



We meet for the **28th** time
at the **HIGH COUNCIL MEETING**
of the Foreign Investors Council in Latvia

27th of September 2024 | Riga, Latvia

40 CORPORATE MEMBERS:



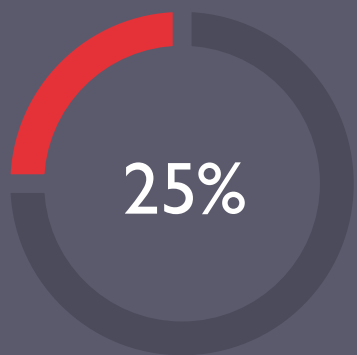
11 ASSOCIATE MEMBERS:



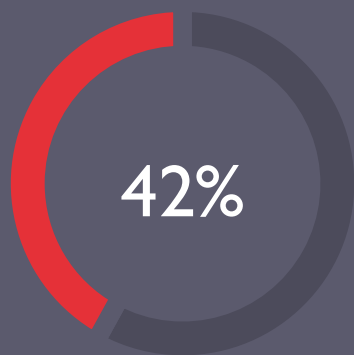
THE NUMBER OF COMPANIES ABOVE 145K EUR TURNOVER AND 50% FOREIGN CAPITAL (MAJORITY)

2986

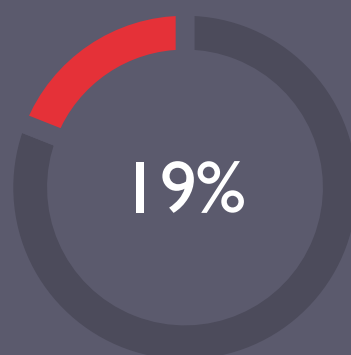
OR 1/60 OF TOTAL NUMBER OF COMPANIES IN LATVIA



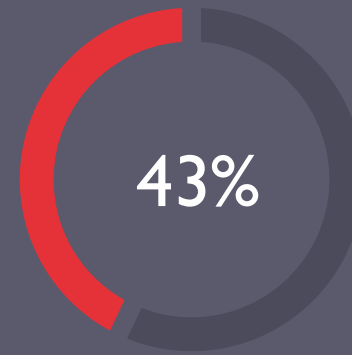
OF TOTAL
SOCIAL TAX



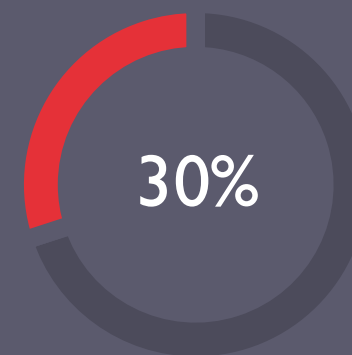
OF TOTAL
TAXES PAID



OF TOTAL
WORKFORCE



OF TOTAL
TURNOVER



OF TOTAL
PROFIT

6 NEW POSITION PAPERS FROM FICIL

ECONOMIC DEVELOPMENT OF LATVIA FOR ALL



HUMAN
CAPITAL



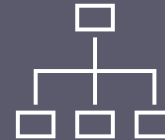
INVESTMENT
PROTECTION



SUSTAINABLE FOR THE
FUTURE



COMBATTING SHADOW
ECONOMY



FUTURE PUBLIC
ADMINISTRATION

WHAT WAS DISCUSSED DURING THE PREVIOUS HIGH COUNCIL?



COMBATTING
SHADOW
ECONOMY



HUMAN CAPITAL
SYSTEM MANAGEMENT



CLEAR PLAN TO
IMPLEMENT
EU GREEN DEAL



DIGITAL
TRANSFORMATION



INCREASING
INVESTOR
TRUST IN LATVIA

THE KEY AREAS OF CONCERN REMAIN THE SAME

Latvian economy forecasts for 2024 see improvements

Share

2024

Latvia's industrial production up slightly in July

Share



EU funds make a big difference to Latvia's budget balance

The first half of 2024 saw Latvia's consolidated general budget with a surplus of 604 million euros compared to a deficit of 137.7 million euros in the same period a year ago, according to information published by the Ministry of Finance August 1.

Study: Innovative technologies could boost Latvia's electricity grid capacity by 40%

Share

IMF Executive Board Concludes 2024 Article IV Consultation with the Republic of Latvia

September 10, 2024
Listen with 0:00 5:57

Washington, DC: The Executive Board of the International Monetary Fund (IMF) concluded the Article IV consultation with the Republic of Latvia and endorsed the staff advisory note (SAN) on the country's economic situation.

The Latvian economy contracted with significant disinflation. After the post-pandemic recovery, growth contracted by 0.3 percent in 2023, due to tighter financial conditions and weak external demand. Headline inflation declined to 0.0 percent y/y in May 2024. However, core inflation still stood at 3.1 percent in April 2024. The final sectoral accounts have not been released, with high risks being elevated. Fiscal balance in 2023 was stronger than expected, reflecting revenue buoyancy linked to import contraction and expenditure under execution. The current account deficit narrowed to 4 percent of GDP in 2023 from 4.8 percent in 2022, due to import contraction and lower energy prices. Russia's war in Ukraine and the related geoeconomic fragmentation are adding to structural challenges amid multiple transitions, notably, climate change and energy, and aging and labor shortages. The economic consequences of Russia's war in Ukraine continue to depress private investment and productivity, thus compromising further Latvia's lagging income convergence.

COMPARED TO THE PREVIOUS YEAR, HOW SIGNIFICANT HAS BEEN THE CHANGE?

