etc.). At present environmental legislation is steadily developing to adapt Latvia's environmental laws to European Union norms as a part of Latvia's overall process of seeking admission.¹²¹

Needless to say, however, further challenges remain to strengthen appropriately Latvia's institutional and legal frameworks for ensuring an improving and sustainable environment for her people.

First, regarding the institutional arrangements, as is the case elsewhere in the world, several other ministries and institutions besides MEPRD are responsible for different aspects of environmental protection and the use of land and natural resources. The cooperation between these bodies and institutions requires considerable improvement. Therefore, it has been recommended that some form of co-ordinating agency, such as an environmental protection agency, be set up, to bring all the concerned environmental bodies and institutions together and co-ordinate their activities under the guidance of the MEPRD.¹²² Simultaneously, the lack of human and financial resources which effects the capacity of the Ministry to

manage many environmental problems, and also effects Latvia's active participation in the international cooperation under regional and global conventions, also need to be addressed.

Regarding the state of Latvia's environmental legislation, it is still considered to be heavy handed, and is not always clear. It has been recommended that it should be reviewed and harmonised in order to eliminate unnecessary conflicts and overlaps¹²³.

A further area for improvement in environmental management is in the application of economic instruments in the implementation of environmental policy. So far there is a lack of clear statistical data on how environmentally related revenues are collected, and expenditures on the environment used. There is much that could be done to improve the efficiency of such economic instruments as environmental taxes, charges, and penalties, user charges, grants, excise and customs duties, and various subsidies, and to design feedback mechanisms on their performance.¹²⁴

Turning to the state of the environment itself, in Latvia there are several areas of both considerable progress, and remaining concern.

There has been considerable improvement in regard to air pollution and air quality since 1990, with the emissions of the four main pollutants from stationary sources¹²⁵ having decreased on average by one third.¹²⁶ This decrease has improved the air quality in industrial zones, but still the main polluters within the energy sector are the Riga power stations, which together with glass wool, steel and cement companies, remain the country's biggest polluters.

In addition to better regulating these large industrial polluters, in order to improve air quality further a number of measures will become necessary to mitigate the undesirable effects of the transport sector. The public transport fleet is old and the number of individual cars is increasing rapidly, which results in worsening air quality in all big cities. Renewal of the public transport fleet, as well as bringing about the changes necessary in the power and transport sectors as a whole, of course represent substantial outlays, which may require the creation new economic national instruments possibly in combination with foreign investments. In the meantime, the reduction and eventual discontinuation of the use of leaded petrol by 1 January 2005 in order to bring Latvia in line with the Arhus Protocol on Heavy Metals and the Arhus Declaration on the phase-out of added lead in petrol, which Latvia has recently signed, should be a top priority¹²⁷.

Another serious environmental problem that requires considerable financial contributions, is a detailed investigation and remediation of contaminated former military sites. During the 50 years preceding independence, military bases covered about 100,000 hectares in Latvia, and caused considerable damage to her natural resources. Large quantities of abandoned materials and chemical compounds are in most cases hazardous, and often stored in unacceptable conditions. They are a direct threat to the environment and human health. In 1997, a register of contaminated sites was set up. It classifies the 255 identified sites, of which 31 fall in the highest two classes of danger. The old military sites are now under the responsibility of the State, but so far have not been cleaned up, due to the cost.¹²⁸

Management to improve both the quality of water, and efficiency in its use, with special emphasis on wastewater treatment and prevention of ground water pollution, are further priority environmental concerns in Latvia. International cooperation under the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Helsinki, 1992), and the Convention on the Protection of the Marine Environment of the Baltic Sea Area (Helsinki, 1974 and 1992), form important support mechanisms for Latvia to develop and improve sustainable water management systems. But as was mentioned above,

the lack of human and financial resources constrains an active participation of the staff of the MEPRD in the international events/meetings organised under these conventions.

While water quality is considered to be *good* or *fair* in 80% of Latvia's rivers, the dependence of some towns on water from big rivers poses ongoing problems in terms of the maintenance of drinking water quality. It has been recommended that wherever possible, these towns should be switched to groundwater supplies.¹²⁹

Another concern is the marine water quality in the Gulf of Riga. Despite the 90% reduction in mineral fertiliser application since the early 90s, the trend analysis (1987-1995) of nitrogen and phosphorus loads does not show a general decrease in nutrients brought by the seven biggest rivers. Allocation of funds is required for the modernisation and construction of new wastewater treatment facilities to prevent pollution of these national watercourses.

The treatment and disposal of municipal waste is becoming another increasing environmental priority in Latvia. Today about 2.4 million m³ of municipal wastes are generated annually, and all of it is not disposed of properly, with illegal dumping contaminating groundwater. Sorting and separated collection of municipal wastes are only partly practised. Less than 5% of wastes are recycling.¹³⁰ A National Municipal Solid Waste Strategy has been developed and should be immediately implemented. Additional funding at national and international levels will be required for its implementation, however.

