

**Annual Report by the Minister of Foreign Affairs on activities
performed and planned in national foreign policy and on activities
performed and planned in European Union matters**

The Report reflects principal directions in the foreign policy of Latvia in 2011, accentuates priorities for 2012 and outlines the foreign policy vision for the nearest years. Addressing the issues dealt with in the Report, calls for a coordinated action by the Ministry of Foreign Affairs, other ministries, non-governmental organisations and social partners.

The foreign policy of Latvia in 2011 continued to provide contribution to advancing Latvia's national interests – strengthening independence, ensuring the territorial integrity of the state as defined in the Constitution, a democratic state structure, as well as a prosperous society.

A stable and predictable international environment is in the best interests of Latvia; such an environment is also an indispensable requirement for ensuring those interests. Latvia builds relations with other countries on the basis of the values such as democracy, freedom and human rights.

The foreign policy of Latvia in 2011 retained its succession and continuity. The foreign policy goals of the Government were laid down in the previous and current declarations of the Cabinet of Ministers.

Characteristics of international situation

The consequences of the global financial crisis still had an impact both on Latvia and on the European Union as a whole. The European Union institutions and member states sought solutions to the stabilisation of the financial situation and the Eurozone through introducing austerity measures. Decisions on reducing the deficit adopted in the EU countries more often than not dissatisfied the general public, who protested: governments fell, coalitions changed. By the end of the year, financial problems had not been fully solved, and hard decisions are also to be expected in 2012. The United States also faced financial challenges.

Latvia's neighbouring country Russia was confronted with economic difficulties – capital drain, the use of the stabilisation fund for covering budget needs. The elections to the State Duma were held at the end of the year, followed by a rise in the activity of the civil society.

After an undemocratic Presidential election of 2010, serious economic problems were also observed in Belarus in 2011. Oppression of the members of the opposition continued, thus pushing Belarus even further away from European values.

The year 2011 saw historic changes in the Arab world, the so-called Arab Spring. A series of events in Tunisia, Egypt, Libya, Syria and other countries demonstrated the

desire for change in the communities of the region; however, the progress is still unstable. The strengthening of democratic processes and carrying out socio-economic reforms in those countries is in Latvia's best interests, this being a prerequisite for a long-term stability and non-conflict development of the region. Latvia supported NATO's military engagement in Libya. Although Latvia was not closely involved in the military operation, the country's participation in the decision-making process was significant.

Foreign policy interests and directions of Latvia in 2011

Latvia's interests in the international aspects are closely intertwined with the EU and NATO allies. Together with partners, Latvia continued providing its contribution to safeguarding stability in the world, as well as standing up for a predictable system of international relations, where the interests of all states are observed.

Financial problems of certain EU member states and the consequences of possibly not dealing with those problems that will affect the future of the Eurozone and the processes of European integration were constantly in the circle of attention of Latvia and other EU member states and institutions.

Agreements achieved in the European Council of 8-9 December on the principles for the stabilisation of the EU member states financial system lay great responsibility on Latvia and other member states as to the future of Europe and the necessity to take efficient domestic policy decisions for the stabilisations of the situation. Reaching and agreement among 26 states at the European Council bears witness to a common vision and interest in solving the current problems, but only a concerted and timely action can produce irreversibly positive results, while a delay in making vital decisions can have severe consequences for the future of the European Union.

Active membership of Latvia in the EU and NATO is the mainstay of a long-term welfare and security of the country. This cooperation ensures long-term possibilities to attract political, economic, financial and security resources in line with Latvia's national interests. It is in Latvia's best interests to support the current processes of change in the EU targeted at stabilising the Eurozone and dealing with financial challenges. It is in Latvia's interests to be in the core of the EU's further integration, namely, Latvia must take part in any type of the EU's current and prospective cooperation. The economies of Latvia is deeply connected with EU partners (in trade, Latvia considerably stepped up exports, by more than 30%, i.e., LVL 972,389,362 within 9 month), but sustaining this dynamics depends on the development of situation in the European Union states to which the goods produced in Latvia are basically exported; the EU member states are principal investors.

Notwithstanding the efforts of the international community and the launched process of transferring responsibility for security in several regions in Afghanistan to Afghan authorities (affecting 50% of the total number of population), the situation in Afghanistan remains unstable. It is in Latvia's interests, jointly with the allies, to seek effective as possible solutions to safeguarding peace and stability in this country, including an increase in the efficiency of civilian engagement and international coordination. Personnel of the National Armed Forces are still serving in the conflict zone and responsibly carrying out their duty.

Under restricted financial conditions of the Ministry of Foreign Affairs was able to find solutions to preserving the existing diplomatic missions and performing function at the pre-crisis level. Intensity increased in certain areas, for instance, in consular services: the number of the issued visas grew by 19% (consequently, increasing the contribution by the tourism sector to national economies), which created an additional workload for diplomatic missions of Latvia.

Latvia's foreign policy in 2011 was targeted at attracting to Latvia resources in the broadest meaning of the term, in order to sooner overcome financial and economic crisis. Cooperation with the countries of the Baltic Sea region, notably, with the Baltic states, the Nordic countries, Germany and Poland, was strengthened in various formats. As an EU member, Latvia took part in formulating and implementing the EU foreign policy and security policy priorities, and formulated a national position for launching a discussion on the EU's new multiannual financial framework for 2014-2020. The work of Latvian foreign service in security policy was focused on the implementation of the Strategic Concept adopted by the NATO Lisbon Summit, participation in NATO and EU international missions, as well as on initiatives aimed at rendering the putting into action of the EU Common Security and Defence Policy more efficient. In shaping its relations with Russia, Latvia focused on putting into effect the agreements achieved during the visit to the Russian Federation by the President of Latvia. The foreign service devoted increased attention to safeguarding the interests of Latvian citizens and permanent residents abroad.

In view of the above, principal attention in the foreign policy of Latvia in 2011 was devoted to the following:

- Pursuing national interests in the European Union, including the formulation of the position for the draft budget for 2014-2020 and preparing for the Presidency of Latvia of the Council of the European Union in 2015;
- Expanding the Baltic states cooperation, with a special focus on seeking joint solutions, in line with Latvia's interests, in trilateral energy and defence projects;
- Strengthening NB8 cooperation in all areas of inter-state cooperation. Relations with Germany and Poland were built in a targeted manner;

- Carrying out the objectives defined in the NATO Strategic Concept;
- Dynamising external economic relations through a more active efforts of diplomatic missions; enhancing cooperation with competent institutions in the area of economic cooperation, organising visits for companies to traditional and new markets, setting up the required legal framework;
- Strengthening strategic partnership with the United States in security policy matters and in exploring possibilities for expanding economic cooperation;
- Support for reinforcing stability and democracy in the Eastern Partnership countries;
- Furthering relations with the Russian Federation (RF) on the basis of outcomes of the visit to the RF by the President of Latvia in December 2010;
- Seeking solutions to facilitating cooperation with the diaspora abroad;
- Providing support to Latvian citizens and permanent residents abroad and ensuring travel for foreign nationals with the purpose of activating economic and tourism relations.

European Union¹

The following interests were included in the Foreign Ministry action plan for 2011 in association with other institution in Latvia: the necessity of overcoming the economic crisis in Europe; identifying interests and launching initial consultations on more beneficial condition in the EU Multiannual Financial Framework, in view of the impact by EU support policies on Latvia's economies; preparations for the Latvian Presidency of the Council of the European Union; the need to communicate topical EU matters to the public; including in the EU programme documents the projects of priority for Latvia; preserving Schengen as an area for free movement.

