

OPINION OF CIVIC ALLIANCE - LATVIA REGARDING THE EUROPEAN COMMISSION RULE OF LAW REPORT 2025

1. Information on measures taken to follow-up on the recommendations received in the 2024 Report regarding the system of checks and balances

In response to the recommendation made in last year's Rule of Law Report to continue work on the establishment of a lobby register, no significant progress has been made this year. Although the Law on Transparency of Interest Representation entered into force in Latvia already in 2023, which also provides for the establishment of a register of interests and a declaration of interests system, no further process has taken place with the introduction of both systems. The Register of Interests would require all interest representatives and lobbyists to register, while the Declaration of Interests system would include details of all interest representation activities with public authorities. In 2024, the relevant regulations needed to be adopted to allow for the launch of the declaration of interests system and the register (originally planned to enter into force on 1 September 2025). Yet, the necessary rules were still not adopted in 2024. Furthermore, by the end of 2024, there is no single institution responsible for the progress of the law. Notably, on June 25th, the Cabinet of Ministers gave a task to the Parliament to identify the responsible institution that can fully ensure the supervision of the representation of interests in Latvia. However, the Parliament has not named a responsible institution by the end of 2024.

2. Framework, policy and use of impact assessments and evidence based policy-making, stakeholders' /public consultations (including rules and practices on the transparent participation of civil society to policy development and decision-making processes), and transparency and quality of the legislative process both in the preparatory and the parliamentary phase

In 2024, a number of positive changes were introduced, including the improvement of the Saeima (Parliament of Latvia) Declaration on the Development of Civil Society in Latvia and Cooperation with NGOs, the recognition of civil dialogue in the Government Declaration and its Action Plan, and the approval of targeted programmes for civil dialogue.

A positive event is that the Minister of Culture has appointed an advisor for cooperation with CSOs. The Minister of Culture has also committed to organising a civil dialogue meeting with CSO



representatives at least every three months to strengthen dialogue and create a platform for discussion on important issues. In 2024 one dialogue meeting took place.

During 2024 the new model of the [Memorandum of Cooperation between Non-Governmental Organisations and the Cabinet of Ministers](#) had been approved, yet not implemented. The new model provides for the Memorandum Implementation Council to be the central platform for civil dialogue and allows for the establishment of working groups to address civil society development issues, as well as for the organisation of an extended meeting of the Council at least once a year, with the participation of the Prime Minister alongside other ministers

On 22 February 2024, the Saeima approved a new [declaration on the development of civil society in Latvia to improve and modernise dialogue with civil society](#). The Declaration reinforces commitments such as mutual openness, cooperation and inclusive civil and social dialogue. However, in 2024, a number of decisions by the Parliament are regarded as contradicting the Declaration, for example 81 MPs voted against amendments to the Law on the Structure of State Administration that would have provided for more opportunities for public participation in the work of the Saeima.

In order to promote civic participation, a specific support programme for the implementation of civic dialogue has been launched in 2024 with ESF+ funding. The aim of the project is to strengthen the capacity of civil society organisations by improving civil dialogue at all stages of decision-making and thereby strengthening trust in the state.

On 7 May 2024, the annual forum of the Saeima and non-governmental organisations was held to discuss Latvia's future in a secure Europe, marking Latvia's 20th anniversary as a member of the European Union and NATO. The Saeima NGO Forum is an important initiative to promote cooperation between civil society and the Saeima and to develop the involvement of NGOs in legislative processes.

In 2024, the Cabinet of Ministers approved [rules on public participation in development planning](#), extending it beyond policy-making to reforms and budgetary issues. Citizens can initiate participatory processes and institutions must respond if opportunities are not provided. Renewed and standardised forms of participation, including innovative methods such as think-tanks to improve the effectiveness of decision-making. Unfortunately, the Parliament did not support the application of these provisions at the parliamentary level.

As of 1 September 2024, [the possibility for citizens to initiate government local referendums has entered into force](#). These changes are expected to ensure participation in local decision-making and to influence the work of the council in the interests of local citizens. The responsible



authorities are currently working on a solution to introduce an online electoral register to facilitate the voting process.