Due to the decline of heavy industrial activity in Latvia the amount of hazardous wastes has decreased. The main threat to the environment in this area is obsolete pesticides and hazardous wastes generated in the past and stored at industrial sites. At present about 106,800 tonnes of hazardous wastes are generated annually (mostly in metal processing and sewage treatment). Treatment and recycling of industrial wastes are limited. Construction of incineration facilities for obsolete pesticides and hazardous wastes should be speeded up, and it has been recommended that a hazardous waste management system put into place¹³¹.

Finally, turning to human health and the environment, a National Environmental Health Action Plan (NEHAP) has been developed, but implementation has not been carried out efficiently due to lack of human and financial resources. In addition, there is little reliable information on the present impact of the environment on health in Latvia. In turn, the existing environmental legal and policy documents do not give sufficient attention to human health amongst the objectives of environmental protection. An important sustainable human development challenge in Latvia therefore will be to build the capacities in research and educational institutions effectively and quickly to upgrade local environmental health capacities.

V. Possible Future UN System Co-operation

The “UN System” is a term which refers to what are in fact over 30 separately constituted organisations, each with its own mandate, its own specific competencies, its own governing body, and its own set of strengths and weaknesses. Each agency in turn offers an international forum in which issues of global importance related to the mandate of the agency are debated and solutions sought—a process in which Latvia is privileged to participate as a Member State. Many of these agencies also have important mandates to set and maintain international norms with regard to health, human rights (including the status of women, children, and refugees), education, labour, the environment, and drug control, to name just a few. They are also charged by the international community to serve as advocates in all countries for those norms.

In addition, virtually every agency offers “technical assistance” to its members, which is fundamentally a process of providing advice, when requested, on solutions to development problems, based on global experience and the “best practices” from around the world. The vast bulk of this assistance work is aimed at the poorest countries in the world, and within individual countries, at the poorest parts of the society.

Given its relatively advanced state of social and economic development, with the country now well on its way to gaining admission to the European Union, Latvia stands to gain most from the UN System by looking to the UN agencies as partners who offer an access network to global knowledge and experience, rather than looking to them as traditional donors.

Under these circumstances, it is not surprising that the presence of United Nations agencies in the country is modest. The co-operation which is in place is focussed primarily on the social and human rights problems associated with the difficult process of “transition” from Soviet rule to restored independence—the process of restoring democratic institutions, of reasserting national identity and culture, and of introducing widespread market reforms and new trade relations.

Amongst the grant technical assistance organs of the UN, only the UNDP has a fully staffed office in Latvia, pursuing a formal multi-year assistance programme, referred to as the “Country Co-operation Framework” (CCF), presently covering the period 1997-2000. Under this current CCF, UNDP financed technical assistance has been focussed broadly on the promotion of social integration and improved human rights in Latvian society. Simultaneously, there are five further UN agencies with offices and small staffs in Riga, pursuing their mandates: UNICEF has been providing assistance focussed on women and children; UNFPA has focussed on reproductive health; WHO has provided technical assistance and norm setting in the health field; the UNHCR has pursued its mandate to assist in the fair treatment of refugees and as an advocate of human rights; and the UN Drug Control Programme has provided assistance and norm setting in the areas of drug abuse and control. Other UN agencies have from time to time provided technical assistance through short-term missions coming from outside the country, amongst which UNESCO has been particularly active in the education field, and the UN Economic Commission for Europe in environmental monitoring. (Both agencies sent staff members to participate in the preparation of the present analysis.) In addition, UNCTAD has assisted Latvia in the areas of international trade negotiations and customs management; the ILO with “tripartism”, wage policy, occupational safety and health, and international labour standards; and FAO with forestry management.

It is these agencies by and large, which have come together to participate in the “common country assessment” of the state of Latvia’s human development which is contained in this report. This assessment is intended not as a programming document, but rather as an

overall guide towards those areas where, in the further planning and programming of their assistance, the various agencies of the UN System might best concentrate and work together, to have maximum impact on key areas of human development in Latvia, thus in the future giving the country the maximum benefit from a limited but more coherent set of interventions through the United Nations.

In the absence of a United Nations Development Assistance Framework, or “UNDAF”, which in countries with a larger UN agency presence is often developed as a follow up of the common country assessment, the Government and UNDP could use the process of developing the next Country Co-operation Framework later this year for a similar purpose. That is, to develop a framework which focuses as much as possible as on the key human development objectives and areas identified in this assessment, within which the co-operation of all UN agencies can be sought and co-ordinated by the Government, with the help of the office of the Resident Co-ordinator in Riga.

Turning to possible future UN co-operation with Latvia, there are essentially three parts to the discussion: First, the implications for Latvia of the goals set by the various UN global conferences; second, the types of interventions where the UN agencies have a comparative advantage in offering assistance; and third, in broad terms, the key human development challenges identified by the common assessment where the UN agencies may have a particular contribution to make.