Economic management in the EU – Latvia, in line with its vision on the necessity to contribute to overcoming the crisis, supported a more severe management of economies, including a rigorous fiscal discipline in the European Union. Latvia joined the EuroPlus Pact, proposed amendments to the Treaty of Lisbon to enable setting up the European Stability Mechanism, and supported efforts to seek solutions to the financial crisis in the EU by getting actively involved in discussions and consultations on a closer economic integration in the Eurozone. Working towards those goals, the MFA actively cooperated with the Prime Minister and his office.

EU Multiannual Financial Framework – The formulating and defence of Latvia's interests was started in a timely and purposeful manner, when, by the Prime Minister's orders, a working group was established and charged with preparing a coordinated national position in line with Latvia's interests for negotiations on the EU Multiannual

¹ LV interests per sector are found in informative reports drawn up by the MFA on the Government's priorities for each presidency period.

Financial Framework after the year 2013. On the grounds of the approved national policy, Latvia's interests were represented in political and expert-level debates in the Brussels format and bilateral formats. Active work was carried out to explain Latvia's interests to the EC and the EU member states, also accentuating priority matters under the cohesion and agricultural policies. The Foreign Ministry has been involved in a public debate on the EU's multiannual budget. An ambassador-at-large from the Ministry of Foreign Affairs was appointed head of the negotiating team to deal with this matter of importance for Latvia.

Preparation for the Presidency of Council of the European Union – The MFA continued working on estimating the funding required for running the Presidency, as well as preparing the Presidency cultural programme, on establishing a national information system and an integrated computer network to ensure a fast and safe circulation of documents, and on personnel planning and training. Interinstitutional working groups were set up by the Prime Minister's orders (on IT, financing, culture, personnel; projects for further sectorial activities were prepared, expert meetings were held); a decision was taken on the institutional solution of the Secretariat for the Presidency of the EU Council, which is to be an institution of direct public administration accountable to the Foreign Minister.

Preparation for the Presidency of the Council of the European Union – The Ministry of Foreign Affairs will work to enable the newly-established Presidency Secretariat, accountable to the Foreign Minister, to start preparations for the Latvian Presidency of the EU Council, while devoting full attention to the Presidency-related aspects, including, drawing up an estimate of the required funding, , as well as. Possibilities will be explored for obtaining additional information on the process of earlier presidencies in other EU member states, including traineeship abroad. Effective forms of the cooperation of social partners and non- governmental organisations with the Secretariat will be assessed.

Public involvement – In 2011, the MFA was actively working on raising public awareness on EU matters, in order to promote the knowledge and understanding about the EU among the general public of Latvia. Under the Management Partnership (MP) agreement between the European Commission and the Government of Latvia, the MFA carried out a number of public events: a series of programmes, *Eiropa. Mīti un realitāte* (Europe. Myths and Reality), a series of news programmes *iESpēja* (EU Opportunity), Europe Week events, incl. the EU Garden Festival, a teaching aid for schools, "Get to know the EU and use your skills". In addition to the project under the MP, the MFA actively engaged its resources and experts, taking part in seminars on EU topics for pupils, students, and public administration staff.

Energy and transport – Latvia achieved that its priorities are included in the Guidelines for trans-European energy infrastructure and for the development of a trans-European transport network, i.e., the TEN-T (*A comprehensive network – includes the railway, principal roads, three major ports of Latvia; the core network – Freeports of Riga and Ventspils, Via Baltica, Rail Baltica*); within the framework of the Baltic Energy Market Interconnection Plan (BEMIP) the Baltic states and the European Commission actively discussed the operation of the Baltic energy market in future (synchronisation with the EU power system), as well as doing away with isolation from natural gas networks, by developing a regional liquefied gas terminal. Dealing with both above said issues will continue in 2012; Baltic energy market interconnection plan in the natural gas sector (*BEMIP Gas*). The implementation of these projects will give Latvia and opportunity to improve transport infrastructure, to connect Latvia's transport system with that of the EU, facilitate Latvia's integration into the EU energy market and diversify energy supply sources, thus enhancing energy security.

Schengen Area – Latvia was among the states which actively stood up for a free movement of persons and the Schengen Area as one of the achievements of European integration; Latvia expressed a position that renewing border control on the internal borders of the EU could only be an extraordinary measure. Latvia supported the accession of Bulgaria and Romania to the Schengen Area.

Baltic-Nordic cooperation

Against the background of traditionally close relations between Baltic and Nordic countries, it was in Latvia's interests to achieve as practical as possible fulfilment pursuing shared interests of the Baltic states in strengthening energy security, to coordinate and develop joint positions on identifying and carrying out joint projects

Signing a Baltic-Nordic Memorandum of Understanding – on the basis of recommendations of the Baltic-Nordic Cooperation Report (approved in 2010), Memorandum of Understanding was signed on 30 August 2011 in Helsinki on the placement of diplomats in the facilities of another NB-8 state in a third country.

Celebrating the twentieth anniversary of restoring the Baltic states independence – in order to dynamise the political dialogue between the Baltic and Nordic states and raise the visibility of cooperation in the Baltic and Nordic communities a number of high level events to mark the twentieth anniversary of restoration of the Baltic states independence were held in Baltic and Nordic capitals.

Expanding cooperation among the Baltic states – Latvia continued directing full attention to increased cooperation among the Baltic states, seeking joint solutions to the enhancement of the region's energy security, for instance, concerning the location of the

liquefied natural gas terminal, the construction of the Visaginas APS and the development of an integrated transport infrastructure (*Rail Baltica*). A report on Latvia-Lithuanian cooperation was produced and presented, which, like a similar document on Latvia and Estonia (adopted in 2010; its second annual stakeholders' conference, devoted to education, took place in Tartu this year) outlines specific areas of cooperation between both countries.

Latvia's contribution to the EU Strategy for the Baltic Sea Region – The MFA continued coordinating at the national level of the EU Strategy for the Baltic Sea Region (hereinafter – the Strategy): summarised comments by sectorial ministries and social partners, supplied information to stakeholders on the progress of the Strategy, and defended Latvia's interests at the EU institutions and working groups for the development of the Strategy objectives and indicators. In order to advance, among Latvian businesses, scientists and public officials, the understanding of the role of the Strategy in implementing regional cooperation projects, an international stakeholders' seminar, *EU Strategy of the Baltic Sea Region: Incentive for Innovative Entrepreneurship*, was held at the Ministry of Foreign Affairs on 21 September 2011.

Security policy

Latvia's interests were directed towards the fulfilment of NATO's jointly defined objectives in Afghanistan; a broader use of the Northern Supply Network (NSN) as a significant contribution to Latvia's economies; ensuring the visibility of NATO action in Latvia, including military exercises and the Baltic Air Policing mission. We continued participation in shaping the European Union Common Security and Defence Policy and promoted the EU and NATO cooperation both at the political and operational level.

Involvement in the operation in Afghanistan – On the basis of the decisions by the Saeima and the Cabinet, the National Armed Forces troops (an average of 175 along the year), deployed mainly in the Faryab Province) continued engagement in NATO-led military operation in Afghanistan. In association with other government institutions and in consultation with cooperation partners, the MFA worked on sustaining the ISAF non-lethal cargo flow at the final stage of the Afghanistan operation, meanwhile devising a reverse transit from Afghanistan to Latvia.

Strengthening cooperation with allies, ensuring the visibility of NATO – Latvia hosted a number of military exercises, including *Sabre Strike 2011*, *Baltic Host 2011*, *Steadfast Pyramid 2011*, *Steadfast Pinnacle 2011*, thus reinforcing the military capabilities of the National Armed Forces and improving their interoperability and compatibility with NATO allies.

Ensuring a continued Baltic air policing – The ministries of Foreign Affairs and Defence in association with other institutions continued a dialogue with NATO and its member countries about the continuation of the Baltic Air Policing Mission after 2014.

