

The National Development Plan 2021-2027

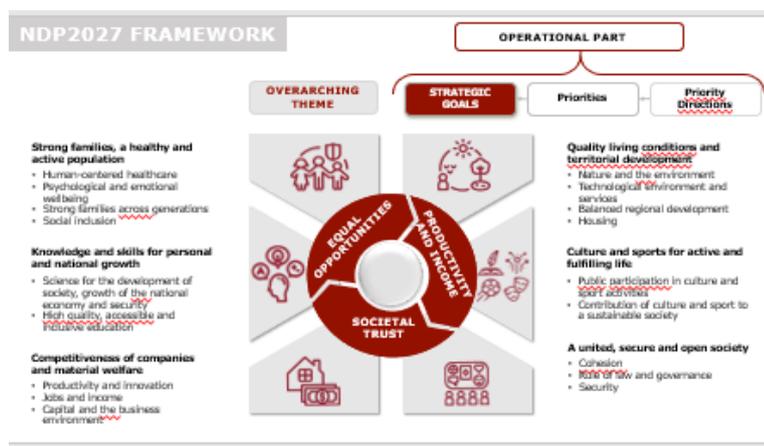
Summary

The National Development Plan for 2021-2027 (NDP2027) is Latvia's main medium-term development planning document. It programmes Latvia's seven year commitments to achieve the Latvian Sustainable Development Strategy 2030 (Latvia2030), the UN Sustainable Development Goals and to improve the quality of life in Latvia over the next seven years.

National Development Plans are approved by the National Development Council, the Cabinet of Ministers and the *Saeima* (parliament) of the Republic of Latvia.

The NDP2027 Framework

NAP2027 sets 3 strategic goals for 2027 in six priority areas. Each priority consists of several directions for key policies. Policy changes are supported by public investment from the national budget, European Union (EU) funds and other financial instruments, and the plan has been agreed in an inclusive multi-stakeholder process, with 6 working groups co-creating the content, public discussions having taken place in all regions of Latvia and on-line.



NDP2027 Strategic Goals

All initiatives are aimed towards three strategic goals:



Equal Opportunity - important for social justice and a factor in reducing income inequality and decreasing other barriers to development.

Productivity and Income - the main precondition for competitiveness and growth (in human resources, investment, governance processes, innovation).

Social Trust - a critical social resource and development dimension that facilitates cooperation in the community, business and all levels of public governance; moreover, it is integral for democracy.

Strategic Indicators

Nr.	Benchmark	Unit	Base-line Year	Value	Target Value 2024*	Target Value 2027*	Source
[1]	Nominal productivity per hour of work (as a % of the EU average)	%	2018	60,2	63	68	Eurostat
[2]	GINI coefficient	%	2018	35,6	34	30	Eurostat
[3]	At risk of poverty rate for children	%	2018	17,5	14	10	Eurostat
[4]	Political confidence index	%	2015	3,3	3,5	4,1	ESS**

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[5]	Mutual trust	%	2015	51	60	64	ESS
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* To be updated pending finalized list of investments ** Derved from the European Social Survey



Priority: Strong families, healthy and active people

Goal: A healthy and active population in an inclusive society and an environment conducive to raising children.

Direction: Human-centered health care

Objectives:

- Timely and equal access to healthcare
- Significant improvement in the quality of healthcare
- Development of new models for the provision of health and social care services

Measures:

- Improving access to healthcare services, including medicines, both financially and geographically
- Ensuring an optimal number of medical practitioners, increasing pay and developing other forms of motivation
- Developing a quality system, strengthening primary health care, promoting disease prevention, early diagnosis
- Developing cross-sectoral services in outpatient, hospital and long-term care for patients with chronic diseases
- Improving data digitisation and evidence-based decision-making, developing cooperation between medical institutions

Direction: Psychological and emotional well-being

Objectives:

- Increased the breadth of crisis support
- Strengthened emotional and psychological resilience
- Mitigation of behavioural risks
- Health as a value

Measures:

- Prevention for different target groups through public information, monitoring, improving persons ability to adapt to changing living and working conditions
- Improving parenting skills to increase children's psychological and emotional well-being and to reduce their risk of developing mental health and/or learning disorders
- Effective, innovative solutions to limit the distribution of addictive substances and processes
- Preventing violence and ensuring timely responses to crisis situations
- Improving psychological and emotional health, sexual and reproductive health, reducing the risks of infectious diseases
- Creating equal opportunity for people with special needs, strengthening inclusive education, coordination between social and healthcare providers

