APPROVED by Minister of Foreign Affairs of the Republic of Lithuania Order No. V-554 of 27 December 2021

STRATEGIC DIRECTIONS FOR DEVELOPMENT COOPERATION 2022–2025

Aim and objectives

The Strategic Directions for Development Cooperation of the Republic of Lithuania is a document aimed at establishing the planning and management conditions for a more coherent, rational and sustainable development cooperation policy.

Development cooperation must become a priority area of Lithuania's foreign policy. Lithuania aims to become one of the most active countries in the area of development cooperation in the region. Lithuania's efforts to find solutions to global and regional problems will not only allow it to contribute to the implementation of the UN 2030 Agenda for Sustainable Development, but also to actively build partnerships and find new mechanisms for the implementation of development cooperation.

In order to increase targeted support for the development of democracy and freedom in the European Union (EU) neighbourhood and beyond, to strengthen Lithuania's involvement in the formulation and implementation of international development cooperation policy, with a view to moving as quickly as possible towards the provision of financial support for development cooperation in line with international commitments, and, accordingly, to strengthen the development cooperation potential of Lithuania's foreign policy, to make every effort to ensure that the potential of development cooperation policy is used for the benefit of the Lithuanian people through the joint efforts of all actors in Lithuania's development cooperation architecture, and the establishment of these strategic directions helps to identify a list of partner countries and regions and thematic sectors where development cooperation policy implementers will focus on the implementation of the largest possible number of long-term, large-scale programmes with a high level of financial resources, aimed at delivering tangible results in specific areas.

Development cooperation formats

Development cooperation is conducted in bilateral and multilateral formats.

Lithuania's **bilateral development cooperation** aims to leverage its experience and potential in the partner countries for mutual benefit: to effectively share its experience with the EU's Eastern Partnership countries, to disseminate it to other regions undergoing transformation, to develop economic ties and to strengthen the country's image.

In the context of **multilateral development cooperation**, Lithuania has consistently strengthened its cooperation with the EU institutions, the UN, the OECD, the World Bank and other international organisations, international financial institutions and foundations coordinating global efforts to support developing countries. Lithuania's increased involvement in development cooperation can be attributed to its membership in the OECD Development Assistance Committee.

Geographical areas of development cooperation

The **priority geographical areas of Lithuania's development cooperation** are the EU's Eastern Partnership countries, the Middle East, Central Asia and Africa.

The freedom and democracy agenda is one of the key principles of Lithuania's foreign policy. Lithuania is an important agent of change in the expansion of freedom and democracy in the EU neighbourhood and beyond. Supporting and promoting democratic institutions and civil society is a priority for Lithuania in the EU Eastern Partnership countries. Lithuania's development cooperation activities in the Eastern Partnership countries are based on geographical, historical, economic and cultural links, Lithuania's familiarity with the political system, economy, social and cultural peculiarities and specific problems of the Eastern Partnership countries. The Eastern Partnership mechanism has shown its effectiveness, and Lithuania's systematic efforts in this direction have yielded undeniably important and good results. Lithuania, with its experience in democratic governance and implementation of reforms, aims to ensure the transfer of good practices and faster adoption of EU standards to the four EU Eastern Partnership countries that have signed Association Agreements with the European Union, namely, Moldova, Georgia, Ukraine and Armenia, which has signed the EU-Armenia Comprehensive and Enhanced Partnership Agreement (*CEPA*). Lithuania will support the implementation of these agreements and related reforms and will cooperate fully with these countries as they seek closer integration with the EU.

Support for the people **of Belarus** remains a major focus of attention in Lithuania. Lithuania strongly supports the people of Belarus in their struggle for democratic change. The call to take advantage of the EU's Eastern Partnership and the EU's reform and support offers to democratic Belarus will always be valid if the country is consistent in its democratic principles and democratisation processes.

Development cooperation with individual countries in the Middle East and Central Asia will be developed in line with foreign policy priorities and taking into account the experience of Lithuania's public sector, business and civil society organisations.

Lithuania will step up its development cooperation activities **in sub-Saharan Africa**. The focus will be on the countries and regions that stand out for their demographic development, existing political and economic strength and/or future potential, which must be harnessed for bilateral cooperation and mutual support in international organisations. Lithuania's development cooperation policy priorities in Africa are formulated taking into account the capacity of the Lithuanian public and business sector and public organisations to engage in the practical implementation of programmes and projects funded by the EU delegated cooperation and other international donors, allocating a share of co-financing funds for this purpose, and assessing the long-term political and economic returns to Lithuania of such engagement.