Enhanced dialogue with the Central Asian countries – The Embassy of Latvia in Uzbekistan successfully performed the function of the NATO Contact Point Embassy. Latvia expressed readiness to be an active member of the New Silk Road (*a transport route for carrying cargoes from Central Asian states and Afghanistan to the ports of the Baltic Sea region, which could bring future benefits to Latvia's economy*) and to host in Riga in 2012 a special seminar for the exchange of opinions on the practicalities of the project. Officials from Central Asian states were also introduced to this initiative, for instance, by Foreign Minister Edgars Rinkēvičs, who met the Foreign Minister of Turkmenistan Meredov and the Foreign Minister of Kazakhstan Kazikhanov in December in Bonn.

EU Common Security and Defence Policy – Latvia continued participating in discussions on the enhancement of the EU Common Security and Defence Policy, seeking solutions to a more effective implementation thereof. The most important topics for Latvia were the strengthening of EU's civilian and military capabilities and the EU-NATO cooperation.

Armament control issues – Latvia joined the process of the so-called "consultations at 36"², aimed at negotiating an agreement on the basic principles for the future conventional arms control mechanism in Europe.

External economic relations

It was Latvia's interests to create favourable prerequisites for the promotion of Latvia exports, for improving the coordination of cooperation with other institutions in external economic activities, providing practical support and advice to Latvia's businesses, and attracting foreign investments. The MFA and diplomatic missions continued gathering information on other countries' experience in the enhancement of business environment.

Export growth – Over the first three quarters of 2011, the exports of Latvian goods totalled LVL 4.1 billion, exceeding the figures for the same period in 2010 by 28%, incl. to Lithuania by 44%, to Estonian by 40%, to Russia by 30%, and to Germany by 26%. The rise was even more spectacular with regard to some other countries, for instance, export to Turkey increased by 215%, and to Kazakhstan – by 52%.

² 30 states-parties to the Treaty on Conventional Armed Forces in Europe (CFE) and 6 NATO countries which are not states-parties to the Treaty (Lithuania, Latvia, Estonia, Albania, Croatia, and Slovenia).

Changed export structure – The share of certain goods in export structure has increased against last year, for instance, the exports of cosmetic products (+190% to Lithuania, +230 to Russia), medical products (+260% to Estonia, +130% to Germany), radio and television broadcasting equipment (+114% to Bulgaria, +130% to Brazil), automated data processing equipment (+ 66% to Belarus).

Improved coordination of cooperation with institutions in Latvia – The coordination of cooperation in defining and protecting Latvia's external economic interests was improved: the coordination format including the MFA, the Ministry of Economics and the Investment and Development Agency of Latvia (*LIAA*) was extended to involve representatives from the Employers' Confederation of Latvia (*LDDK*) and the Latvian Chamber of Commerce and Industry (*LTRK*), and the said institutions signed a Memorandum of Understanding, the implementation of which is to start in 2012.

Strengthening the dialogue with Latvia's businesses – A number of various events were held with participation of diplomatic missions of Latvia, for instance, the Latvian Food Days in Azerbaijan (November-December 2011, stands by Latvian producers in supermarkets, a vast plan of marketing activities), in the tourism sector, participation in *New York Travel Show*, *JATA (Japan Association of Travel Agents)* world tourism congress and a travel fair, panel discussions on the market opportunities in China, Indonesia, Singapore and others.

Identifying new markets – the MFA directed special attention at identifying new markets for the needs of Latvian businesses: Brazil (a production facility of SAF Tehnika company launched during the Prime Minister's visit, an agreement signed between the Freeport of Riga and the Port of Sao Paulo, thus laying a basis for cooperation between ports, procedures advanced in relation to the certification required for the exports of Latvian fisheries products), India, South Korea (Prime Minister's visit, a business forum held in October – success of Latvian tourism companies to attract South Korean visitors). Information and telecommunications companies and timber processing companies have reinforced their contacts; negotiations are ongoing with pharmaceutical companies.

Commercialisation prospects of the Northern Distribution Network (NDN) – Latvia expressed readiness to become an active participant of the New Silk Road initiative, which would enable Latvia to make use of NDN modalities also for a close future cooperation with the Central Asian region.

Strategic partnership with the United States

It was in the best interests of Latvia to deepen strategic partnership with the United States through setting new areas for cooperation: strengthening the dialogue in the field of education and economy.

Maintaining a political dialogue – A high-level political dialogue was continued. The President of Latvia Valdis Zatlers made a visit to Washington in April and met with U.S. Vice-President Joseph Biden; Prime Minister Valdis Dombrovskis and several ministers made a visit to the U.S. in September. Foreign Ministers Ģirts Valdis Kristovskis and Edgars Rinkēvičs have met with the U.S. Secretary of State Hillary Clinton. Latvia acceded to the Open Government Partnership initiative launched by the Presidents of the United States and Brazil, which provides further opportunities for a high-level dialogue between the leaders in an international format.

Strengthening security policy dialogue – The security policy dialogue retained its traditionally high intensity. Latvia hosted the *Sabre Strike 2011* military exercise with participation of the U.S. troops, a regular Exchange of opinions took place on the operation in Afghanistan, and Latvia also made much effort to raise the visibility of the Northern Development Network route and Express readiness to ensure reverse transit.

Strengthening cooperation in economy and the energy sector – Possibilities were explored for dynamising economic cooperation, and the Prime Minister on his visit to the U.S. in July 2011 was accompanied by a large business delegation. First steps were taken to set up a dialogue with the U.S. institutions concerning the prospects for research on shale gas, to be continued as practical consultations between experts from both sides.

Reinforcing cooperation in education sector – The University of Latvia Support Foundation was set up in the USA; contacts were enhanced between the Riga Technical University, the Riga Business School and the educational establishments in the United States. The Baltic-American Freedom Foundation successfully launched an exchange of researchers and trainees between universities and companies with the aim of attracting the participants to the public and private sector in Latvia following the completion of the programme. The exchange of students and researchers continues through the Fulbright Program.

Support to Eastern Partnership countries

It was in Latvia's interests to facilitate the rapprochement of the Eastern Partnership (EaP) countries with the European Union, creating preconditions for establishing closer economic and political relationship, as well as safeguarding democratic values in those countries.

Latvia continued supporting the efforts of the rapprochement of the EaP countries with the European Union and supported the signing of the EU-Ukraine Association Agreement, which includes provisions for a deep and comprehensive free trade (negotiations have been completed); Latvia also supported launching negotiations on this type of agreement with Moldova and Georgia. Latvia strongly advocated the EU visa facilitation and liberalisation with the Eastern partners. At the same time, Latvia emphasised that the wish of each EaP state to build closer relations with the EU depends on the progress of reforms undertaken in those states. In September 2011, the Eastern Partnership Summit approved a further deepening of reforms on the basis of *more for more* principle, namely, more EU support for more successful reforms in a specific partner country. Latvia stood up for a fair distribution of the EU funding between EU's southern and eastern neighbours.

Belarus – The developments in Belarus did not allow Belarus to benefit from the instruments offered by the EaP. Latvia, together with the EU partners and the U.S., voiced concern over the deteriorating human rights situation in that country and supported the adoption of sanctions. At the same time, Latvia called for a possibility to sustain a dialogue with Belarus.

The Russian Federation

Latvia's interests were targeted a further development of stable neighbourly relations with the Russia Federation and the broadening of economic contacts. Latvia, in line with its national interests, supported the development of a closer EU-RF and NATO-RF relationship.