As mentioned in the Introduction, a number of global conferences were organised under UN auspices throughout the 1990s, in all but one of which¹³² Latvia participated as a member state. These conferences have served in effect to establish a common global agenda for the further development of the human race, to which each member state is bound. The ones which may have been the most important, from the point of view of the human development of the Latvian population, include: The World Summit for Children, New York, 1990; the World Conference on Education for All, Jomtien, 1990; the Conference on Environment and Development, Rio, 1992; the World Conference on Human Rights, Vienna, 1993; the International Conference on Population and Development, Cairo, 1994; the World Summit for Social Development, Copenhagen, 1995; and the Fourth World Conference on Women, Beijing, 1995.

Each of these conferences focussed on particular aspects of the human development of the peoples of the world, but in doing so gave tacit recognition to the inter-relatedness of virtually all human development problems, and to the fact that in the long term, the prosperity and development of the world depends on promoting the maximum potential of all human beings in every society, regardless of gender, nationality, or other considerations. In turn, the conferences recognised that if there is to be long term human progress and peace, the problems of poverty are the most urgent for the world and for every society. Likewise it was recognised that in the long run, sustainable progress requires the development in every society of a governance environment which promotes the widest possible participation in decision making, and which recognises and protects the human rights of every group and individual, with particular attention to the status and well-being of children. Finally, the world gave recognition as never before, to the fact that for the benefits of development to be sustainable and available for our children and beyond, the people of each country must learn how to stop damaging their environment and depleting the natural resources of the Earth.

Thus, drawing on the conferences to set an agenda for future UN co-operation with the Government and people of Latvia, the following inter-related set of development challenges define the priorities most relevant to Latvia’s human development situation today:

- Development of the capacities of all of the people of Latvia in a sustainable way, or in the language of the UN, **sustainable human development**, by ensuring maximum access to the health care, the education, and the useful employment necessary for each individual to lead a healthy and productive life, without regard to gender, nationality, or other considerations;
- Reduction, by as much as possible, of the poverty that has grown up amongst certain groups since the restoration of independence and the introduction of open market reforms in the economy;
- Improvement in the health and well being of all children in Latvia, addressing in particular the needs of those who are considered to be vulnerable through the effects of poverty, exposure to drugs, alcohol, and other negative health and social trends;
- Continued widening of the processes of dialogue and consultation on public policy, and of strengthening civil society;
- Continued strengthening of governance institutions and mechanisms, and the protection of the human rights of all people in Latvia;
- Continued improvement in the environment, particularly in terms of water quality and waste disposal.

Agreement between the Government and the UN System on this set of goals as defining the priorities in Latvia for their co-operation in the near future, in and of itself would go a long way towards increasing the coherence of the UN System in Latvia. In effect, this set of goals could be considered the set of higher level or “development” objectives from which the Government, operating within its development priorities, and each UN agency, operating within its mandate and areas of competence, would choose in deciding on their future co-operation partnership in Latvia. The specific projects, programmes, fellowships, workshops, advisory missions etc. provided through the UN agencies would then be designed so that they contribute in a direct and tangible way to one or more of these development objectives, thereby forming part of a more coherent whole out of UN System assistance to Latvia.

Turning to the possible “comparative advantages” which the UN agencies may bring to the table in their further partnership(s) with the Government and people of Latvia, the following characteristics may work to particular advantage:

In the area of sector policy formulation, such as health, education, and the environment, there is a UN agency with competence in virtually every socio-economic area, which offers Latvia access to the experience, and in particular the “best practices” of every part of the world, and which is not biased towards any particular ideological model, but rather focuses on what works. Thus, short term advisory services from UN agencies may be particularly appropriate in giving Government and other policy makers in Latvia a neutral opinion on the best approaches to sector reform policies and programmes. The UN agencies can go further, to help design through the “programme approach” integrated support for national programmes, then help in building partnerships and mobilising resources to carry them out. Likewise their advice can be buttressed, where resources are available, with catalytic pilot projects, for possible replication by other donors and partners.

In the area of human rights, the UN family is pre-eminent in providing politically neutral and credible advice and assistance with regard to policy formulation, legislation, institution and capacity building, compliance with international norms, etc. in a highly sensitive area in Latvia. This includes assistance and advice regarding the treatment of specific groups, such as non citizen residents, refugees, and other detainees, as well as the

more mainstream concerns for protecting children, enhancing gender equity, and promoting social integration as necessary steps in the sustainable human development of all the people of Latvia today.

Likewise, the neutrality and impartiality of UN agencies makes them particularly good partners for advice and assistance in sensitive areas relating to improved governance, such as strengthening of the judiciary, improving transparency, fighting corruption, and drug control, amongst others.

