

Access to EU market

450 Million people

Capital: Riga

Population: 1.9 million

Language: Latvian

GDP: EUR 43.0 B (2025)

Latvia's GDP per capita growth since independence: 2× the EU average

Unemployment: 6.9% (2025)

Average salary: 1'815 EUR/month (gross)

Defence budget: 4.91% of GDP (2026)

Ratings: S&P Credit A, Moody's A3

In 2025 – Joined UN Security Council

Latvia is among a group of only 20 nations that are members of all major international organisations:



Investment Drives Growth

Latvia's economic growth is reflected in its record investment results. In 2025, **31 new projects** supported by the Investment and Development Agency of Latvia (LIAA) **exceeded €1 billion in value** and **created 1,350 jobs** - the highest annual total to date.

Meanwhile, **foreign direct investment rose by €700 million** in the first three quarters, underscoring Latvia's strong global competitiveness.



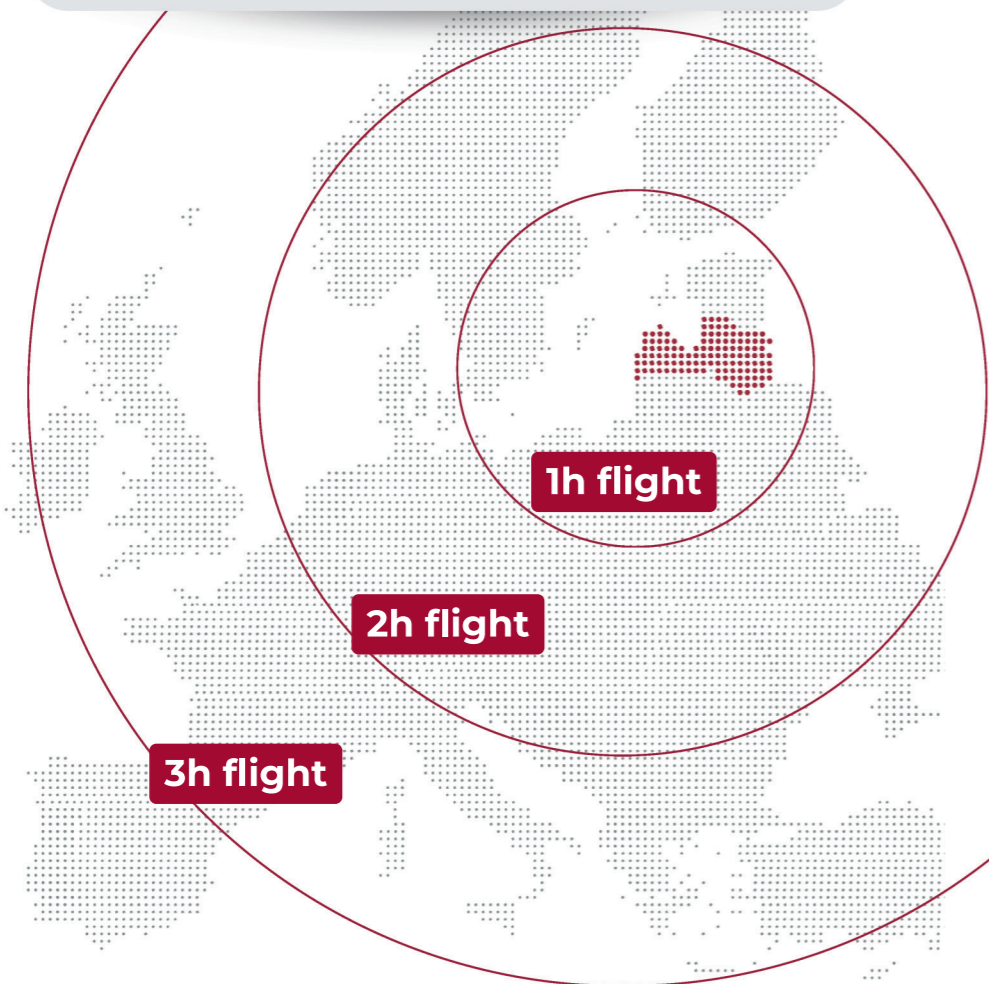
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The Investment and Development Agency of Latvia acts as the primary contact point for cooperation and partnerships