Evolving dialogue with the RF – On the basis of the results of the Latvian President's visit to Moscow in December 2010, the work continued on the enhancement of the dialogue between the states: Latvia ratified all the agreement signed during the visit, a current meeting the Intergovernmental Commission, during which the Latvia-Russia Declaration on Partnership for Modernisation was signed. The first session of the historians' commission took place in Moscow. In the middle and the end of the year, the foreign ministers of both states met in Oslo and Vilnius to continue the dialogue.

Support for RF membership of the World Trade Organisation – Latvia continued supporting Russia's WTO membership. The accession of Russia to this organisation will provide Latvian businesses with further opportunities for building trade relations with Russia (Latvia's export to Russia in 2011 is estimated at USD 1 billion).

International organisations

Latvia made efforts to achieve its broader representation in international organisations for a more effective administration and coordination of interests.

Election of Latvian candidates – On 24 November, the Meeting of the Ministers' Deputies of the Council of Europe included the applicant nominated by Latvia, Dr Nils Muižnieks, in the shortlist of three candidates who have passed the first round of election of the Council of Europe Commissioner for Human Rights. Dr Nils Muižnieks was the highest-voted candidate (37 votes out of 47). The Delegation of Latvia on the CoE Parliamentary Assembly was working actively for the election of Muižnieks. Further work will be performed also in 2012.

On 25 November, the Ambassador Extraordinary and Plenipotentiary, Permanent Representative of Latvia to the Council of Europe Aiga Liepiņa was elected Vice Chairperson of the Governing Board of the Council of Europe Development Bank.

In June, Latvian diplomat Maira Moora was appointed Head of the Representation of the European External Action Service in the Republic of Belarus.

In 2011, the membership of Latvia on the UNESCO Executive Council was concluded (2009-2011), where the duties of Vice President performed out by Secretary General of the Latvia National Commission for UENSCO Dagnija Baltiņa.

The first National Report of Latvia on the overall human rights situation – In September, the assessment of the human rights situation in Latvia was concluded within the framework of the first round of UN Universal Periodic Review. Following the review of the National Report, Latvia received 122 recommendations. Latvia has already implemented, or is planning to implement, the majority of those, including the recommendations to continue carrying out measures for the protection of the rights of children with disabilities and the promotion of gender equality, improving conditions in prisons, fighting against racism and hate crime, and against trafficking in human beings. Also in the framework of this review mechanism, Latvia was urged to abolish capital punishment, and therefore, the decision of the Saeima to make relevant amendments to legal provisions is bound to be positively evaluated by international regulations.

Cooperation with the diaspora

It is the future interests of Latvia to maintain the link with compatriots abroad, having identified the most effective ways of cooperation.

The undersigning of cooperation documents – The MFA signed a Memorandum of Understanding with the World Federation of Free Latvians – WFFL (on 6 January 2011), and a trilateral Memorandum among the Ministry of Culture, the Ministry of Education and Science and the MFA on the promotion cooperation with the diaspora, thus creating a legal framework for facilitating cooperation among stakeholders.

Support for dual citizenship – the Ministry of Foreign Affairs has been actively involved in advancing through the Saeima the amendments to the Citizenship Law, in order to extend the scope of citizens, for instance, by permitting dual citizenship for everybody who was born before June 17 1940 and for their descendants.

Consular matters

Latvia's interests lay with providing expedient help to Latvian citizens and permanent residents, as well as ensuring possibilities for foreign nationals to travel to Latvia.

Providing assistance to Latvian citizens and permanent residents – The MFA continued providing assistance to Latvian citizens and permanent residents abroad experiencing an emergency and expediently responded to crisis situations in various places around the globe. Consular assistance was provided to 600 persons in Egypt, 5 persons in Libya and to 100 persons in Japan.

The MFA developed the procedures for granting material aid to, and reimbursement thereof, by Latvian citizens and permanent residents abroad experiencing an emergency.

Great attention was paid to the issue of sham marriages in Ireland as the MFA actively informed the general public in Latvia about the consequences of such marriages and called on the Irish and Latvia competent authorities to introduce amendments to legislation in order to restrict possibilities for entering into such marriages.

Efficient issuance of Schengen visas to foreign nationals – Over Q1-Q3 of 2011, the number of the visas issued grew by 28% year-on-year, thus increasing the budget revenues by LVL 800,000. For instance, number of visas issues at the Embassy of Latvia in the RF grew from 44,364 to 57,262; a 30% increase was seen also in Ukraine and 53% in Kazakhstan.

Introduction of the e-questionnaire – An e-questionnaire (an online questionnaire) was introduced at the missions in the CIS countries to speed up the processing of Schengen visa applications.

Visa representation agreements – Visa representation agreements were signed with Austria and Slovakia (currently there are 10 such agreements), to enable receiving visas for travel to Latvia in Romania, Mexico, the Republic of Korea, Australia, Venezuela, Ethiopia, and Malaysia.

Latvia-Belarus agreement on facilitated border crossing – The Agreement between the Government of the Republic of Latvia and the Republic of Belarus on facilitating mutual journeys of border residents was signed and entered into effect, thus providing for a more convenient travel of the border residents of both states to travel.

Public diplomacy

The aim of the cooperation between the Foreign Ministry and the Latvian Institute was to maintain an active communication with the public in order to provide as broad information as possible on the work of the ministry and foreign policy priorities, also by means of social networks.

Celebrating the 20th Anniversary of Restored Independence – The exhibition arranged by the MFA, *Our Path to Independence*, was shown in five countries (Belgium, Slovenia, Russia, Lithuania, Norway). To take forward the programme of virtual exhibitions, the online version of the *Our Path to Independence* exhibit has been displayed on the MFA website.

Commemorating Iceland's contribution – To commemorate the contribution of Iceland to the restoration of Latvia's independence, the Iceland Square was laid out in Riga on the initiative of the MFA; the commemorative sign on the square was unveiled by the foreign ministers of Latvia and Iceland on 22 August.

The MFA joins social networking sites – For the purposes of explaining foreign policy, the MFA launched active communication via social media by opening official accounts on *Twitter.com*, *Facebook.com* and *draugiem.lv*

Communication on current foreign policy matters – Parallel to other communication areas, the MFA entered an active communication on the negotiations on the EU Multiannual Financial Framework for 2014-2020, as well as regularly updating a website section on Afghanistan. In 2011, website sections for all diplomatic mission of Latvia were opened in 18 languages.

The Riga Conference of 2011 – On 16-17 September, Riga hosted the annual Riga Conference, which has become the largest security and foreign policy forum in Northern Europe. The event gathered together 260 participants from 30 states, incl. the prime ministers of the three Baltic states, Poland and Finland, as well as officials, world-scale experts, academics and media representatives from Estonia, Denmark, Georgia, Poland, Russia, Sweden, Turkey, the United Kingdom, Uzbekistan and other countries.

NATO Summit simulation game for young people – The MFA in association with the Transatlantic Organisation of Latvia (*LATO*), the Ministry of Defence, and NATO, organised the third annual NATO Summit Simulation Game. The aim of the game is to broaden young people's knowledge and interest in the issues of NATO, international security and defence policy. The theme for 2011 was "*Afghanistan 2014: NATO's further role in stabilising the region*".

Foreign policy vision during the tenure of the 11th Saeima

The national interests of Latvia being closely connected with the EU member states and NATO allies, and considering the capacity of the EU states to deal with the debt issues, a number of development scenarios are possible, although difficult to anticipate at present.

Latvia's interests lie in a further development of the European Project that has safeguarded peace and growth in the continent for several decades, in development that includes the preservation and enhancement of the current achievements – democracy and the right to participate, freedom of travel, single currency, as well as further enlargement of the European Union. The evolution of any other model of Europe runs counter to the vital national interests of Latvia. Latvia believes that neither do other EU states see any alternative model for the development of the continent.