The whole difficult area of poverty eradication is another where the UN agencies have broad experience, and where the drive towards increased coherence in their work in Latvia in particular offers the opportunity of assisting the Government and other partners to develop a more cross-disciplinary, holistic approach. And,

Last but certainly not least, the UN agencies have developed particular expertise in the use of “participatory approaches” in a variety of fields, which, given the priority in Latvia to promote greater social integration, coupled with the need to develop programmes and techniques for “reaching out” to certain vulnerable groups in the society, may be of particular relevance in Latvia for the near future.

In turning finally to look at possible UN involvement in helping Latvia to meet key human development challenges identified in the present assessment, account must be taken not only of the discussion above about the applicability of the global conference goals to Latvia, and the possible comparative advantages of the UN agencies, but also to the basic fact that their resources are limited, and they must often rely on building partnerships and mobilising resources from other donors or from the Government itself.¹³³

Keeping those factors in mind, the following are the broad areas, amongst others, where the Government and the UN agencies may wish to explore the particular contributions which the UN agencies could make in finding solutions appropriate to Latvia through a balance of advocacy, short term policy advice, short term technical advice, seminars, workshops, and study tours:

Governance:

- Strengthening the judiciary and judicial reform
- Strengthening accountability and anti-corruption mechanisms
- NGO policy and capacity strengthening
- Crime prevention
- Drug control
- Tripartite consultations on employment and labour market policy
- Integration of population issues into social policy

Poverty eradication

- Partnership creation for a multi-sectoral support programme for social integration (with strong governance aspects)
- Advocacy of programmes focused on the “poorest of the poor”
- Outreach programmes to increase access to vulnerable groups at national, regional, and municipal levels
- Cross-sectoral poverty eradication planning
- Research on the causes and best measurements of poverty
- Improved labour market information systems
- Employment creation through small and medium size enterprise promotion

- Support for increased social science training capacity

Improved health

- Health education for schools
- Sexual and reproductive health of young people
- Outreach programmes for
 - healthier lifestyles/life skills
- Increased breast feeding
- Early childhood health
- Reproductive health
- Outreach programmes targeted at the particular health problems of men
- Strategy for reducing alcoholism
- TB reduction
- Drugs and HIV/AIDS awareness and prevention education
- Outreach programmes for drug abusers
- Advocacy for increased budget support for health

Enhanced gender equity

- Elimination of job market discrimination and promotion of female entrepreneurship
- Research on causes of social stress and high mortality for men
- Outreach programme to improve male integration in family life and child rearing
- Advocacy and support for gender mainstreaming in government policy formulation
- Education on gender issues, dismantling of stereotypes
- Greater female participation in decision making

Improved status of children and youth

- Outreach programmes targeted at health problems and lifestyles of children and youth
- Health, lifestyle, life skills, and civic education in schools
- Public/private partnership formation to provide post secondary training opportunities to youth relevant to the job market
- Improved job market information services for youth
- Outreach programmes to identify and meet the needs of out of school youth and other groups of vulnerable youth
- Education and training on children's rights for police and other officials dealing with youth
- Capacity strengthening for youth NGOs
- Support for the "Baltic Sea Initiative" for youth

Enhanced human rights

- Education on human rights
- Advocacy for adequate and reliable budgetary support to the National Human Rights Office (NHRO)
- Continued capacity building for NHRO and other human rights organs
- Human rights awareness outreach programme

- Better integration of non-citizens in Latvian society and political life (see also social integration)
- Advocacy for adequate budgetary support for
- Juvenile justice
- improvement in conditions of detention
- Human rights training for various officials
- Advocacy for proper treatment of refugees and detainees

Improved environment

- Advocacy and support for better co-ordination of government agencies dealing with environmental issues
- Streamlining of environmental legislation
- Environmental education
- Enhanced capacity in the use of economic tools in environmental policy implementation
- Continued assistance in monitoring environmental indicators against international norms
- Advocacy for resources to help Latvia tackle major sources of air pollution such as modernisation of public transport, reduction of pollution caused by power stations
- Advocacy for resources to clean up hazardous wastes on former military bases
- Advocacy for Arhus targets for phase-out of leaded fuels
- Advocacy and policy support for improved waste disposal, especially by municipalities
- Advocacy and policy support for continued improvement in groundwater quality
- Advocacy for resources required for modernisation of waste water treatment
- Support for development of a hazardous waste management system, and
- Support for upgrading national and local environmental health capacities.

