

(Cabinet  
Order No. 112  
of 12 March 2014)

## **Development Co-operation Policy Plan 2014**

## 1. Characterisation of the Current Situation

The Development Co-operation Policy Plan has been drawn up in accordance with Section 6, Clause 1 of the International Aid Law and lays down the utilisation of the development co-operation financing allocated in the budget of the Ministry of Foreign Affairs for year 2014. The Plan also includes a description of the measures to be implemented in order to promote the understanding and support of the society to the development co-operation policy. Implementation of such measures and close co-operation with all parties involved in 2014 is particularly important because of the preparation for the Presidency of Latvia in the Council of the European Union (EU) in the 1<sup>st</sup> half of 2015. In planning and implementation of the development co-operation policy the Ministry of Foreign Affairs co-operates with the responsible State administrative institutions, non-governmental organisations (NGOs) and social partners. During the drafting process of the Plan the Ministry of Foreign Affairs organised a meeting of the Consultative Council in Development Co-operation, within the scope of which a discussion on the priorities of the Development Co-operation Policy of Latvia 2014 took place.

Financing in the amount of **EUR 213 813** has been allocated in the budget of the Ministry of Foreign Affairs for year 2014 for implementation of bilateral development co-operation.

In order to ensure the sustainability of the aid provided by Latvia, it is important to focus on small number of priorities and to search for co-operation opportunities with other providers of international aid, using the development co-operation financing as the catalyst for attracting financing from other sources.

Within the scope of the financing allocated in 2014 **implementation of the projects commenced in 2012 in Moldova in the sectors of law and regional development will be continued.**

Co-operation in the sector of law was commenced in 2012 on the basis of a memorandum of understanding entered into by and between Latvia and the USA, the purpose of which is to promote the co-operation of both parties involved in Moldova, providing aid to the reforms in the sector of law in Moldova. Thus, according to the international aid efficiency principles the aid provided by Latvia is harmonised and co-ordinated with the contribution of other aid providers. Similarly also in order to ensure the impact and results of the aid provided by Latvia, long-term involvement and continuity of co-operation is important. Therefore, financing is planned in the annual plan in order to continue the co-operation of Latvia with Moldova in the sector of law.

The Plan also provides for financing in order to continue co-operation with Moldova in the sector of regional development which was commenced in 2012 within the scope of the joint programming pilot project of the new EU Member States. Taking into account the results of the first year of the project – the successfully updated Moldova Northern Region Development Programme was presented as an example for other regions of Moldova – and the interest expressed by Moldova to continue co-operation with Latvia, the project was also continued in 2013. On the basis of results of the project of year 2013 and the willingness of Moldova to expand co-operation in order to ensure the impact of the project implemented by Latvia, the financing for implementation of the project is also provided for in the plan for 2014.

The total amount of financing allocated to the projects in Moldova in the plan for 2014 is preserved at the level of previous years.

Also, taking into account the presence of Latvia in the military sector in Afghanistan, it is also important **to ensure civil participation by contributing to stable development of Afghanistan**. Regardless of the limited financing it is planned to continue co-operation in order to ensure training of Afghani students in Latvia, particularly in technical sectors.

Upon continuing the practice commenced in 2012, **co-financing to the development co-operation and development education projects implemented by NGOs and social partners**, which have obtained financing from the financial instruments provided for external activities of the European Commission and other providers of international aid, will be ensured. Upon evaluating the possibilities of the financing available, the results of competitions of previous years and the position taken by NGOs, the amount of co-financing in 2014 has been increased.

Similarly, **support to activities of the NGOs operating in the sector of development co-operation and to strengthening of their capacity** will be continued (for the operation of the Latvian Platform for Development Co-operation (*LAPAS*)), particularly due to preparation for the Presidency of Latvia in the Council of the EU in 2015. The amount of financing was granted, evaluating the needs expressed by *LAPAS* and the actual possibilities of the development co-operation budget.