In the nearest five years, Latvia sees itself as a state with stable economy, integrated into a powerful and efficient European Union and NATO; it has a special transatlantic connection and, at the same time, good relations with all the neighbouring states. The foreign policy of Latvia is proactive and well-coordinated.

Latvia's economies (exports) being closely integrated with those of the EU member states, any radical change, disintegrating the common market in the EU space, would create significant problems to Latvian producers, as any considerable opportunities of changing orientation are hardly possible at the moment.

Consequently, it is in Latvia's best interests to facilitate the compliance with the agreements currently in force and the efficiency of the current EU Treaty, through the implementation of a responsible fiscal policy and a timely response to measures for financial stabilisation. The accession of Latvia to a secure and stable Eurozone in 2014, having met the Maastricht criteria and demanding from other countries the compliance therewith, will be the best pledge and contribution by Latvia to the future of Europe. A major challenge for the government will be a successful Presidency of the Council of the European Union in 2015, identifying priorities and setting up a public-involving, transparent and efficient structure already in the nearest future.

Given the fact that the EU is gradually working towards overcoming financial problems, Latvia must make use of the benefits achieved during the negotiations on the EU Multiannual Financial Framework towards enhancing the competitiveness of the country and increasing the living standards of the population. Strategic decisions will have to be taken as early as in 2012, but the impact of those decisions will be felt many years later. Therefore, a proactive action plan must be carried out while coordinating and directing Latvia's position in those negotiations. For this purpose, all the resources available and stakeholders should be fully identified and engaged, including the

representatives of Latvia in the EU institutions, civil society, as well as individual supporters.

In the nearest future the strengthening of energy security will remain a priority for Latvia. In this context, it would be vital in 2012 to achieve an agreement with Baltic partners a common vision on dealing with energy problems, so that in the nearest years, practical measures could be taken for the construction of the liquefied natural gas terminal and the Visaginas nuclear power plant, as well as building energy interconnections. In the transport sector, it is in the interests of Latvia to put into practice the *Rail Baltica* project, while observing conditions that would ensure the project's contribution to the economic interests of Latvia.

Latvia's geographic, cultural and historical contacts with the Nordic countries, Germany and Poland must not be limited only to carrying out EU projects of interest for Latvia; the focus should be also placed on establishing a common cultural and political space, which would reinforce Latvia's bilateral relations with these countries and improve the understanding and coordination in EU-related matters and within other regional and international organisations. Likewise, the setting up of a common Baltic-Nordic informational space must also be promoted.

Latvia will take forward initiatives and projects aimed at forging closer relations with the Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine), in order to safeguard the security of Europe itself. Latvia will support the Eastern Partnership countries' efforts of rapprochement with the EU, on the condition they carry out the required reforms and meet the set criteria. It is of a particular importance in the nearest years to create prerequisites for setting up free trade areas and to liberalise the visa regime. A vital condition for the process of the EaP states' rapprochement with the EU is their wish and readiness to observe the basic European values while building their states, namely, democracy, human rights, the rule of law.

Latvia will take part in the implementation of development cooperation projects in the countries of the Eastern Partnership and Central Asia by offering its expertise and supporting democratic reform processes, both through the implementation of bilateral projects and joint projects with partners from the EU, the U.S. and other states. Development cooperation projects, for which adequate funding has been provided, can serve as an excellent additional instrument for raising Latvia's profile and supporting its economic interests in these countries. Latvia will support the year 2015 as the Development Year in the European Union.

Latvia will reinforce transatlantic links, although it should be taken into account that the U.S. has also encountered financial problems and is planning major budget cuts in the nearest years, which in turn could have an impact on the intensity of the U.S. foreign policy. Not only in rhetoric, but also through practical action, Latvia must demonstrate

an interest in sustaining and strengthening a dialogue with the U.S. One of such steps will be a planned increase in defence budget to reach 2% of the GDP. This contribution will be a significant proof of Latvia's wish to see NATO as an important safeguard of security also in future, Europe and the U.S. alike being interested in its stable development. Latvia's contribution to NATO must also be the strengthening of links between the EU and NATO, as well as a more efficient and concerted operation of security and defence systems.

Likewise, it is important in the nearest years to build cooperation with the U.S. in as broad areas as possible, in addition to a successful dialogue in the field of security and defence policy, thus strengthening bilateral contacts: the transport dimension (NDN, the New Silk Road), economic contacts (trade, investments, use of Latvia's ports), education (cooperation between universities, a dialogue of research centres, etc.) Latvia will be interested in a visible NATO presence in the Baltic region.

In view of a successful cooperation in running the NDN transport route, the nearest years should be devoted to putting into practice the commercial concept of the New Silk Road. Latvia must build on its EU membership in order to promote our economic cooperation with third countries, notably, in the growing global markets in Asia, the Middle East and Latvian America, both in promoting exports and attracting investments.

Latvia is interested in stable and democratic neighbours. That would allow activating the existing contacts.

The presidential visit to the Russian Federation in 2010 has created a positive backdrop for the development of an inter-state dialogue with the RF. It would be in Latvia's best interests to sustain this positive trend also in future through the development of a political dialogue, economic links, legal framework, as well as contacts with the RF regions, also via EU-RF and NATO-RF formats. Latvia will be interested in a continued dialogue on sensitive issues, including history. At the same time, Latvia will oppose any ill-intentioned attempts of using the tragic events of the twentieth century and the impact thereof on Latvia for an unsubstantiated criticism of Latvia in bilateral relations and within international organisations.

Creating a dialogue with the diaspora will have an important role also in the nearest years. Although the reason for an eventual return of those who have left the country is a considerable improvement of Latvia's economic indicators, it will be essential in the nearest years to strengthen the link with the diaspora, identifying their wishes in maintaining contacts with Latvia, as well as the Government's potentialities of preserving such contacts.

Latvia will advocate a predictable and stable international environment also in future, an environment in which the country can pursue its interests. Latvia will continue supporting the stabilisation of the situation in Afghanistan and the Arab states, in order to ensure transition to more stable public administration, seeking solutions to the "frozen conflicts" in Europe, the evolution of the Middle East Peace Process and non-proliferation of weapons of mass destruction.

Latvia pledges a commitment to pursue a maximally inclusive, open and transparent foreign policy, ensuring possibility for the civil society and experts to take part in shaping foreign policy. Stakeholders involved in external action, including the national level public administration institutions, local governments, social partners and the non-governmental sector will coordinate their activities and ensure an effective flow of information to enable a successful defence of [national] interests in the international arena. At the same time, Latvia will support the creation and development of public participation mechanisms in the EU and at the international level. Public participation and communication with the public is a cross-cutting priority in all areas of foreign political activity.

Foreign Policy Priorities in 2012

A conceptual basis underlying the foreign policy priorities in 2012 are the objectives defined in the foreign policy section of the Prime Minister Valdis Dombrovskis' Government Declaration on the actions planned by the Cabinet, as well as the tasks proposed by Foreign Minister Edgars Rinkēvičs and endorsed by senior officials: protecting Latvia's interests in negotiations on the EU's multiannual financial framework for 2014–2020; preparations for the Latvian Presidency of the Council of the European Union in the first half of 2015; expanding Nordic-Baltic cooperation; and strengthening the transatlantic links.

Latvia is interested and wishes to contribute to a further evolution of a predictable international environment. In view of the EU and NATO membership, Latvia is in a secure position at present and wants to preserve this position also in future.

In the context of the European Union, Latvia will actively contribute to shaping the future of the EU. The European Council's decisions of 8-9 December 2011 will have to be included in the intergovernmental document in 2012. Latvia believes that, although a number of EU member states will be forced to reduce expenditure under the impact of the decisions achieved in the European Council, there does not exist any other alternative beside streamlining the financial situation and regaining the trust of international markets.