Direction: Strong families across generations

Objectives:

- Family values strengthened
- Equal opportunities for all children ensured

Measures:

- Reviewing social benefits, pensions, and improving the tax system to reduce at risk of poverty for households with children
- Creating a family-friendly environment, honouring families, strengthening the father's role, increasing educational youth initiatives and relevant public media programming.
- Supporting flexible and remote job opportunities for a more family-friendly working environment
- Improving access to early childhood education, childcare and organised activities for young children
- Developing comprehensive support to families returning to Latvia to live

Direction: Social inclusion

Objectives:

- Pro-active provision of social support for those who need it
- Friendly and personalised social support

Measures:

- Reducing stereotypes and preventing discrimination by strengthening tolerance and sensitivity toward others
- Accessibility of personalised social services and innovative solutions for priority groups, especially for persons with disabilities
- Improving the motivation system for staff and service providers, strengthening professional competence
- Improving data collection, circulation and interoperability of digitised data and analysis - for evidence-based decision making
- Creating a family environment for out-of-family care children, improving the protection of their rights and interests, upscaling support
- Reducing poverty and income inequality
- Promoting youth engagement and activity



Priority: Knowledge and skills for personal and national growth

Goal: knowledgeable, inclusive and creative society for an efficient, innovative and productive economy.

Direction: Science for social development, economic growth and security

Measures:

- Attracting researchers by significantly increasing funding for doctoral candidates, continuation of post-doctoral funding, attracting foreign researchers
- Effective implementation of the three-pillar higher education financing model with performance and innovation incentives in higher education and science
- Improving research and development governance - investment, concentration of support programmes in one institution
- Increasing R&D capacity of state and local government institutions, state owned enterprises
- Increasing excellence through cooperation in infrastructure use
- Sharing public information with SMEs, social enterprises and creative industries

Direction: A high quality, accessible and inclusive education system

Measures:

- Providing high quality pre-primary education
- Effective implementation of the new learning content and approach at the general education level
- Training, attracting, retaining educators and ensuring their effective professional development
- Improving the quality of the general education process
- Strengthening the innovation potential of institutions of higher education
- Improving the governance of institutions of higher education
- Improving quality assessment process for higher education
- Professional education institutions as centres of excellence.
- Improving the prestige and accessibility of professional education institutions
- Strengthening digital and new technology skills in cooperation with businesses
- Increasing access to lifelong education
- Decrease the risk of early school leaving
- Financial support for youth at risk
- Informal education opportunities for youth at risk
- Preventing school violence



Priority: Competitiveness of business and material well-being

Goal: Innovation results in increased productivity which is the basis for growth of Latvian companies in the global market and increased material well-being.

Direction: Productivity and innovation

Objectives:

- Development and sale of knowledge-intensive products and services to local and international markets are supported
- Smart specialisation, innovation, technological development and modernisation and investment in human capital are the basis for productivity gains

Measures:

- Promoting Smart Specialisation Strategies in 5 areas: five specialization areas: 1) Knowledge-intensive bio-economics; 2) Biomedicine, medical technologies, 3) Bio-pharmacy and biotechnologies; 4) Smart materials, technologies and engineering systems; 4) smart energetics; 5) Information and communication technologies (ICT)
- Supporting national, business and scientific cooperation in the development of new products and services and in attracting human resources to the regions
- Supporting strategic innovation partnerships and the development of ecosystems
- Balancing the funding structure throughout the research and innovation cycle
- Aid for export of medium and high value-added goods and services and attracting foreign investors to knowledge and technologically intensive business in Latvia
- Support for high-tech applications in traditional industries to boost productivity
- Promoting the increased use of digital technologies in business

Direction: Jobs and income

Objectives: People have the opportunity to work in high quality, modern jobs with sufficient social protection. The quality of the work environment promotes longer employability. There is an increase in financial literacy

Measures:

- Labour remigration and targeted recruitment of foreign labour
- Continuing active labour market policies and supporting disadvantaged people
- Raising financial literacy of the general population
- Creating high-quality, secure jobs and promoting socially responsible entrepreneurship
- Reducing labour tax burden for low income earners
- Adequate benefits and pensions in accordance with social security contributions

Direction: Capital and the business environment

Objectives: The legal, administrative and financial environment promotes competitive business development throughout Latvia. Local and foreign capital properly identifies and takes advantage of investment opportunities

Measures:

- Further development of the legal environment supporting local and foreign investment (including judicial effectiveness)
- Preventing over regulation of the business environment by assessing competitiveness in the regions
- Developing capital markets and promoting access to finance
- Promoting greater involvement of citizens in business
- Further introduction of digital solutions for the exchange of information between economic operators, national and local authorities
- Targeted opening of data at the disposal of the government



Priority: Quality living conditions and territorial development

Goal: The living environment provides for balanced regional development

Direction: Nature and the environment

Objectives: Low carbon and climate-resilient development improves the environment and ensures sustainable use of natural resources. Biodiversity is preserved.