In 2014 it is planned to announce **a grant project competition for implementation of projects in the priority states of Latvia in the regions of Eastern Partnership and Central Asia**. Taking into account the limited financing, as well as in accordance with the EU and international aid efficiency principles, in 2014 the main focus of co-operation will be directed to six states of priority regions of Latvia – Moldova, Georgia, Byelorussia, Uzbekistan, Kyrgyzstan and Tajikistan. Co-operation sectors with partner countries have been determined on the basis of the current co-operation of Latvia with the referred-to states after consulting with embassies of Latvia, as well as taking into account the sectors of co-operation brought forward by the EU, which have been determined in close co-operation with the partner countries. The financing for the grant project competition has been allocated after evaluation of the optimum distribution of the financing in relation to other priorities of 2014. The competition will be announced in accordance with the International Aid Law and Cabinet Regulation No. 2 of 5 January 2010, Procedures for the Implementation of Grant Project Competitions.

Taking into account that Central Asia region has been brought forward as the priority of Latvia also during the Presidency of Latvia within the scope of the Council of the EU Council, it is important to increase the amount of projects implemented by Latvia in the region. Therefore, during 2013 when financing for commencing new projects in Central Asia from the funds from the State budget of Latvia was not available, the Ministry of Foreign Affairs together with embassies of Latvia actively searched for possibilities of co-operation with other providers of international aid. As a result a possibility of co-operation with the USA was identified, **using the possibilities of the Emerging Donors Challenge Fund offered by the US party**, which ensure the co-financing of the project in the amount of 50%, allowing Latvia to participate in implementation of extensive development co-operation projects. Taking into account the previous professional activities of Latvian experts, evaluated positively, in the sector of customs in Central Asia within the scope of other activities financed by aid providers, as well as the identified needs of Uzbekistan and the co-operation priorities of the USA in the region, as a result of negotiations **co-operation in the sector of customs** was identified as having the most perspective.

## 2. Link to Other Development Planning Documents

The Plan has been co-ordinated with Paragraph 151 of the declaration regarding intended activities of the Cabinet managed by Laimdota Straujuma.

The plan is linked to the priority of the National Development Plan – resilience of an individual. Paragraph 339 determines the following action – competition for development co-operation and development educational projects and co-financing projects for NGOs.

The Plan is being drawn up in accordance with the Development Co-operation Policy Guidelines for the time period 2011-2015 (Cabinet Order No. 299 of 6 July 2011, On Development Co-operation Policy Guidelines for the Time Period from 2011 until 2015).

The following objectives are brought forward in the guidelines:

- 1) strengthening the role of Latvia as bilateral donor, thus implementing the external policy interests of Latvia;
- 2) raising of public awareness and support to the development co-operation objectives and policy;
- 3) increasing the role of Latvia in achievement of international development objectives and carrying out of international obligations.

Upon continuing the development co-operation policy implemented in 2013, the Development Co-operation Policy Plan 2014 also determines implementation of bilateral and triangular co-operation as the priority, as well as raising of public awareness and support to the development co-operation objectives and policy, including involvement of NGOs and social partners. In 2014 an essential priority will be preparation for the Presidency of Latvia in the Council of the EU in 2015, as well as for thematic year of Europe which will be dedicated to the theme of development co-operation in 2015.

The point of progress provided for in the Plan and the measures for achieving the objectives brought forward correspond to the main tasks laid down in the guidelines and promote the achievement thereof.

## 3. Measures Intended in the Plan

<p><b>Link to the policy objectives, points of progress and tasks laid down in the guidelines (if the Plan has been drawn up for introduction of the guidelines)</b></p>	<p>Strengthening the role of Latvia as bilateral donor, thus implementing the external policy interests of Latvia.</p>			
<p><b>Objective laid down in the Plan</b></p>	<p>1. To continue active implementation of the bilateral development co-operation policy of Latvia.</p>			
<p><b>Point of progress for the achievement of the objective</b></p>	<p>1.1. Implementation of projects in Moldova.</p>			
<p><b>Measures for achievement of the</b></p>	<p><b>Term for execution</b></p>	<p><b>Responsible institution</b></p>	<p><b>Direct action results</b></p>	<p><b>Planned financing</b></p>