The overcoming of the crisis in the EU is in Latvia's national interests, as is a further development of a strong Europe and national states. Under these conditions, Latvia must go further with the implementation of the measures it has launched in pursuit of a responsible economic and fiscal policy and must be able to respond, in a flexible manner, to possible changes, for instance, amendments to the Treaty of Lisbon.

The current financial capacity could leave an impact on the negotiations on the EU multiannual financial framework, in view of the differing positions and interests of the so-called net contributors and net recipients. Latvia will continue to advocate a draft budget that facilitates convergence in living standards between different EU member states, at the same time strengthening the EU's competitiveness. It cannot be excluded that under the restricted financial conditions, Latvia, like other member states, will have to clearly define its priorities (direct payments in agriculture, cohesion policy).

Strengthening the dialogue with the states that have an impact on the debate on the EU's future acquires a special significance in contemporary Europe. Parallel to traditionally close relations with the Nordic countries, it is vital to seek common points of interest with Germany (a cooperation strategy is being produced on a unilateral basis) and Poland.

Latvia's wish to be an active participant in deciding the future of the EU is underpinned by common values as well as a close integration of our economies with the European Union member states – principal export markets, the EU funding being actively used for projects in Latvia, as well as future priorities – energy security, connecting Latvia's transport infrastructure with the rest of the EU, and other initiatives that cannot be put in practice without support from, and involvement of the EU. Estonia and Lithuania, our neighbouring countries, also have a similar vision.

On its agenda for 2010, Latvia will still have trilateral energy and transport infrastructure projects, the aim of which is to strengthen the energy security of Latvia and the Baltic states, as well as the connecting of transport infrastructure to other EU member states in Central Europe. The progress of those projects will depend on the effectiveness of the dialogue and the ability to find a compromise among the Baltic partners. It is in Latvia's best interests to achieve a decision on locating the regional liquefied gas terminal in Latvia, to continue working on the development of the Visaginas nuclear power plant project in Lithuania, and on further research concerning the implementation of *Rail Baltica*.

NATO is to hold its Summit in 2012 in Chicago. In this context, Latvia is interested in a further strengthening of the transatlantic link, the development of NATO partnership policy and formulating a clear strategy for the presence of NATO and partners in Afghanistan, as well as working towards the objectives defined in the Bonn Conference for the overall development of Afghanistan. A strong transatlantic link along with a multilateral development of the EU-U.S. dialogue is, and will remain, a priority for Latvia.

It is in Latvia's interests that the RF develops as a stable, secure, democratic and modern state. Latvia, willing to forge good relations with all its neighbours and being aware of the international role of the Russian Federation, wishes to develop cooperation with the Russian Federation on a basis of mutual interests. The prospects for economic cooperation between Latvia and Russia will be expanded by the accession of the RF to the World Trade Organisation (WTO) as the result of which both states will be obliged to comply with the WTO norms and standards in their mutual trade. Russia is expected in 2012 to ratify the package of documents on acceding to the WTO, thus becoming a full member of the WTO, which will create more favourable conditions for the operation of Latvian businesses in Russia. It is in Latvia's interests to achieve further progress with the new EU-RF cooperation agreement (providing for, *inter alia*, a free trade area), which would give an additional impetus for businesses from both countries. In relations with Belarus, Latvia will continue an economic dialogue, at the same time keeping on the agenda the human rights issues, attention to which will also be paid by other EU and NATO states.

The Ministry of Foreign Affairs will continue to work actively on facilitating external economic relations, although it must be taken into account, that the deterioration of the global economic situation in 2012 can undermine possibilities for Latvia to expand its export.

An increase in the bilateral budget for development cooperation policy up to LVL 50,000 will allow implementing projects in priority directions, also in Moldova, where a number of project have already been carried out in the previous years, and an a dynamic political and economic dialogue has been launched, and in Afghanistan, where Latvian military are currently serving and the stabilisation of which is in Latvia's interests.

In view of the high international profile of the annual Riga Conference which has succeeded in attracting notable foreign experts, the event will remain a significant international forum for Northern Europe also in 2012 and a platform for sharing ideas on current issues in international politics.

The foreign service, disregarding the fact that the funding for foreign policy activities will not be increased in 2012, will continue to perform its functions at the same level as earlier, responding efficiently to possible crisis situations, for instance, in the consular sector.

In view of these priorities, the foreign policy of Latvia will focus on the following objectives:

The European Union

The agenda of activities for the Ministry of Foreign Affairs, in association with other institutions in Latvia, will be determined by the following national interests: identifying, approval and implementation of further solutions for dealing with the economic crisis in Europe, including Latvia, in order to secure a stable future development of Europe; achieving favourable conditions for the development of Latvia's economies under the EU Multiannual Financial Framework for 2014-2020; preparations for the EU Presidency - launching the work of a Secretariat; continued active communication with the general public on Latvia's interests in the EU; strengthening coordination among the Baltic states towards common interests, objectives and plans; reinforcing the EU as a global player which voices a common opinion of all the Union's member states, including Latvia, in the international arena; further enlargement of the EU for the benefit of a more effective pursuit of Latvia's interests.

A closer economic integration into the EU – In view of Latvia's target of introducing the euro by 2014, the task of the MFA will be to ensure the engagement of Latvia in the

new process of economic integration, which involved the Eurozone members and the non-members of the Eurozone that want to join. The MFA will defend the interests of Latvia in the process of drafting an intergovernmental agreement providing for a more rigorous financial discipline. As part of the European Semester, the MFA will invite the EC to evaluate on their merits the National Reform Programme strategies for achieving the Europe 2020 goals.

EU Multiannual Financial Framework (2014–2020) – the MFA will make effort to achieve that the agreement on the EU’s Multiannual financial Framework for 2014 – 2020 reflects Latvia’s interests: introducing a Cohesion Policy that provides for Latvia’s socio-economic interests (ensures availability of adequate cohesion funding), and a Common Agricultural Policy that responds to Latvia’s interests (direct payments non-discriminating for Latvian farmers). To this end, a concerted action of highest-ranking officials, the legislator and the executive power (ministers and ministries), social partners and non-governmental organisations will be required in applying a common, well-considered and strong argumentation in communication with the European Commission, the European Parliament and the EU member states. The scale of benefit from the EU funding to the development of the state will depend on the absorption efficiency of the funds and reasonable spending in line with national priorities, to be defined during the final drafting of the national Development Plan. Social partners and non-governmental organisations are to be involved in formulating and defending the position of Latvia.

Preparation for the Presidency of the Council of the European Union – The Ministry of Foreign Affairs will work to enable the newly-established Presidency Secretariat, accountable to the Foreign Minister, to start preparations for the Latvian Presidency of the EU Council, while devoting full attention to the Presidency-related aspects, including personnel planning and training, drawing up an estimate of the required funding, preparation of the Presidency cultural programme, as well as establishing a national information system and an integrated computer network to ensure a fast and safe circulation of documents. Possibilities will be explored for obtaining additional information on the process of earlier presidencies in other EU member states, including traineeship abroad. Effective forms of the cooperation of social partners and non-governmental organisations with the Secretariat will be assessed.

Public involvement – The Foreign Ministry will enhance cooperation with social partners and non-governmental organisations, to enable a full valuable involvement in the formation of foreign policy, strengthening communication with the public on matters of importance for Latvia’s foreign policy in 2012 and the results of defending Latvia’s interests, with a special focus on the national priorities in negotiations on the EU Multiannual Financial Framework.