Notes

Chapter II. Overview of Economic and Social Development in Latvia

¹ Central Statistical Bureau, "Macroeconomic Review 2000/2(3)," Riga

² For further discussion of FDI see chapter 1 of the Latvia Human Development Report, 1999

³ The UNDP Global Human Development Report 2000 contains new calculations based on 1998 data

⁴ Latvia Human Development Reports, 1996 and 1998

⁵ See "Report on Population Health and Health Care in Latvia 1999," Ministry Of Welfare, Agency of Health Statistics and Medical Technologies, Riga, 2000

⁶ From "Fertility and Family Surveys in Countries of the ECE Region, Standard Country Report, Latvia," UNECE and UNFPA, 1998

⁷ National AIDS Prevention Centre data

⁸ Trapenciene I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999

Chapter III. Overview of the Impact of Governance

⁹ Home Page of the Latvian Parliament, www.saeima.lv/Lapas/Likumd_Vesture.htm

¹⁰ Statistical Yearbook of Latvia 1999, p.169

¹¹ Transparency International Corruption Reading Index for 1999, www.delna.lv/latvian/peetijumi/kui.htm

¹² "Corruption in Latvia" Report by the World Bank, 1998

¹³ "NGO and Social Stability", Research by the Baltijas datu nams, 1999, p.9-10

¹⁴ Non Governmental Organization Centre, "Annual Report 1999," p.4

¹⁵ Statistical Yearbook of Latvia 1999, p.168

¹⁶ Data for the year 1999 is not comparable with the earlier data due to changes in criminal legislation; "Monthly Bulletin of Latvia Statistics 2000," No.3, p.136

¹⁷ Vitolds Zahars, Head of the Prison Department, letter of 11 January 1999

¹⁸ In a comparison made with 27 countries of Eastern and Central Europe, Latvia's average period of incarceration for all offenses was the fourth longest. Roy Walmsley, Prison Systems in Central and Eastern Europe—Progress, Problems, & International Standards, Helsinki, 1996

¹⁹ "Analysis of the Situation related to Circulation of the Illegal Drugs," Ministry of Interior, 2000

²⁰ "Data and Analysis of Registering and Treatment of Drug Consumers and Patients in the State Narcologic Institutions in 1999," Narcology Centre, 2000

Chapter IV, Analysis of Development Priorities and Challenges

Part A: Poverty eradication

²¹ Latvia Human Development Report, 1998, p.38-40

²² See Latvia Human Development Report 1997, UNDP, 1997

²³ See: Overcoming Human Poverty: UNDP Poverty Report, 1998, UNDP, 1998

²⁴ See "Latvia Poverty Assessment," A World Bank Country Study, World Bank, 2000

²⁵ *Ibid*

²⁶ *Ibid*

²⁷ *Ibid*

²⁸ See "Report on Results of Household Budget Survey in 1998,1999," Central Statistics Bureau, Riga

²⁹ *Ibid*

³⁰ Central Statistics Bureau data on Poverty indicators, Riga 2000

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- ³¹ “The Survey of Living Conditions in Latvia in 1999,” Central Statistical Bureau of Latvia, Fafo Institute for Applied Social Science of Norway, Riga, 2000, p.27
- ³² Gassman, F., Neubourg, C., Coping with Little Means, Ministry Of Welfare, UNDP, 1999, p.83
- ³³ See “Latvia: Poverty Assessment,” A World Bank Country Study, 2000
- ³⁴ See more: Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999
- ³⁵ See for details Keune, M., Poverty and the Labour Market in Latvia, Ministry Of Welfare, UNDP, 1999 and “Latvia: Poverty Assessment,” A World Bank Country Study, 2000
- ³⁶ “Monthly Bulletin of Latvian Statistics,” Central Statistics Bureau, Riga, May, 2000
- ³⁷ See “Labour Force Sample Survey, Central Statistics Bureau, Riga, 1999
- ³⁸ See Keune, M., Poverty and the Labour Market in Latvia, Ministry Of Welfare, UNDP, 1999
- ³⁹ See “Latvia Poverty Assessment,” A World Bank Country Study, World Bank, 2000
- ⁴⁰ Keune, M., Poverty and the Labour Market in Latvia. Ministry Of Welfare, UNDP, 1999
- ⁴¹ Statistical Yearbook of Latvia, 1999, Central Statistical Bureau
- ⁴² The main revenue source for the budgets of municipalities is Personal Income Tax.
- ⁴³ For detailed analysis see “Latvia Poverty Assessment,” A World Bank Country Study, World Bank, 2000
- ⁴⁴ For additional information see: “Survey of Living Conditions in Latvia in 1999,” Central Statistical Bureau of Latvia, Fafo Institute for Applied Social Science of Norway, Riga, 2000, p.114
- ⁴⁵ For more details see: “Latvia Poverty Assessment,” A World Bank Country Study, World Bank, 2000; and Keune, M., Poverty and the Labour Market in Latvia, Ministry Of Welfare, UNDP, 1999
- ⁴⁶ See: Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999
- ⁴⁷ See “Report on Results of Household Budget Survey in 1999,” Central Statistics Bureau, Riga, 2000
- ⁴⁸ See Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999
- ⁴⁹ *Ibid*
- ⁵⁰ See Gassman, F. and Chris de Neubourg, Coping with Little Means in Latvia, Ministry Of Welfare, UNDP, Riga, 1999; and Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999
- ⁵¹ Association of Adult Education, “Note on Basic Skills Level in Latvia,” Riga, 2000
- ⁵² See “Latvia Poverty Assessment,” A World Bank Country Study, World Bank, 2000
- ⁵³ See for additional information: Franziska Gassmann, Who and Where are Poor in Latvia? Ministry Of Welfare, UNDP, Riga, 1999
- ⁵⁴ See “Strategy for Reduction of Poverty”, FARE, February 2000
- ⁵⁵ See “The Latvia Welfare Reform, Project Appraisal Document,” The World Bank, 1996
- ⁵⁶ See The Government Declaration, May, 2000