[The Whistleblowing and Whistleblower Protection Report 2023](#), published in 2024, revealed that 45 competent authorities (34 public authorities and 11 municipalities) received 386 applications in 2023, a 2% decrease from 2022. Of these, 106 were recognized as whistleblower reports (up from 99 in 2022).

In 2023, 4 criminal and 13 administrative proceedings were initiated based on whistleblower reports. Various checks were carried out in 38 cases, including inspections related to taxation, procurement, labor law, and occupational safety, while 53 cases prompted actions like departmental reviews, on-site inspections, and the formation of inspection commissions. Reports highlighted irregularities in areas such as tax payments, construction safety, corruption, and internal work environments, including wage issues, employee treatment, and public sector compliance (e.g., conflicts of interest and misuse of the national language). Data indicates no more than 9 cases of adverse consequences for whistleblowers in 2023. Whistleblowers played a vital role in ensuring accountability and the rule of law across various sectors.

However, in general, civil society participation in decision-making tends to diverge from the legal framework in practice, with the participation process often being demonstrative rather than meaningful.

3. Measures regarding the framework for civil society organisations and human rights defenders (e.g. legal framework and its application in practice incl. registration, transparency and dissolution rules)

The operating environment for civil society organisations in 2024 shows a slight decline compared to the previous year, yet there are also positive trends. During 2024, 952 new associations and foundations were founded and 266 were dissolved, bringing the total number of associations and foundations in Latvia to 27 513.

Amendments were made to the [Law on Associations and Foundations](#) which regulates the establishment and day-to-day operation of associations and foundations. These amendments are expected to facilitate greater participation of members, the board of directors and other stakeholders in the decision-making process of organisations, and to enable organisations to operate more efficiently by giving the right to organise the annual general members meetings online. A new classification of the fields of activity of associations and foundations was also

introduced, making the entry of the associations and foundations field of activity in the Register of Associations and Foundations compulsory. The classification of the fields of activity also was improved, adapting it to the specifics of the sector's activities. The adopted amendments to the Law on Associations and Foundations also provide for a simplification of the liquidation procedure and allow the Register of Enterprises and the State Revenue Service to exclude inactive organisations from the register. This significantly addresses the problem that the state-maintained registers contain a high proportion of organisations that have been inactive for a long time.

Although many stakeholder consultations took place, amendments to the Public Benefit Organisations Law have not been approved by the end of 2024. Although the drafting of amendments started in 2018, the amendments proposed by the ministry are not acceptable to CSOs and are even perceived as harmful to the sector and therefore have not been agreed upon.

The guidelines for the development of a cohesive and civically active society are being developed into implementation plans, and on 17 December 2024 the Cabinet of Ministers approved the "[Development Plan for a Cohesive and Civically Active Society 2024-2027](#)". The Plan promotes the development of a national, solidarity-based, open and civically active society through three action lines: national identity and belonging; democratic culture and inclusive citizenship; and integration.

Latvian civil society organisations raised the alarm and criticised the European Commission's proposal for a directive to regulate the representation of interests on behalf of "third countries" (as a part of the "Defence of Democracy Package"), which CSOs see as equivalent to the so-called "foreign agents" regulation. CSO pointed to concerns about threats to fundamental rights, possible discrimination, smear campaigns and stigmatisation of civil society organisations and stressed the need for a comprehensive impact assessment of the Directive. At the same time, the European Cross-Border Associations Directive was welcomed as facilitating the activities of non-profit organisations at EU level.

- 4. Rules and practices having an impact on the effective operation and safety of civil society organisations and human rights defenders. This includes measures to protect them from attacks – verbal, physical or on line –, intimidation, legal threats incl. SLAPPs, negative narratives or smear campaigns, measures capable of affecting the public perception of civil society organisations, etc. It also includes measures to monitor threats or attacks and dedicated support services, as well as available remedies**



The “Liberties Rule of Law Report 2024” about the state of democracy in the European Union notes that hate speech against civil society, organisations and rights defenders remains a problem in Latvia. Civil society organisations report being increasingly confronted with smear campaigns, especially in the digital environment. These campaigns often target vulnerable groups such as LGBTQ+ communities, refugees and ethnic minorities.