Energy and transport – Through consultations with the EU institutions and member states, the Foreign Ministry with other government institutions will work to ensure that the funding required for energy and transport projects is included in the EU Multiannual Financial Framework for 2014 – 2020. The aim is, in addition to the Cohesion Policy funding, to obtain funds for the construction of the liquefied natural gas terminal and further development of the Rail Baltica Project, by integrating those into the existing system of infrastructure and thus ensuring a more effective use of Latvia's competitive advantages in future. To this end, the MFA will uphold the issue on the funding possibilities for the said projects during the whole period of discussions on the EU Multiannual Financial Framework.

Coordination among the Baltic states – In line with national interests, the coordination among the Baltic states is to be continued and improved with the aim of pursuing common interests in the European Union; attention will be devoted to the development of negotiations on the multiannual budget and the implementation of trilateral energy projects (achieving a common decision on the construction of the liquefied gas terminal, further development of the Visaginas NPP), transport infrastructure (work to be continued on the rail Baltica Project), innovative research infrastructure and other areas.

Eastern Partnership – Latvia will continue to advocate the political and economic rapprochement with the EU, visa regime liberalisation with the Eastern Partnership states, support to signing the Association Agreements between the EU and Moldova, Georgia and Ukraine, including the agreements on free trade. Latvia will devote particular attention to supporting Moldova and Georgia, with regard to their determination of rapprochement to European structures, as well as Latvia's comparative advantages of providing assistance to these countries that are interested in drawing on Latvia's experience.

EU-Russia – Latvia will keep on supporting continued negotiations about the new EU-RF cooperation agreement, which is to consolidate the EU-RF relations, at the same time offering Latvia additional opportunities for an economic and political dialogue with Russia.

EU enlargement – Latvia believes that further enlargement of the EU gives the union additional opportunities for pursuing its political and economic interests in the new member states; therefore, the Ministry of Foreign Affairs will call on the Saeima to ratify the Treaty of Accession of Croatia to the European Union and will also continue supporting the aspirations of other candidate countries to launch accession negotiations, on the condition that they fulfil the required criteria, namely, Serbia, FYROM, and Montenegro; the MFA will also support the practical negotiations with Iceland and Turkey.

Baltic – Nordic cooperation

It is in Latvia's interests to closely coordinate opinions with the Baltic and Nordic partners as it pursues its national interests in the European Union and, together with Baltic and Nordic partners, continues shaping a common cultural space.

Consolidating the NB8 and NB6 cooperation formats – Facilitating a closer Baltic-Nordic political, economic and cultural integration through a political dialogue, the coordination of positions on the EU multiannual financial framework, practical initiatives towards strengthening defence cooperation in the NORDEFECO (Nordic Defence Co-operation) format, for instance, experience sharing in veteran issues, continued practical cooperation in international operations.

Putting in practice the recommendations of the Report on Baltic-Nordic Cooperation – Latvia will compile the opinions of NB8 experts on coordinating the implementation of several recommendations in the field of civil protection; preparations will be launched for a joint NB8 nuclear safety exercise; consultations to be continued among NB8 countries regarding cooperation in using embassy premises in third countries; work on the development of a joint NB8 information space and publicity measures.

Drafting new Nordic Council of Ministers (NCM) Guidelines for Cooperation with the Baltic States – In association with the BCM Office in Riga, Latvia will actively contribute to the initial discussion on the process of development and the content of the NCM) Guidelines for Cooperation with the Baltic States after 2013.

Joining the Nordic Power Exchange – By the end of the year, Latvia is planning to join the Nordic Power Exchange Nord Pool that will ensure an effective, transparent and market-based energy trading and energy pricing.

Latvia's contribution to the EU Strategy for the Baltic Sea Region – Detailed guidelines for internal and external communication will be drawn up, alongside a clear list of targets and indicators in line with the national level development planning documents. The MFA intends to launch a discussion with the aim of formulating a common Latvian position on the place and role of the Strategy in the foreign economic policy of the state and ensuring an effective representation within the Strategy framework.

Security policy

The North Atlantic Treaty Organization (NATO) is a stable basis for security and defence of the Latvian State, and the Latvian security policy is oriented at NATO undergoing strong, unified and effective development, complemented by the enabling Common Security and Defence Policy of the European Union. The following are the priority interests of Latvia in 2012 – NATO patrolling over the air space of the Baltic States; participation in NATO operation in Afghanistan, fostering the irreversible implementation of the successfully started transition

period and continuing the development of a unified vision of NATO involvement in Afghanistan after 2014; strengthening of NATO partnership policy by paying a special attention to the relations with the countries, like Georgia, striving to become NATO member states, as well as with the countries NATO actively cooperates in strengthening international stability, especially in Afghanistan; development of the Northern Distribution Network (NDN) (including the implementation of the reverse transit from Afghanistan to Latvia); ensuring NATO visible presence in Latvia and the region.

A noteworthy security policy event of the 2012 is NATO Summit in Chicago where Latvia's priority is to achieve a resolution, achieving a continued NATO patrolling of the airspace of the Baltic states, as well as together with the allies continuing the implementation of the tasks, set in the NATO Strategic Concept.

Continue participation in the operation in Afghanistan, as well as in other international operations and missions – on the strength of the resolutions, taken by the Saeima and the Cabinet of Ministers, Latvia will continue participation in the NATO ISAF operation in Afghanistan and the EU Police mission in Afghanistan (*EUPOL Afghanistan*). Alongside with promoting the Eastern partnership issues of the EU Common Security and Defence Policy Latvia will continue supporting the development of civilian and military capability, as well as the EU readiness for the operation implementation. Latvian experts will continue participation in the EU civilian missions in Kosovo (*EULEX Kosovo*) and Georgia (*EUMM*), as well as in the EU Naval Force operation for fighting piracy near the coast of Somalia (*EU NAVFOR ATALANTA*). Latvia will continue contributions to the EU common budget for military operations (the EU military operation for training Somali security forces (*EUTM Somalia*), the EU military operation in Bosnia and Herzegovina (*EUFOR ALTHEA*) and the EU Naval Force operation for fighting piracy near the coast of Somalia (*EU NAVFOR ATALANTA*)).

Ensure ISAF transit over the territory of Latvia – Latvia will continue offering its ports and infrastructure to ensure transit for the ISAF nations, including the reverse direction. Latvia will offer its vision on upgrading the EU Strategy for Central Asia.

Ensure further patrolling over the air space of the Baltic states – the dialogue between NATO and its member states will be continued on retaining patrolling in the airspace of the Baltic states after 2014. As the drastic reduction of the defence budget in many states might affect NATO patrolling mission in the Baltic states in the future, the Baltic states have taken a number of steps to facilitate the participation of NATO member states in this operation.

Strengthen the USA presence in Europe – considering the statement in the NATO Strategic Concept on ensuring NATO visibility in the member states of the alliance

Latvia will continue to support as an essential element the USA military presence in Europe in its present form. Latvia, together with the allies, will continue actively participate in military trainings and support their holding in the Baltic states.

Transatlantic relations

Further deepening of strategic relations with the USA by strengthening cooperation in economy – promoting export, activating cooperation in the research of the slate gas resources; developing a dialogue with the leading NATO state in the field of security policy for strengthening the security situation in Latvia; strengthening of Latvia’s potential as a transit country by using NDN and the prospective “New Silk Road”.

Latvia will continue looking for interaction points with the USA on acute issues in international policy and security, promote regular exchange of information.

Strengthening of economic cooperation – Latvia will continue involving the USA in discussions and projects on energy issues, topical for the Baltic region. While proceeding with the cooperation started with the USA in the research of slate, the Ministry of Foreign Affairs will strive to find opportunities for attracting the USA researchers to the field-study of the slate deposits in Latvia, as well as implement the exchange of businessmen delegations on the basis of the results of the Prime Minister’s visit to the USA.