Part B. Improved health

- ⁵⁷ “Health 21: The Health For All Policy Framework For The WHO European Region,” WHO Regional Office for Europe, Copenhagen, 1999
- ⁵⁸ See more: Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry Of Welfare, UNDP, Riga, 1999

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- ⁵⁹ See more: Iveta Pudule et.al., “Health Behavior Among Latvian Adult Population,” 1998, National Public Health Institute, Helsinki, 2000; and “Results of Applied Research on the Social Policy of the Ministry of Welfare in 1998,” Ministry Of Welfare, Riga, 1999
- ⁶⁰ See: “The Survey of Living Conditions in Latvia,” Central Statistical Bureau of Latvia, Fafo Institute for Applied Research, Riga, 2000
- ⁶¹ See Demographic Yearbook of Latvia 1999, Central Statistics Bureau of Latvia, 2000
- ⁶² WHO “Health for All Data Base, 1998-1999,” Riga
- ⁶³ See “Report on Population Health and Health Care in Latvia, 1999,” Ministry Of Welfare, Agency of Health Statistics and Medical Technologies, Riga, 2000
- ⁶⁴ *Ibid*
- ⁶⁵ *Ibid*
- ⁶⁶ While last year Latvia suffered eight maternal mortalities, statistically this nevertheless represents one of the highest maternal mortality rates (per thousand births) in Europe. See for information: “Women in Transition— Regional Monitoring Report-No.6,” 1999, The MONEE Project
- ⁶⁷ WHO “Health for All Data Base, 1998-1999,” Riga
- ⁶⁸ *Ibid*. For comparison see “Women in Transition— Regional Monitoring Report-No.6,” 1999, The MONEE Project
- ⁶⁹ *Ibid*.
- ⁷⁰ “Health and Health Behaviour Among Young People—a 26 country survey,” WHO, 1997-98
- ⁷¹ See “Report on Population Health and Health Care in Latvia 1999,” Ministry Of Welfare, Agency of Health Statistics and Medical Technologies, Riga, 2000
- ⁷² Source: National Tuberculosis Control Programme, 1999-2003
- ⁷³ For more information see “Latvia Drug Control and Abuse Prevention Master Plan for the period 1999-2003,” National Drug Control and Drug Abuse Combat Coordination Committee, UNDP, Riga, 1999
- ⁷⁴ “Review on Prevention of Substance Abuse Among Young People in Latvia,” WHO, Ministry Of Welfare, CDAPT, Riga 1998. For additional information of social consequences of alcohol abuse, see Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry of Welfare, UNDP, Riga, 1999, p.32
- ⁷⁵ See “Report on Population Health and Health Care in Latvia 1999,” Ministry Of Welfare, Agency of Health Statistics and Medical Technologies, Riga, 2000
- ⁷⁶ See: “Spread of Alcoholism, Drug Abuse and Smoking and its Consequences in Latvia, 1998,” Center of Narcology, Riga 1999
- ⁷⁷ “Reproductive Health of the Population of Latvia: Evaluation and Recommendations,” UNFPA/UNDP, Riga, 1998
- ⁷⁸ See Government Declaration. Riga, May 5, 2000
- ⁷⁹ Under the “capitation” model, the general practitioners (GPs) are given (through Sickness Funds) a certain amount of money, according to the number of their patients and patients age structure. The GPs are then free to manage these funds for preventive and treatment activities. The rationale of this system is to motivate the GP to spend more money for prevention, which is more cost-effective, and lower spending for treatment of chronically ill patients. The plan of the Ministry of Welfare is to introduce this model throughout Latvia during the year of 2000.
- ⁸⁰ See “Report on Social Protection in Europe 1999,” *Provisional version*, European Commission, 2000
- ⁸¹ See A. Neimanis, Gender and Human Development in Latvia, UNDP, Riga, 1999

Part C: Enhanced gender equity

⁸² See A. Neimanis, Gender and Human Development in Latvia Part II; see also Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry of Welfare, UNDP, Riga, 1999

⁸³ Latvia Human Development Report 1998, UNDP, Riga, 1998, p. 80

⁸⁴ National Programme on Small and Medium Sized Enterprise Development in Latvia 1997-2001, Ministry of Economy, 1997

⁸⁵ For complete tables see M. Keune, Poverty and the Labour Market in Latvia, UNDP/Ministry of Welfare, Riga, 1998