defined objective		and institutions involved		
<p>1.1.1. Latvia will continue to provide aid to reforming the judicial system of Moldova.</p> <p>In 2014 it is planned to implement a project within the scope of which contribution will be made in strengthening the Moldova Probation Service, providing recommendations for improvement of regulation in relation to enhancing efficiency of carrying out the probation functions, thus providing an opportunity of implementing more rapidly and efficiently the recommendations expressed by the EU to Moldova as regards strengthening of the probation system and particularly as regards the evaluation and improvement of the existing regulation in the sector of probation.</p>	31.12.2014	<p>Ministry of Foreign Affairs, State Probation Service, Ministry of Justice and other competent authorities and NGOs</p>	<p>1) preliminary study of regulation of the Moldova Probation Service in two probation functions to be carried out has been performed;</p> <p>2) two expert visits of the State Probation Service to the Republic of Moldova have taken place:</p> <p>2.1. a seminar regarding issues related to organising execution of compulsory work (~ 16 participants);</p> <p>2.2. two working groups on the results of preliminary study of regulation in the sector of probation and potential solutions for improvement of the regulatory basis in the following sectors:</p> <p>2.2.1. organising provision of evaluation reports;</p> <p>2.2.2. organising execution of compulsory work;</p> <p>3) recommendations for improvement of regulation in two sectors of probation functions have been drawn up;</p> <p>4) a visit of the representative of the Moldova Probation Service in Latvia, within the scope of which project results have been evaluated, subsequent action of the Moldova</p>	<p>EUR 20 000, State budget programme of the Ministry of Foreign Affairs 07.00.00.</p> <p>“Development Co-operation Projects and International Aid”</p>

			Probation Service has been researched in relation to the use of recommendations drawn up and directions of subsequent co-operation have been defined.	
1.1.2. Co-operation with Moldova in the sector of regional development will be continued, implementing the following activities: - strengthening of the development planning capacity in spatial development planning and implementation issues, as well as issues related to promotion of entrepreneurship, with participation of representatives of Moldova Northern Region in the regional and local government development planning specialist training organised by the MoEPRD in co-operation with the OECD LEED; - strengthening and development of co-operation between entrepreneurs and local governments, with participation of Moldova Northern Region, representation of regional local governments and enterprises in the business forum organised by the Daugavpils City in co-operation with the MoEPRD, visiting entrepreneurs of Latvia	31.12.2014	Ministry of Foreign Affairs, MoEPRD and other competent authorities and NGOs	1) Methodological support for the drawing up of the Moldova Northern Region Development Strategy 2014-2020 has been ensured; 2) consultation with the development planning specialists of Moldova Central and Southern Region in issues related to strategic planning; 3) drawing up of a Catalogue of Entrepreneurs with the aim of promoting attraction of investments and co-operation of entrepreneurs; 4) organising Moldova Northern Region days, promoting co-operation between local governments and entrepreneurs; 5) participation of representatives of Moldova Northern Region in the business forum organised by Daugavpils City, in 2014, meeting with entrepreneurs of Latvia operating in similar sectors; 6) strengthening of the development planning capacity of	EUR 20 000, State budget programme of the Ministry of Foreign Affairs 07.00.00. "Development Co-operation Projects and International Aid"

<p>with a similar profile of activities, organising events for exchange of experience, etc.;</p> <ul style="list-style-type: none"> <li>- provision of methodological support for the drawing up of the development strategy for Moldova Northern Region, preparing methodological recommendations for the drawing up of the development strategy, providing consultation to development planning specialists of Moldova Central and Southern Region in issues related to strategic planning, participating in the drawing up of the development strategy (participation in working groups, provision of proposals, etc.);</li> <li>- participation in the Moldova Northern Region days, sharing experience in issues related to the spatial development and promotion of entrepreneurship in regional and local level, as well as promoting co-operation between local governments and entrepreneurs.”</li> </ul>			<p>Moldova local governments, as well as promotion of co-operation between local governments, including in issues related to economic promotion in local level – meeting of local government and regional enterprises of Latvia and Moldova.</p>	
<p><b>Point of progress for the achievement of the objective</b></p>	<p>1.2. Involvement of Latvia in implementation of civil projects in Afghanistan.</p>			
<p><b>Measures for achievement of the defined objective</b></p>	<p><b>Term for the execution</b></p>	<p><b>Responsible institution and institutions involved</b></p>	<p><b>Direct action results</b></p>	<p><b>Planned financing</b></p>
<p>1.2.1. To continue participation with co-</p>	<p>31.12.2014</p>	<p>Ministry of Foreign</p>	<p>Co-operation contract regarding training of</p>	<p>EUR 14 000, State budget programme</p>