In 2024, the Ombudsman intervened against the methodological material for professionals working with children and young people "SENSOA Flag System: how to respond to sexual behaviour of children and young people" developed by the association working in sexual and reproductive health and rights "Papardes zieds". In his opinion, the Ombudsman stated that the methodological materials for identifying harmful sexual behavior contravened Latvian law. The Ombudsman recommends that the association "Papardes zieds" should not organise training for specialists in this method. By disregarding the principles of good governance and by not engaging in a dialogue with the association, the Ombudsman essentially questions the ability of professionals to be aware of the limits of their competence and to act in practice in accordance with Latvian law. This opinion of the Ombudsman shows a dangerous trend in Latvian society, when the responsible institutions want to question and control the work of professionals through regulation and legislation, creating insecurity and fear in both the state and non-state sectors to deal with any issue concerning the sexual and reproductive health of children and young people.

In Latvia, the first concrete attempts to regulate the use of AI in election campaigns were introduced in 2024. Amendments to the Election Campaigning Law, approved on 24 October 2024, require that election campaigns clearly and unambiguously indicate if artificial intelligence has been used in their creation - in images, audio or video content. The amendment also prohibits the use of automated systems to conduct electioneering through fake social media accounts.

The results of Civic Alliance – Latvia civic space report "[Līmenrādis](#)", highlight concerns about the spread of hate speech in Latvia's digital environment. There is also a polarisation of society, leading to harsher reactions and verbal attacks on both organisations and individual activists.

At the same time, it should be noted that on 27 February, when the International Day of Non-Governmental Organisations is celebrated around the world to highlight the work of organised civil society for the common good, to improve the quality of life of fellow human beings, and to ensure national development and sustainable peace, a new initiative was launched in Latvia - the Saeima Commissions Open Day. Around 100 people from nearly 60 different associations and foundations visited the Saeima.



Additionally, lack of funding forces regional and local media to suspend their activities, diminishing the voice of local media and not contributing to strengthening the information space against disinformation.

5. Organisation of financial support for civil society organisations and human rights defenders (e.g. framework to ensure access to funding, and for financial viability, taxation/incentive/donation systems, measures to ensure a fair distribution of funding)

Currently several causes, including the rapid inflation, the end of the funding period of the Active Citizens Fund (a grant programme of the European Economic Area and Norway), the lack of funding from the Swiss EEA Support Mechanism in Latvia and other factors create a significant gap CSO funding.

Although statistics show that funding for associations and foundations sector is growing in absolute numbers, this largely due to the rapid inflation. Furthermore, fewer associations and foundations report financial activity, therefore the already scarce funding is reaching fewer organizations. Meanwhile funding programmes such as the [NGO Fund](#) (one of the central funding sources for NGOs in Latvia) do not increase their funding per project in line with inflation (currently the total available funding is 2.5 million in a year). In 2024, more than a half of the submitted projects were rejected due to insufficient funding.

The European Economic Area and Norway Grants Programme "Active Citizens Fund", which has been a major source of funding for CSOs for the last years, ended in 2024. Yet, on 12th of September 2024, an agreement was concluded between the EU and Iceland, Liechtenstein and Norway on the implementation of the new EEA and Norway Grants financial period 2021-2028. The Civil Society Support Fund in Latvia will receive €9.88 million, yet the funds are expected to be received in 2025 the earliest, leaving a considerable gap in the CSO funding during 2024 and 2025.

The co-financing and pre-financing requirements for projects, especially large grants, are increasingly challenging, but there is no adequate programme in Latvia that can issue an eligible pre-financing for associations and foundations, as well as cover the co-financing part in cases where the association manages to attract foreign funding to the state budget.