Lithuania's support to partner countries is also based on the need to expand the geography of trade and investment, focusing on countries where the best results for Lithuania and partner countries can be expected. Lithuania's assistance to developing countries in building more inclusive societies would strengthen the economies and human right protection in the partner countries, and help the development of civil societies. *Ad hoc* cooperation in the partner countries would allow Lithuanian public and private sector representatives to assess the situation in a particular sector in a partner country in a timely manner and to propose the most effective solution, which would lead to long-term mutually beneficial bilateral relations.

Thematic areas of development cooperation

Lithuania's development cooperation is **based on the Freedom and Democracy Agenda**, the **transfer of experience in implementing reforms**, and the **Sustainable Development Goals of the UN's 2030 Agenda** in developing countries, priority partner countries, with a focus on these Sustainable Development Goals:

Quality Education (Goal 4); Gender Equality (Goal 5); Affordable and Clean Energy (Goal 6); Climate Action (Goal 13); Peace, Justice and Strong Institutions (Goal 16); Partnerships for the Goals (Goal 17).

It will also support development cooperation in areas such as digitalisation, empowering women and girls and fighting corruption, in order to bring about structural change in the partner countries.

Financing and methods of carrying out development cooperation activities

Development cooperation policy is financed from budget appropriations approved for the Ministry of Foreign Affairs, other state and municipal institutions and bodies, as well as other funds. In implementing EU and other international official development assistance (ODA) agreements, Lithuania seeks to increase its ODA in line with the country's financial capacity.

<u>The focus will be on co-financing of the implementation of EU and other international donor programmes</u>—this must become the main modalities for delivering development assistance. However, the future will not see the abandonment of well-established and tried and tested mechanisms for financing development cooperation activities.

The aim would be to allocate 2/3 of the total budget to the EU's Eastern Partnership countries, with a third evenly distributed between Africa, the Middle East and Central Asia, with flexibility to adjust the proportions according to project needs.

Improving existing financing processes and making more effective use of existing or emerging instruments is not enough to ensure adequate financing for development cooperation activities. It is essential to establish an effective financing mechanism for development cooperation to attract private sector funding. Encouraging the involvement of the business sector and private individuals in development cooperation initiatives through voluntary financial contributions or services is an important prerequisite not only to increase the funding allocated to development cooperation, but also to involve the public in development cooperation activities and to raise awareness of the benefits of these activities among the Lithuanian population.

Broader involvement of all actors in the development cooperation architecture

The efforts of the Lithuanian state institutions to increase development cooperation activities are inseparable from the broader involvement of all actors in the development cooperation architecture. More effective use of the competences, experience and contacts of the public sector, business enterprises and associated organisations, and civil society organisations in individual countries and regions would strengthen Lithuania's potential as a donor country, and improve the competences and operational capacities of all participants in Lithuania's development cooperation architecture. Regular exchange of information, more effective use of existing institutional capacities, and improvement of organisational and funding mechanisms would allow for better identification of potential areas of cooperation, alignment of geographical and thematic interests, modalities and mechanisms of action.

Strengthening the dissemination of information on development cooperation activities

In order to make the best use of the human and financial resources available for development cooperation activities, it is necessary to strengthen and improve public awareness of Lithuania's international development cooperation commitments and the benefits to society, as this would help to strengthen and secure long-term public support for development cooperation activities.

In order to increase the visibility and development of bilateral relations and to improve Lithuania's image abroad, it is necessary to strengthen Lithuania's strategic communication on development cooperation, to raise awareness of Lithuania's development cooperation activities among foreign institutions, the non-governmental sector and international partners.

Annexes

National and regional strategies constitute an integral part of these Strategic Directions, based on national foreign policy objectives and aligned with the EU's activity directions: Development Cooperation Strategy of the Republic of Lithuania for Africa 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Armenia 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for the Middle East 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Moldova 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Moldova 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Georgia for 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Ukraine 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Ukraine 2022–2025; Development Cooperation Strategy of the Republic of Lithuania for Ukraine 2022–2025;