financing in implementation of the civil project in Afghanistan.		Affairs, Ministry of Transport and other competent authorities and NGOs	Afghani students in Latvia has been signed. It should be taken into account that implementation of co-operation and achievement of results may be affected by changes in the political situation in Afghanistan.	of the Ministry of Foreign Affairs 07.00.00. "Development Co-operation Projects and International Aid"
<b>Point of progress for the achievement of the objective</b>	1.3. Allocation of co-financing to NGOs.			
<b>Measures for achievement of the defined objective</b>	<b>Term for the execution</b>	<b>Responsible institution and institutions involved</b>	<b>Direct action results</b>	<b>Planned financing</b>
1.3.1. Granting of co-financing to NGOs and social partners which have obtained financing from international aid funders, including the European Commission, for implementation of development co-operation and development education projects.	31.12.2014	Ministry of Foreign Affairs	Co-financing to 8-10 NGO and social partner projects has been ensured.	EUR 25 813, State budget programme of the Ministry of Foreign Affairs 07.00.00. "Development Co-operation Projects and International Aid"
<b>Point of progress for the achievement of the objective</b>	1.4. Grant project competition for implementation of projects in Eastern Partnership countries and Central Asia.			
<b>Measures for achievement of the defined objective</b>	<b>Term for the execution</b>	<b>Responsible institution and institutions involved</b>	<b>Direct action results</b>	<b>Planned financing</b>
1.4.1. Announcing a grant project competition for implementation of projects in priority partner countries of Latvia in the regions of Eastern Partnership and Central Asia. Grant financing will be available to all	31.12.2014	Ministry of Foreign Affairs	One grant project competition has been implemented. Financing to implementation of 3-4 projects in priority partner countries of Latvia has been granted.	EUR 70 000, State budget programme of the Ministry of Foreign Affairs 07.00.00. "Development Co-operation Projects and International Aid"



<p>organizations in accordance with Section 9, Clause 5 of the International Aid Law.</p> <p>In cases when the draft by-law of the competition provides for allocation of grants also to such projects which will qualify as State aid projects, the by-law of the competition will include the State aid control requirements in order to ensure conformity with the State aid regulation.</p> <p><u>The following priority countries and sectors are defined in the grant project competition</u> (the sectors are defined on the basis of the information provided by embassies of Latvia and the priorities of the EU for co-operation with the relevant countries):</p> <p><b>Moldova</b></p> <ol style="list-style-type: none"> <li>1. Strengthening of good governance and the rule of law (reforms in public administration).</li> <li>2. Support to the development of democratic and civic society.</li> <li>3. Regional development, decentralization of finances and territorial co-operation.</li> <li>4. Economic development –</li> </ol>				
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<p>improvement of the investment climate and strengthening of the export abilities, as well as introduction of international standards in export-oriented sectors.</p> <p><b>Georgia</b></p> <ol style="list-style-type: none"> <li>1. Strengthening of good governance and the rule of law (reforms in public administration, decentralization of finances and territorial co-operation, etc.).</li> <li>2. Support to the development of democratic and civic society.</li> <li>3. Economic development – improvement of the investment climate and strengthening of the export abilities, as well as introduction of international standards in export-oriented sectors.</li> <li>4. Social protection and employment.</li> </ol> <p><b>Uzbekistan</b></p> <ol style="list-style-type: none"> <li>1. Economic reforms – improvement of the investment climate and strengthening of the export abilities, as well as introduction of international standards in export-oriented sectors.</li> <li>2. Social protection.</li> <li>3. Environment.</li> <li>4. Education.</li> </ol> <p><b>Byelorussia</b></p> <ol style="list-style-type: none"> <li>1. Support to the development of civic</li> </ol>				
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<p>society. 2. Regional development, decentralization of finances and territorial co-operation. 3. Education. 4. Environment.</p> <p><b>Kyrgyzstan</b> 1. Strengthening of good governance and the rule of law (reforms in public administration, decentralization of finances and territorial co-operation, etc.). 2. Support to the development of civic society. 3. Social protection.</p> <p><b>Tajikistan</b> 1. Strengthening of good governance and the rule of law (reforms in public administration, decentralization of finances and territorial co-operation, etc.). 2. Development of the agricultural sector. 3. Social protection.</p>				
<p><b>Point of progress for the achievement of the objective</b></p>	<p>1.5. Co-operation with Uzbekistan in the customs sector.</p>			
<p><b>Measures for the achievement of the defined objective</b></p>	<p><b>Term for the execution</b></p>	<p><b>Responsible institution and institutions involved</b></p>	<p><b>Direct action results</b></p>	<p><b>Planned financing</b></p>
<p>1.5.1. Support to the project of the SRS Customs Board in Uzbekistan, attracting 50% from the co-financing from the Emerging Donors Challenge Fund of the USA.</p>	<p>31.12.2014</p>	<p>Ministry of Foreign Affairs, Customs Board of the State Revenue Service</p>	<p>1) efficient risk governance system developed with the support of Latvian experts; 2) up to 40 customs officials of Uzbekistan trained regarding issues on</p>	<p>EUR 50 000, State budget programme of the Ministry of Foreign Affairs 07.00.00. “Development Co-operation Projects and International Aid”</p>

