

## **Cross-sectoral and multi-level policy coordination in Latvia**

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Key societal challenges are cross-sectoral and do not correspond to administrative structures. Latvia as a small transition economy in a globalised world faces a challenge to make its government small and efficient. Policy coordination is one of the ways to achieve that as smooth policy coordination enables synergy or at least prevents overlapping and conflicts of sector policies. A promising solution also is to decentralise policy planning to the regional and local levels. It is proposed that being closer to the actual people and businesses enables them to act in a more coherent, flexible and focused manner.

The goal of this paper is to analyse the current trends and future prospects of the cross-sector and multi-level policy coordination in Latvia. The methods used are document analysis (research papers, policy papers), a survey of professionals in sectoral ministries on the cross-sectoral and multi-level policy coordination in Latvia, as well as a participant observation of the regional policy planning and cross-sectoral policy coordination from 2008 to 2010.

Since Latvia joined the EU in 2004 new trends in territorial planning have emerged. Top-down approach with subsidies as the main tool is gradually replaced by a more bottom-up version that supports local initiative. However, further expansion of bottom-up planning presents a threat to sectors and their stakeholders which have attained and reproduced a specific balance of power. In January 2011 we surveyed 40 officials in sectoral ministries to find out their views on cross-sectoral and multi-level policy coordination. The survey included questions on the importance of cross-sectoral policy coordination, on the usefulness of the instruments of policy coordination (both formal and informal), on the preferable ways to coordinate sector policies in the medium-term, on the necessity and capacity to involve regional and local level in sector policy planning, as well as on the possibilities to decentralise policy making to regional and local level.

Taking into account the results of our research, we suggest that Latvia should focus its policy coordination efforts on enhancing policy coordination in particular areas, which are especially important for the future of Latvia. A limited number of domains to coordinate will increase the probability of success. Financial motivation of policy coordination is a crucial precondition as it counteracts distributive interests of sectors. Therefore EU financing could be allocated to cross-sectoral and multi-level programmes or projects, which require close cooperation of ministries, planning regions and the municipalities. Especially the role of planning regions in policy coordination should be strengthened, as their planning capacity is assessed much higher than the planning capacity of local municipalities.