Measures:

- Reducing greenhouse gas emissions through climate technology discoveries and ensuring increased carbon capture
- Mitigation of the impacts of climate change through improvements in logistical and infrastructure provision for disaster prevention, assessing economic sector climate resilience
- Improving air quality in large cities, targeting high energy efficiency and decarbonisation of the transport system
- Increasing the quality of water bodies and the marine environment
- Applying circular economy principles, achieving waste-free production and reducing the ecological footprint
- Sustainable use and governance of subterranean resources
- Reducing waste generation and disposable waste, especially by increasing recycling and recovery of biodegradable waste
- Revitalisation of historically contaminated sites
- Achieving biodiversity protection objectives
- Management of nature protected areas, introducing species protection and nature conservation plans
- Promoting changes in behaviour patterns and habits of society to promote environmental sustainability

Direction: Technological environment and services

Objectives: An integrated, sustainable transport system provides mobility of people and goods throughout the country. There is an EU connectivity broadband electronic communications infrastructure, and the public administration is digitally transformed - open and user-oriented.

Innovative and energy-efficient solutions are available for the energy supply.

Measures:

- Setting up a multi-modal public transport network with rail as the “backbone” of the public transport system
- Implementing *the Rail Baltica* project while increasing the international competitiveness of transit services
- Increasing cycling and other environmentally friendly modes of mobility

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- Mainstreaming the “go digital first” principle for user-oriented, open public services; ICT infrastructure optimisation for public administration and municipalities
- Increasing physical and digital accessibility to national and municipal infrastructure
- Synchronisation of the Baltic States’ electricity grid and the creation of a single market for gas, increasing household energy production and energy efficiency

Direction: Balanced regional development

Objectives: Regional development potential is unleashed and economic disparities are reduced through localised solutions

Measures:

- Provision of public infrastructure for business in accordance with territorial development plans
- Coordinated system and a regional growth fund for targeted investments in the regions
- Increasing cooperation and capacity of the planning regions and local governments to ensure the mobility of citizens, an investment-friendly environment and services
- Innovative micro-mobility solutions and infrastructure for employment and services
- Aligning public services with demographic changes
- Government support function deployment outside of the capital city
- Strengthening cooperation in the border area with neighboring local and national governments and rural territories

Direction: Housing

Objectives: All households have access to housing that by 2050 meets high standards in energy efficiency, construction, safety. The legal framework promotes private and public investment in housing

Measures:

- Renovation and increase in social housing, housing mobility opportunities for persons with low incomes
- Creating a mechanism for building affordable rental houses, primarily in economically viable areas
- Improving the affordability of housing for persons at risk by developing a financial support mechanism and removing rental barriers
- Develop a mechanism for providing family with children with a grant for the purchase or construction of a dwelling
- Improving housing quality through energy efficiency, real estate management
- Improve the regulatory framework for tackling the shortcomings of the rental market
- Improving the energy efficiency and improving real estate management to reduce the risks of long-term maintenance of buildings
- Simplifying building regulations for residential housing



Priority: Culture and sports for active and fulfilling life

Goal: Culture and sports is available to all facilitates the development of talent and increases the visibility of Latvia abroad

Direction: Public participation in culture and sport activities

Objectives: Participation in cultural un physical activities are available to all, increasing society's quality of life

Measures:

- Involvement of society, especially less active persons, in a wide variety of non-formal, cultural, sport and physical activities
- Educating and informing the public about opportunities in these areas, including through library services
- Coordinated use of cultural and sports infrastructure
- Preservation and transfer of cultural heritage, sports traditions and values to future generations, including through ICT
- Provision of leisure activities under the management of professional educators and trainers

Direction: Contribution of culture and sports to a sustainable society

Objectives: Culture and sport contribute to economic and social growth by creating a creative and sustainable society. Every can participate and develop their talents.