Latvia = European state with a fast-growing economy



Latvia for Business: Open, Fast, Competitive

1st in the Corporate Tax Rate Index
Tax Foundation, 2025

2nd in the International Tax
Competitiveness Index
Tax Foundation, 2025

0% Corporate income tax on reinvested profit

4th in the EU for share of renewable energy
and consumption with over 50% from renewable sources
Eurostat, 2025

96% Public services for businesses are digital
EU average - 86%

5 Special Economic Zones with
80-100% tax discount




Superior connectivity

 **Most connected logistics hub in the Baltics**
Densest transport and logistics network

 **Riga Airport – largest and most-connected in the Baltics**
Regional air hub with 100+ destinations, RIGA: 7,1 million passengers (2025)

 **Road & rail connections**
Quick access to Europe, Scandinavia, and Asia

 **3 ice-free ports**
Handling 1/3 of all cargo on the EU's Eastern Baltic coast

 **Rail Baltica**
Will connect the Baltics to Europe with fast, green rail.

Talent pool

54% of all researchers work in the higher-education sector - the top share in the European Union
Eurostat, 2025

22% STEM students in Latvia
Central Statistical Bureau of Latvia, 2025

95% speak a foreign language
150 nationalities and 38% of the population is represented by minorities

43% of general management positions in Latvia are held by women, second highest share in the EU
Eurostat, 2026

Latvia welcomes investment and collaboration in key sectors

Defence and Dual use

With defence spending at 4.91% of GDP, NATO member Latvia ranks among the Alliance's top contributors. The country is a leader in defence innovation, notably through its role in the Drone Coalition for Ukraine. Latvian companies benefit from access to DIANA funding, supporting advanced technology development. Government policy promotes the localization of dual-use products, integration into local supply chains, and cost-efficient production.

Photonics, Smart materials and Electronics

Latvia has niche expertise in photonics, optics and precision engineering, particularly in laser technologies and optical components, supported by collaboration between research and export-oriented companies. The sector includes smart materials, electronics and semiconductor design, with strong R&D, skilled talent and access to EU funding, enabling scale in global high-tech markets, including the US.

Knowledge-based Bioeconomy

Biotechnology is essential for transforming agricultural, forestry and fisheries by-products, particularly biorefining. In Latvia, the establishment of a biorefinery ecosystem is spearheaded by the use of innovative sunburst technology to process local wood resources. As an exporter of food products, Latvia is enhancing its food processing capabilities with a focus on innovation. Its next strategic move involves the development of a state-of-the-art bioeconomy protein plant (ASNS Ingredient) and innovative bioactive solutions.



Biomedicine, Medical Technologies & Pharmacy

In Latvia, this sector is emerging as a hub for precision medicine, driven by strengths in big data analytics, biomarker discovery, and personalised treatment solutions. Built on a strong pharmaceutical legacy, it offers capabilities in drug discovery, development and manufacturing. Key areas include biomaterials, microbiome research, and telemedicine. Innovations span organ-on-chip systems, biomimetic spider silk, AI-enabled and data-driven clinical research solutions, and VR training, supported by leading research institutions and cost-efficient, high-specification research clean room infrastructure in Europe.

IT & Technology

Latvia offers an investment-ready environment for software development, digital services, fintech and applied AI. Strong public digitalisation, reliable connectivity and a compact innovation ecosystem support technology growth, while close links between business, universities and the public sector strengthen innovation and access to European markets.

Smart Energy

Latvia's offshore wind potential, estimated at 15-16 GW, opens up opportunities for offshore wind parks, hybrid parks, BESS, and EnergyTech development, ranging from storage to offtake, including a hydrogen backbone initiative in the Baltic Sea and the development of Sustainable Aviation Fuel projects in Latvia. Technological advancements include specialized nano-coatings for hydrogen storage and a world-leading, robot-enabled wind turbine maintenance and inspection service, positioning Latvia as a potential energy hub.