⁸⁶ F. Gassmann, Who and Where are the Poor in Latvia?, UNDP/Ministry of Welfare, Riga, 1998

⁸⁷ “Overview of Current Situation in the Sphere of Employment and Unemployment,” Ministry of Economy, 1999; Background Paper to National Employment Concept Paper submitted to Cabinet of Ministers, 6 April, 1999

⁸⁸ See A. Neimanis, Gender and Human Development in Latvia, UNDP, Riga, 1999, pg. 15

⁸⁹ Trapenciere I., et.al, Listening to the Poor: Social Assessment of Poverty in Latvia, Ministry of Welfare, UNDP, Riga, 1999

⁹⁰ “Time Use by Gender in Latvia,” Eds. P. Eglite and I.B. Zarina Institute of Economics Riga, 1999

⁹¹ A. Neimanis, Gender and Human Development in Latvia, UNDP Riga, 1999

⁹² F. Gassmann, Who and Where are the Poor in Latvia? UNDP/Ministry of Welfare, Riga, 1998

⁹³ A. Neimanis, “Review and Analysis of Public Policy in Latvia from a Gender Perspective”, prepared for Ministry of Welfare/UNDP, Riga, 1999

⁹⁴ Ilze Koroleva et al., Sociological Portrait of Latvia’s Youth, University of Latvia Institute of Philosophy and Sociology, Riga, 1999

⁹⁵ A. Neimanis, Gender and Human Development in Latvia, UNDP, Riga, 1999, p. 29

Part D: Improved status of children and youth

⁹⁶ “Children and Families in Latvia—Situation Analysis,” UNICEF, Riga, 1999

⁹⁷ *Ibid*

⁹⁸ “many schoolchildren live on potato chips and soda,” according to the 1999 UNICEF Report on Children and Families in Latvia

⁹⁹ Latvia Human Development Report 1999, UNDP, Riga, 1999, p.118

¹⁰⁰ Latvia: Human Development Report 1998 and 1999, UNDP, Riga, 1998, 1999; “Children and Families in Latvia”—Situation Analysis, UNICEF, Riga, 1999

¹⁰¹ *op. cit. supra*, UNICEF Riga, 1999

¹⁰² F. Gassmann, “Who and Where are the Poor in Latvia?”, UNDP/Ministry of Welfare, Riga, 1998

¹⁰³ “Children and Families in Latvia-Situation Analysis,” UNICEF, Riga, 1999

¹⁰⁴ *Ibid*

¹⁰⁵ State Centre for the Protection of Children’s Rights, “1999 Annual Report,” Riga

¹⁰⁶ “Children and Families in Latvia—Situation Analysis,” UNICEF, Riga, 1999

¹⁰⁷ It should also be noted that boys use alcohol and drugs significantly more than girls. Ilze Koroleva et al. Sociological Portrait of Latvia’s Youth, University of Latvia Institute of Philosophy and Sociology, Riga, 1999

¹⁰⁸ Ministry of Welfare, “Social Report,” Riga, 1999

¹⁰⁹ “Programme for the Improvement of the Demographic Situation,” Ministry of Welfare, Riga, 1998

¹¹⁰ “Children and Families in Latvia—Situation Analysis,” UNICEF, Riga, 1999

¹¹¹ Ilze Koroleva et al., Sociological Portrait of Latvia’s Youth, University of Latvia Institute of Philosophy and Sociology, Riga, 1999

Part E: Enhanced human rights

¹¹³ Data provided in the Annual Reports of the Latvian Human Rights Office for the years 1996 and 1999 respectively

¹¹⁴ “Monthly Omnibus Survey by Baltic Data House: Human Rights,” December 1999-January 2000, p.66

¹¹⁵ Annual Report, 1999, Latvian Human Rights Office

¹¹⁶ Data provided by the Department of Statistics of the Ministry of Justice

¹¹⁷ Data provided for by the Department of Statistics of the Ministry of Justice. However, the vast majority of these cases deal with the imposition of administrative punishments and this data on its own does not reveal exact number of appeals against unlawful administrative decisions by officials.

¹¹⁸ “Monthly Omnibus Survey by Baltic Data House: Human Rights, December 1999-January 2000”, p.45

¹¹⁹ Data produced by Vitolds Zahars, Head of the Prisons Department, “Par reformu, ko prasa Eiropa un cilveciba” *Latvijas Vestnesis* , Riga 18.01.2000

¹²⁰ There is draft law, worked out in 1998, “On Psychiatric Assistance”, which clearly and explicitly provides rights and obligations of the state in regard to the mentally disabled. The Law is expected to go to Parliament in early autumn.

¹²¹ According to the EU measures to deal with following topics, amongst others, are required in order to bring national legislation into accord with EC Directives and regulations: radioactive contamination of foodstuffs; radioactive protection; chemical substances; control of risks of existing substances; export and import of dangerous chemicals; environmental consequence of the deliberate release of genetically modified organisms; waste management policy; noise emission from constructing plants; air pollution-lead content of petrol and sulfur content of liquid fuels; air pollution-volatile organic compounds; ozone depletion substances.