			improvement of customs control risk governance, information systems for the provision of efficient customs control.	
<b>Objective determined in the plan</b>	II Promotion of public awareness and support for the development co-operation objectives and policy.			
<b>Point of progress for the achievement of the objective</b>	2.1. To promote public awareness regarding development co-operation and involvement in determination of priority areas and directions.			
<b>Measures for the achievement of the defined objective</b>	<b>Term for the execution</b>	<b>Responsible institution and institutions involved</b>	<b>Direct action results</b>	<b>Planned financing</b>
2.1.1. Support for the participation of <i>LAPAS</i> in the EU NGO platform and for the strengthening of capacity.	31.12.2014	Ministry of Foreign Affairs	Payment of the membership fee for the European level network CONCORD, for the preparation of <i>LAPAS</i> presidency project, ensuring the participation of <i>LAPAS</i> members at representation events at the European level, for strengthening the administrative capacity, for co-financing to the projects financed by the European Commission.	EUR 14 000, State budget programme of the Ministry of Foreign Affairs 07.00.00. "Development Co-operation Projects and International Aid"
2.1.2. Informative and logistical support to activities/events implemented by NGOs and social partners in the sector of development co-operation.	31.12.2014	Ministry of Foreign Affairs	Support provided to 3-5 events organised by NGOs and social partners in the sector of development co-operation.	State budget programme of the Ministry of Foreign Affairs 01.01.00 "Central Body" (if financing for administrative expenses is necessary)
2.1.3. Regular dialogue with State administrative institutions, NGOs	31.12.2014	Ministry of Foreign Affairs	- Position of Latvia on the global post-2015 development	State budget programme of the Ministry of Foreign Affairs 01.01.00

local governments and social partners regarding the development co-operation objectives and priorities of Latvia: * organising of discussion events regarding current issues during the presidency of Latvia in the EU Council, including regarding the new post-2015 development policy framework; * meetings of the Ministry of Foreign Affairs with <i>LAPAS</i> in order to discuss the current co-operation issues; * discussion events on the current development co-operation policy issues, involving NGOs, social partners, State administrative and local government representatives.			policy framework developed. - Meetings with <i>LAPAS</i> 6-8 times a year. - Two meetings of the Consultative Council in Development Co-operation convened. - The national work programme of Latvia for introduction of activities of the European Development Year in 2015 drawn up.	“Central Body” (if financing for administrative expenses is necessary)
2.1.4. Co-operation with State administrative institutions, NGOs, local governments and social partners in formulation of positions of Latvia on current issues on the agenda of the international development policy.	31.12.2014	Ministry of Foreign Affairs, all State administrative institutions involved in implementation of development co-operation	Positions prepared by the Ministry of Foreign Affairs on international development policy issues coordinated with the relevant institutions and organisations (8-10 positions).	Financing not necessary
2.1.5. To maintain regular dialogue with the <i>Saeima</i> regarding the objectives, priorities and points of progress of the development co-operation policy of Latvia.	31.12.2014	Ministry of Foreign Affairs	The <i>Saeima</i> takes more active part in defining the objectives and priorities of the development co-operation policy.	Financing not necessary