Measures:

- Mapping of cultural and sports services and infrastructure, and establishing a regional coordination system
- The development of a coordinated financing system for culture and sports, including for sports in higher education institutions and for international sports events
- Creating a favorable environment for professional artistic creation
- Support for small entrepreneurs and non-governmental organisations in the field of culture, active recreation and creative industries
- Increasing attractiveness of Latvia's cultural and sports abroad
- Discovery, support and retention of young talent in culture and sports



Priority: A united, secure and open society

Goal: People help each other more and contribute to development of the country because of an increase the sense of belonging, social trust and belief that the state is just.

Direction: Cohesion

People take care of each other, actively create and participate in social activities, and see the diversity of society as a valuable resource. The Latvian language is increasingly used and there is greater media literacy.

Measures:

- Strengthening the sense of national identity
- Increasing skills and opportunities for social networking and civic engagement, especially for youth and for participation in NGOs
- Improving intergroup and intercultural communication skills, reducing discrimination
- Increasing the use of Latvian in daily communication
- Improving media literacy and accessibility to Latvian media content

Direction: Rule of Law and Governance

Objectives: Citizens together with public authorities create a better society and governance, pursue their legitimate interests. Public governance has become more open, efficient and effective, leading to increased satisfaction with services and trust in public administration and the rule of law.

Measures:

- Strengthening an understanding of the rule of law and democracy, including by protecting human rights in an era of technological change and ensuring civic education
- Increasing the use of alternative forms of dispute settlement
- Strengthening the principles of open governance, including by providing opportunities for people to participate in policy making and achieving balanced representation of public groups
- Smart and efficient governance, focusing on needs based, proactive services through evidence-based solutions and cross-sectoral coordinated actions
- Improving the efficiency of the justice system by strengthening cooperation between law enforcement authorities to simplify of legal processes, implementation of innovative solutions for all pre-trial investigation institutions, courts and out-of-court dispute settlement bodies, creating a system for the support and protection of the vulnerable and victims
- Improving the system for the protection of the rights of the child, including improving cooperation between the involved institutions

Direction: Security

Objectives: People rely on public services that protect their security. They know how to prevent risks and act in emergency situations. The state maintains a safe

environment and provides public information, strengthening citizens' confidence and knowledge. Public safety and law enforcement are ensured by competent professionals

Measures:

- Strengthening the capacity of people to deal with emergencies
- Strengthening the response capabilities of public safety and law enforcement authorities, coordinated action of government and local government in the event of threats, and the maintenance of the infrastructure and capacity of law enforcement, security and border control services
- Prevention of domestic violence, gender-related violence and harassment by improving protection systems and penal mechanisms, coordinated action by stakeholders and monitoring mechanisms
- Effective reintegration of ex convicts into society, by improving programmes, increasing staff, providing adequate infrastructure and strengthening the role of municipalities and NGOs

Financing

The NDP2027 programmes national medium-term development funding for the implementation of the objectives, priorities and action lines set out in the document. Targets not included in the NDP2027 may also may be financed, if they are programmed in a fiscally responsible manner.

Funding sources include: (a) State and local government budgetary resources, (b) EU funds, programmes and instruments, (c) other foreign financial instruments.

Financing procedures for state and local government funding are governed by *the Law on Budget and Financial Management*.

The Law on the Development Planning System stipulates that EU and other foreign financial instruments for the period 2021-2027 are programmed in accordance with the NDP2027.

Social and other government partners, as well as individuals are invited to contribute to achieving the development goals.

Monitoring and evaluation

The NDP2027 includes performance indicators for 2024 and 2027. A mid-term evaluation reviews progress towards achieving the 2024 performance indicators. Consequently, changes can be made in measures and activities or in the reallocation of resources.

The *Saeima* will play an important role in the monitoring and evaluation of NDP2027. Every two years the Cabinet will submit to the *Saeima* an integrated report on the implementation of Latvia2030 and NAP2027 and the sustainable development of the country.

The Report will contain information on:

- Progress towards the attainment of the goals set Latvia2030 and NDP2027, including with respect to specific measures and relevant activities implemented in the reporting period;
- Resources invested within the reporting period;
- The performance at the direction level, as reflected by indicators and secondary data;
- Significant changes domestically and in the external environment that may warrant amendments to the documents.

The reports on the implementation of Latvia2030 and NAP2027 and the sustainable development of the country will be drawn up in cooperation with sectoral ministries and non-governmental organization prior to consideration in the Cabinet and the *Saeima*. The report will therefore inform the public of progress on the specific national sustainable development pathways elaborated in the plan. All interested persons will have the opportunity to engage in a national development debate to assess the appropriateness of goals, priorities and directions, thereby ensuring accountability.