¹²² “Environmental Performance Review,” the Committee on Environmental Policy of the United Nations Economic Commission for Europe (UNECE), 1997-98

¹²³ *Ibid*

¹²⁴ *Ibid*

¹²⁵ SO_x, NO_x, CO and PM

¹²⁶ “Environmental Performance Review”, UNECE, 1997-98

¹²⁷ *Ibid*

¹²⁸ *Ibid*

¹²⁹ *Ibid*

¹³⁰ *Ibid*

¹³¹ *Ibid*

Chapter V: Possible Future UN System Co-operation

¹³² The World Summit on Children took place in New York in 1990, the year before Latvia joined the UN.

¹³³ The one area where there may be an exception to this statement concerns the environment, where the Global Environmental Facility (GEF) has been able to provide from within the UN System some more substantial financing for projects in Latvia concerning ozone depletion and renewable energy.

ANNEX I: An overview of the drug abuse and control situation in Latvia

The problem of drug abuse is escalating in Latvia, and the recent trends give cause for worry. There are signs of negative developments in the drug abuse situation, reflecting changes in society and stronger links with other European countries. New drugs are entering the market, and new drug abuse patterns are emerging. Drugs that a few years ago were mostly unavailable, such as high-quality heroin, cocaine and amphetamine-type stimulants, are today becoming increasingly common. New, younger user groups are emerging, and a higher degree of social acceptance of some drugs, such as hashish and amphetamine-type stimulants, is developing. The new influence from media does not always work in favour of healthy life-styles. Social and economic pressures are making family life difficult, and there are many dysfunctional families, forcing many children to live a life on the streets where there are strong temptations for drug abuse and other illegal activities. Trafficking networks are working actively in promoting drug abuse in Latvia, as well as in developing Latvia as a transit country for illegal drugs. Another very negative and worrying development is the recent rapid increase in HIV-infections among drug abusers.

There are negative trends also among other high-risk groups. The drug abuse situation in prisons is getting worse. The prison population has increased in recent years, while the resources to run prisons are limited. One consequence is that it has proven difficult to prevent drug abuse in the prisons, and due to the illegality of drug abuse it is also very difficult to carry out treatment and harm reduction efforts within the prisons.

The statistics demonstrate a shift in the drug market from poppy straw to heroin. In 1998 poppy straw accounted for 28 percent of all drugs used in criminal offences, at the time a plurality, while heroin accounted for only 15 percent of the offences. In 1999, however, poppy straw dropped to just 13 percent while heroin shot up to account for 46 percent of all drug offences. Overall, heroin seizures mark a 361 percent increase in just one year. A by-product of the growing use of heroin, amphetamines and other intravenous drugs is the increase of HIV. In Latvia, the number of HIV-infected intravenous drug users has increased from 6 persons in 1997 to 311 in 1999. In 1999, intravenous drug users comprised 61 percent of all registered HIV cases in Latvia.

During the last three years, the number of drug related crimes in Latvia has grown by almost 30 percent moving up from 433 and 395 in 1997 and 1998, respectively, to 521 criminal cases in 1999. It should be noted that most of the drugs are seized by the police inside the country and there are very few seizures made on the borders. Latvia is located on the cross-roads of trade routes between the East and the West, which together with well developed infrastructure for road, rail and sea traffic makes it an attractive transit channel to Western Europe, particularly the Nordic countries.

The system for the control of illicit drug supply and illicit drug demand in Latvia has made significant progress in recent years. Much has been achieved since restoration of independence. Comprehensive legislation has been introduced, and the institutions to deal with law enforcement and demand reduction have been established, and a Latvia Drug Control and Drug Abuse Master Plan for 1999-2003

has been developed with assistance from the United Nations Drug Control Programme.

Several weaknesses remain, however. Some of these are due to the general scarcity of government resources, while others are more related to present approaches and coordination mechanisms.

The Tenth United Nations Congress on the Prevention of Crime and the Treatment of Offenders recognised that transitional countries are struggling with numerous law implementation inefficiencies as well as difficulties to establish open and transparent government. These factors, it was observed, favour the development of criminal syndicates and the spread of corruption in governmental branches. Latvia, unfortunately, is not immune from these trends.

To successfully fight these problems it is necessary to deal with the underlying causes of the crime and to study the causes of breakdowns in the justice system. Reform efforts must focus on two of the most important prerequisites for the rule of law: An effective and impartial justice system; and an open, transparent and accountable government. The Congress likewise stressed the necessity of integration of crime prevention and law enforcement into social and development policies.

Latvia may wish to seek assistance from UN agencies in implementing action plans and measures adopted by the UN General Assembly at its Special Session on countering the World Drug Problem.

Annex II: The social security net in Latvia