## **4. Financing Provided for Achievement of the Development Co-operation Policy Objectives**

### **4.1. International Obligations of Latvia and Contribution to Achievement of International Objectives**

The objectives of the development co-operation financing of Latvia arise from the financing obligations approved within the scope of UN and EU. In conformity with the UN obligations, the EU and its Member States must dedicate 0.7% of the gross national income (GNI) to the development co-operation until 2015. According to the EU obligations Latvia had to dedicate 0.17% of the GNI to the development co-operation until 2010, in turn, until 2015 Latvia must dedicate 0.33 of the GNI to this purpose. Currently the amount of the Official Development Assistance (ODA) provided by Latvia forms ~ 0.08% of the GNI, which is ~ EUR 15-16 mill.

In 2013 the total amount of ODA of Latvia formed ~ EUR 17 mill.<sup>1</sup> It is planned that in subsequent years the total amount of GNI of Latvia might gradually increase – EUR 18 mill. in 2014, EUR 19 mill. in 2015.

### **4.2. Financing for Implementation of the Measures Provide for in the Plan**

In 2014 utilisation of EUR 213 813 granted to the Ministry of Foreign Affairs is intended for implementation of the following measures set out in the Plan:

1. To continue the implementation of development co-operation projects in Moldova:
  - 1.1. to continue the provision of support for reforming the judicial system of Moldova – EUR 20 000;
  - 1.2. to continue the provision of support in the sector of regional development – EUR 20 000.
2. Support for implementation of the civic project in Afghanistan – EUR 14 000.
3. Co-financing to the development co-operation and development educational projects implemented by NGOs and social partners, which have obtained financing from the financial instruments provided for external activities of the European Commission and other providers of international aid, ensured – EUR 25 813.  
On the basis of the Cabinet Regulation “Procedures for the Implementation of Grant Project Competitions”, a grant project competition of the Ministry of Foreign Affairs is announced for granting of co-financing. A decision to grant co-financing shall be taken by the Ministry of Foreign Affairs.
4. Support for participation of *LAPAS* in the EU NGO platform and for strengthening of the capacity – EUR 14 000.
5. Grant project competition for implementation of projects in Eastern Partnership countries and Central Asia – EUR 70 000.
6. Aid to the project implemented by the Customs Board in Uzbekistan, attracting 50% co-financing from the US Emerging Donors Challenge Fund – EUR 50 000.

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<sup>1</sup> Accurate information regarding the total amount of ODA in 2013 is not available at the time of preparation of the Plan. The ODA amount of Latvia is formed by the mandatory contributions of Latvia into EU budget, different UN organisations and other international organisation (~90%), by bilateral activities implemented by State institutions of Latvia, the funds assigned in the budget of the Ministry of Foreign Affairs for implementation of development co-operation, as well as humanitarian aid.

If, upon implementing the measures laid down in the Plan of year 2014, a situation arises when it is not possible to implement any of the measures provided for in the Plan or financing from implementation of the relevant measure has remained unutilised, the Ministry of Foreign Affairs shall take a decision on utilisation of the available financing in accordance with the International Aid Law.

Upon taking a decision on utilisation of unutilised financing, the Ministry of Foreign Affairs shall conform to the objectives brought forward in the Development Co-operation Policy Guidelines for the Time Period from 2011-2015 and in the Plan for year 2014 and to the point of progress for achievement of objectives, and shall co-ordinate them with the Consultative Council in Development Co-operation.

## **5. Procedures for the Submission and Evaluation of the Report**

The Ministry of Foreign Affairs shall submit an informative report on implementation of the Development Co-operation Policy Plan 2014 to the Cabinet until 1 April 2015. The informative report is prepared, taking into account the measures set out in the Plan for achievement of the objectives brought forward, their outcomes and time periods for carrying out thereof. The informative report shall provide an evaluation of the conformity of the planned objectives, their performance indicators and time periods for carrying out with the actual situation.

Minister for Foreign Affairs

Edgars Rinkevičs