The associations and foundations are still not satisfied with the procedures governing the distribution of EU funds in Latvia. Although the European Commission includes in its guidelines the need to include CSOs in the development and absorption of the Structural Funds budget



planning, decisions in Latvia are still often taken behind closed doors with minimal involvement of representatives of social groups, associations and foundations.

In the Recovery and Resilience Plan programme "Public interest monitoring of the use of foreign investment and public funding", the project "EU Fund Monitoring" is running in 2024. In this project, 7 Latvian associations and foundations represent the interests of civil society, monitor public administration decisions to ensure that the public interest is taken into account during the decisions about the spending of EU funds in EU Fund Monitoring Committees and that the implementation of EU funds becomes more transparent. In the first year of implementation, the project has already achieved a number of positive developments for the sector, including the accessibility of EU programme investments and the facilitation of ministerial consultations with CSOs on EU fund programmes.

CSOs draw attention to the legal uncertainty regarding the interpretation of the EU Financial Regulation and the Latvian national level interpretation of the risks of conflict of interest. In the Latvian context, the requirements of the EU Financial Regulation are practically unenforceable, as the interpretation of conflict of interest includes 'emotional ties' that people develop even as former colleagues, classmates, volunteers etc. The issue has not been resolved, although the Corruption Prevention and Combating Bureau, on behalf of Prime Minister Evika Siliņa, has formed a working group to work on amendments to the Law on Prevention of Conflict of Interest in the Activities of Public Officials. The Central Financial and Contracts Agency and the Ministry of Finance is in the process of developing guidelines summarising key information on the criteria for assessing the risk of conflict of interest, including the questions a person should ask when participating in an evaluation or approval position related to EU funding and obtaining the status of a public official.

Additionally, a very significant threat to the funding of associations and foundations in 2024 was the initiative of the Ministry of Finance to limit the possibilities of associations and foundations to carry out economic activities by proposing amendments to the Corporate Income Tax Law. The amendments stipulated that from 1 January 2025, associations and foundations without public benefit status would have to pay corporate income tax on their economic activities. Due to the high participation of associations and foundations during the public consultation, the Ministry of Finance announced that the amendments to the Law on Corporate Income Tax were suspended, promising to organise discussions and exchange of views with associations and foundations, examining alternative solutions.



6. If there have been developments related to initiatives to foster a rule of law culture, please specify, which (e. g. debates in national parliaments on the rule of law, public information campaigns on rule of law issues, contributions from civil society, education initiatives, etc.)

In 2024 Civic Alliance- Latvia has come up with a new initiative in Latvia and has developed a study "[Līmenrādis](#)" on Latvia's civic space in 2024. "Līmenrādis" is a monitoring report on Latvia's civil society and civic space that measures Latvia's civic space in seven key areas: freedom of association, freedom of assembly, freedom of expression, access to finance, right to participate in decision-making, resilience and capacity of civil society organisations, and the public image of civil society. The report assessed both the legal framework for civic space and its practical implementation in 2024 compared to 2023. The study used qualitative and quantitative research methods, gathering data from stakeholder surveys, expert focus groups and descriptive data on civil society provided by public authorities. Based on the results of the report, recommendations for public administration and civil society organisations have been developed. Civic Alliance – Latvia aims to establish a system that will regularly monitor the operating environment of civil society organisations and the rule of law.

In 2024, the Manabalss.lv online platform continued to increase its importance, becoming one of the most popular tools for the public to propose initiatives for legislative change in various areas. In total, 164 initiatives were published on Manabalss.lv in 2023 (out of 344 evaluated). In 2023, almost 60 000 new users joined the Manabalss.lv community (the total number of unique users of the platform is 513 866) and 701 081 citizens' votes were cast.

In 2024, the first year of the [Democracy Academy](#) initiative, a unique licensed programme aimed at strengthening civic competences in Latvian society, was completed. The Democracy Academy e-learning course was also finalised and is freely available to everyone. The e-course consists of a 36-hour curriculum to enable everyone to learn about democracy, the mechanisms of democracy in the state and local government and forms of civic participation, to strengthen civic competence, and to identify the opportunities and risks of democracy, at a time and place convenient to them.