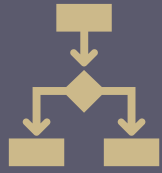
Municipal finances doing poorly, says head of association

Share

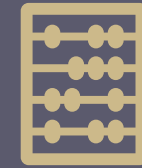
New tank facility opens at Ādaži military base in Latvia

REIK Panorāma





DIGITALISATION OF
THE PUBLIC SECTOR



TRANSPARENCY AND
EFFICIENCY OF THE STATE
REVENUE SERVICE



LEGISLATION FOR
INVESTMENT PROTECTION
AND COURT EFFICIENCY



COMBATING THE SHADOW
ECONOMY

Minister of Economics Viktors Valainis and representatives from the Investment and Development Agency of Latvia (LIAA) have met with entrepreneurs set to participate in a trade mission to the USA, led by the President of Latvia and Minister of Economics, from September 16 to 24. More than 60 companies will take part, [reports Labs of Latvia](#).

“Such a large business delegation has never traveled to the USA before. I am confident that during this visit, we will succeed in attracting investments of at least 1 billion euros, which will have a noticeable impact on the Latvian economy within the next 3 to 5 years. I also believe that, largely due to this visit, Latvian exports to the USA will double within that timeframe,” Valainis said during the introductory event – bold predictions that many will no doubt note for future reference.

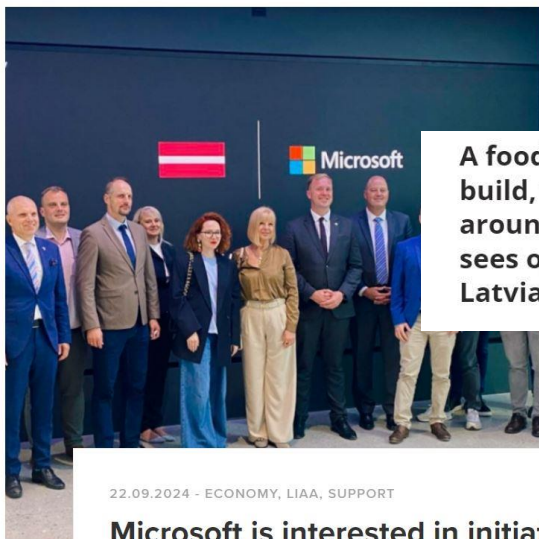


Latvia makes pitch for microchip manufacturing role

Latvia has a chance to be integrated into global microchip manufacturing chains and the Ministry of Economics is ready to provide support to make this happen, reports Labs of Latvia.



Latvia welcomes new investment in Bioeconomy. Latvian Prime Minister Evika Silina welcomes new investment by the Estonian company Fibenol supporting the project implementation in Latvia.



A food protein plant, which US and UAE investors have invested €16 million to build, will start operating in Liepāja in the next few days. With plans to process around 50,000 tonnes of pea and bean protein a year, the Rural Support Service sees opportunities for Latvian farmers to expand the production of these crops, Latvian Television reported on June 21.

22.09.2024 - ECONOMY, LIAA, SUPPORT

Microsoft is interested in initiating discussions to establish an AI Center of Excellence in Latvia

Renewable aviation fuel project launched in Liepāja

At its meeting of February, the Cabinet of Ministers approved the support program of the Recovery Fund (AF), so that Latvian companies and research organizations can develop large-scale projects of common interest important to Europe (IPCEI).

The Cabinet of Ministers decided at the end of August to increase support for small and medium-sized enterprises (SMEs) by more than 11 million euros for export promotion, [reports Labs of Latvia](#).

19.09.2024 - ECONOMY, ICT, LIAA

Latvian Business Delegation Explores Cooperation with Meta and Google in San Francisco





HUMAN CAPITAL
DEVELOPMENT



PUBLIC SECTOR
MODERNISATION



ENERGY MARKET
TRANSPARENCY AND
EFFICIENCY



STATE-OWNED ENTERPRISE
PERFORMANCE IN SECTORAL
DEVELOPMENT

67% OF INVESTORS
STILL PLAN TO INVEST IN
LATVIA...

BUT

THEY DO NOT SEE A REAL
COMMITMENT OF THE
GOVERNMENT TO A CHANGE!



LATVIA AS AN INTERNATIONALLY RECOGNISED INNOVATION HUB BY XXXX (year), POWERED BY 3 S:



SMART TECHNOLOGIES AND SMART PEOPLE



SUSTAINABLE:
FORWARD-LOOKING SOLUTIONS THAT ARE BOTH ECONOMICALLY VIABLE AND ENVIRONMENTALLY FRIENDLY



SOCIAL DIALOGUE:
COLLABORATION THAT LEADS TO CO-CREATION OF SOLUTIONS AND FOSTERS A POSITIVE AND PRODUCTIVE ENVIRONMENT



DIFFICULT DECISIONS MAKE FOR REAL CHANGE!



▶ BE BOLD, AMBITIOUS AND TAKE UNPOPULAR, BUT NECESSARY DECISIONS!
CREATE A SEPARATE DEFENSE FUND!



▶ ADDRESS THE HUMAN CAPITAL-RELATED CHALLENGES WITH EFFECTIVE
EDUCATION/TRAINING, MIGRATION POLICIES!



▶ TRANSFORM THE PUBLIC SECTOR TO MAKE IT EFFICIENT AND EFFECTIVE!
ENSURE A TRANSPARENT AND RELIABLE LEGAL FRAMEWORK!



▶ UTILISE OPPORTUNITIES OF THE GREEN TRANSITION AND CONTINUE
COMBATTING THE SHADOW ECONOMY!

“Change will not come if we wait for some other person or some other time.

We are the ones we’ve been waiting for.

We are the change that we seek.”

Barack Obama



THANK YOU!