Further ensuring of the patrolling over the air space of the Baltic States – in cooperation with the USA opportunities will be sought for ensuring the patrolling over the air space of the Baltic States after 2014.

Cooperation for strengthening the judiciary system in Moldova – on the strength of the instruments of the Development Cooperation Policy, Latvia, in cooperation with the USA partners, will render support to reforming the judiciary system in Moldova within the framework of a multi-year project.

External economic relations

Latvia will maintain its interest in creating favourable preconditions for promoting Latvia’s export, including practical and consultative support to Latvian entrepreneurs, as well as in attracting investments and further developing of favourable business environment.

Coordination of cooperation with Latvian institutions – the Ministry of Foreign Affairs will continue working with partners, focusing on setting specific aims for more efficient external economic policy, including external trade policy and setting a clear-cut responsibility area for each cooperation partner (Ministry of Foreign Affairs (MFA), Ministry of Economics (MoE), Investment and Development Agency of Latvia (LIAA), Latvian Chamber of Commerce and Industry (LCCI)) in order to achieve the set aims. With a view to implementing the task the Coordination Council for External Economic Policy was established in cooperation with the Ministry of Economics, providing for the implementation of the aims and the integration of functions laid down in the intersectorial (MFA, MoE, LIAA, LCCI) Memorandum of Understanding of 9 August 2011 and the intersectorial (MFA, MoE, LIAA) Agreement on Cooperation of 15 April 2005, as well as for ensuring unified, efficient external economic policy for strengthening the international competitiveness of Latvia.

Cooperation in the present tripartite format between MFA, MoE, and LIAA will be targeted at implementing Latvia's economic interests by setting specific aims and objectives both for the LIAA agencies and embassies, providing for mutual consultations, exchange of information and cooperation in activity planning and accountability for the achieved results.

Support to entrepreneurs – identification of entrepreneurs' interests will be continued and support for entering external markets will be rendered accordingly (round tables, visits and contact exchanges); entrepreneurs and their associations will also be invited to participate in elaborating the external economic policy. Apart from traditional markets attention will be paid to the new markets – the states of the Gulf, Latin America, and Southeast Asia.

Identification of investment projects – involvement in identification and promotion of significant investment projects; assessment of opportunities to bid for investments (*including the bidding done by embassies and honorary consuls*); development of the investment quality indices.

Use of information technologies – a targeted use of the internet possibilities for the promotion of export and investments (homepages of the central offices and embassies; proposals for improving the homepages of EXIM, LIAA and LCCI).

The use of the North Distribution Network (NDN) for commercial purposes – Latvia will continue working to achieve that the NDN is also used for sending non-military cargos to the regions of Central Asia. The initiative “The New Silk Road” will be actively supported for that matter and an international seminar organized in Riga on the specific aspects concerning the implementation of the given initiative.

International organizations

Latvia will actively participate in the work of international organizations with a view to ensuring efficient support to Latvian national interests.

Candidates to international organizations – MFA will continue the lobbying of the candidates from Latvia to international organizations, focusing on the elections to the UNESCO World Heritage Committee in 2013, the UN Human Rights Council in 2014 and the UN Security Council in 2025.

Human rights issues – work will proceed in international organizations, including the UN, OECD and EP, focusing on the defence of Latvia's interests in the field of human rights.

Cooperation with the diaspora

It is in Latvia's interests to develop specific proposals for promoting cooperation with the diaspora in foreign countries in order to maintain links with the nationals and facilitate their returning to Latvia in the long run.

Support to obtaining dual citizenship – MFA will continue rendering support to making amendments in the Citizenship Law that will provide for obtaining dual citizenship to the nationals, living abroad.

Development of proposals for cooperation with the diaspora in foreign countries – in 2012 MFA in cooperation with other state institutions, social and non-governmental partners will develop a comprehensive policy planning document for promoting cooperation with the diaspora abroad. Social media will be involved in facilitating the communication possibilities of Latvian nationals and fostering the belonging to a common virtual cultural space. MFA, in cooperation with the Association of Local and Regional Governments, will elaborate the most effective cooperation models for maintaining links between the diaspora abroad and the former local governments of the émigrés.

Embassy support to the diaspora – the diplomatic and consular representations in foreign countries will be involved in the self-organization processes of the diaspora by participating in their events and supporting the activities of the weekend schools.

Increasing the capacity of the Latvian Embassies in Ireland and Britain – the 2012 budget earmarks financing for additional staff units for consular duties. The Embassy in Ireland will continue focusing on the prevention of sham marriages.

Area of consular activities

Effectuating the tasks, defined in 2011

The Consular Department will be involved in the information campaigns on safe travelling.

The procedure of granting material assistance – applying the procedure of granting material assistance to Latvian nationals in emergency situations in foreign countries will be elaborated further.

Ensuring visa representation – enlarging the visa representation to include other countries of the Schengen Agreement will be actively continued, thus providing third country nationals with greater possibilities of receiving Schengen visas for travelling to Latvia.

Introducing e-service – work will proceed to achieve using of e-form in all the Latvian representations outside the Schengen area, as well as installing the e-service section on the electronic application system for submitting documents when applying for visas.

Promoting medical tourism – a medical tourism pilot project will be launched in cooperation with the Ministry of Health and the Ministry of the Interior, providing facilitation of visa issuance to third country nationals, arriving in Latvia for receiving treatment in medical establishments and using services of the traditional tourism.

More efficient issuance of the Schengen visas – the practice is to be continued of sending additional seasonal staff to the representations where a large number of visas are issued in summer and winter periods, thus increasing the revenue to the state budget.

Development cooperation

It is important for Latvia to be a responsible and a reliable partner that, irrespective of the impact of the financial crisis, within its capacity is involved in solving the global development problems and meets the liabilities it has undertaken.

Confirming of the new development cooperation policy guidelines (2011- 2015) – after assessing the political and economic criteria and involving the social partners in decision making, priority development cooperation regions will be confirmed in addition to the Eastern partnership countries.

Revival of the bilateral cooperation budget – in 2011 the revival of the bilateral development cooperation budget was achieved, providing for resuming project implementation in the priority partner countries of Latvia in 2012.

Public diplomacy

Effectuating the tasks, defined in 2011

The EU multi-annual budget, Presidency – in 2012 the communication priorities will be the drawing up of the EU Multi-Annual Financial Framework (accessibility to quality and systematic information), as well as the preparation for Latvia's Presidency of the EU.

Export promotion – interactive communication of Latvian ambassadors to foreign countries will be fostered with a view of explaining and implementing the activities of the Latvian Foreign Service for export promotion.

Projects in public diplomacy – the programme will be based on common communication about the preparation for Latvia's presidency of the EU and the activities of RIGA 2014, and on an integrated interpretation of the activities of the Latvian Foreign Service and the Ministry by involving the Latvian and international NGOs, the higher educational establishments of Latvia and the media.

Strengthening the diplomatic service

The Ministry of Foreign Affairs will develop a plan for strengthening the diplomatic missions in order to ensure Latvia's interests in a more efficient manner.

At the end of 2011 Latvia had 45 representations in foreign countries – 35 of them being embassies, 4 consular representations and 6 representations in international organizations.

The total budget for maintaining the representations constituted LVL 15.4 M in 2011, the projected sum of LVL 16M for 2012 (the increase of LVL 680 000 for the maintenance of the consular service).

Considering that the reduction of allocations from the state budget to all Latvian representations resulted in the reduction of financing and the staff without actually reducing the scope of work, in 2012 the Ministry of Foreign Affairs will elaborate a plan for the development of the diplomatic mission network in 2013-2014.

The Ministry of Foreign Affairs will continue supporting the involvement of diplomats in the European External Action Service and other international organisations, engaged in the priority directions of Latvian foreign policy.

