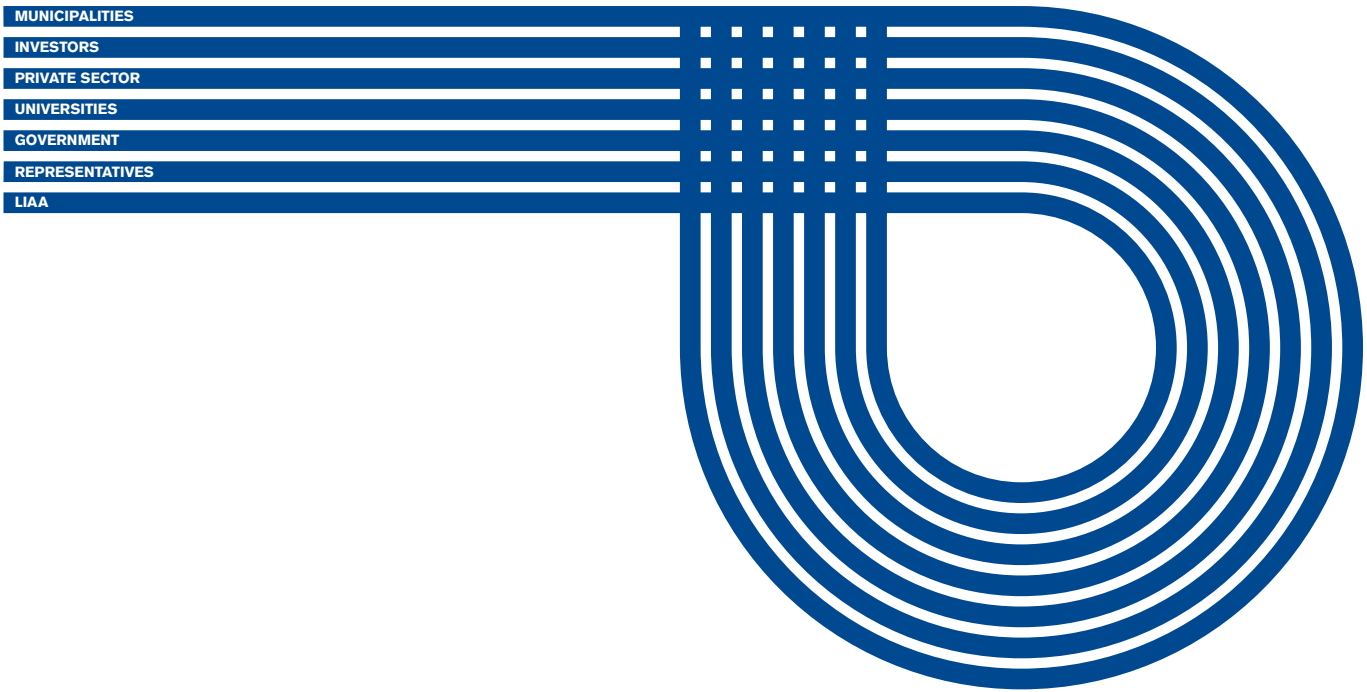


sector 02

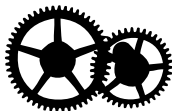
## **METALWORKING, MACHINERY AND ELECTRONICS**

# INVEST IN LATVIA WITH POLARIS

## THE POLARIS PROCESS



The **POLARIS process** is an investment strategy focused on the economic growth and development of Latvia. The strategy is based on **the alliance between the public sector** including national and local governments, **the private sector** covering national and international companies, **investors** willing to invest in Latvia, and finally, major Latvian **academic institutions** incorporating the main universities and research institutions.



# THE POLARIS PROCESS IN DETAIL

## What is POLARIS?

The **POLARIS process** is an **investment strategy** aimed to promote investment in Latvia and facilitate the growth of the Latvian economy. The **strategy focuses on the alliance** between three major stakeholders: public, private and academic sector organization.

The POLARIS process was developed after 3 years of researching world economic trends, the abilities of national and local authorities, the potential of research organisations, and companies located in Latvia. In addition to developing the methodology to align the actions of all stakeholders, the research identified key sectors where Latvia has unique selling propositions to foreign direct investors.

The primary focus of the strategy is the cooperation between stakeholders and to identify specific tasks for the involved parties in order to ensure the most effective work for the investors. This process determines **a methodology guaranteeing** that whenever an investor wants to invest in **Latvia's key sectors**, one can easily become an active part of the POLARIS process and use all the benefits provided.

Although the respective services have been provided by the governmental and municipal institutions before the POLARIS process, never have these services been ensured to this extent or with such integrity. The POLARIS process integrates the high-level governmental institutions, municipalities, universities, industrial associations and private companies into a harmonized system.

The solid history and existing **competence of Latvian universities and research institutions** constitutes an integral part of the POLARIS process. The **specific sector knowledge** coupled with the alliances among the public, private and academic sector creates an **essential economic advantage**. Consequently, these competencies and alliances will be applied to all the investment projects.

The POLARIS process does not end once the investor decides to go forward with the investment. The LIAA with allied partners will provide the necessary assistance in knowledge management for respective sectors, project management support, and project implementation support in later stages.

The POLARIS process is a tool to be used by foreign direct investors who are looking for something beyond a low-cost investment. A location such as Latvia, an alliance between sectors and knowledge make for a **fast launch of an investment project**. This is an ongoing strategy. It ensures the establishment of a long-lasting relationship with investors. The POLARIS process has been designed for successful implementation, allowing for all the aforementioned objectives to be achieved.

## How to get involved?

The first step is to contact the LIAA and confirm your interest in smart investments. Considering the expressed interest, the LIAA will then assign you a POLARIS investment advisor who will provide guidance and support throughout your investment.

## What are the costs?

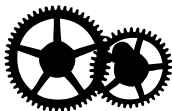
The costs are included in the current budgets of the involved stakeholders and do not require any additional expense for the investor. Moreover, all available business incentives and tax reliefs are made available, demonstrating the strong commitment of the governmental institutions and the LIAA.

**The alliance between the 3 aforementioned sectors is one-of-a-kind** and it guarantees investors a smooth integration process that will enable an efficient investment process. You are invited to become a part of the POLARIS process and find out how it can benefit your company.

**The POLARIS process – smart approach to investments in Latvia!**



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Twitter: @LIAAglobal



# METALWORKING, MACHINERY AND ELECTRONICS SECTOR AT A GLANCE

The metalworking, machinery and electronics sector in Latvia has a long tradition of excellence and is extremely well-known. Latvian technology has remained at the forefront of innovation since the beginning of the 20th century. In the 1930's, the smallest photo camera in the world was developed in Latvia and revolutionized the industry at the time. Today, the sector has a broad base of strengths ranging from basic metals to electronics and medical instruments, all of which are shifting to highly sophisticated production processes.

The metalworking, machinery and electronics sector is one of the largest in manufacturing in terms of added value in Latvia. This sector has experienced extremely high growth in added value and a large gain in productivity during the last years. At the present time, the sector benefits from an available and highly qualified workforce.

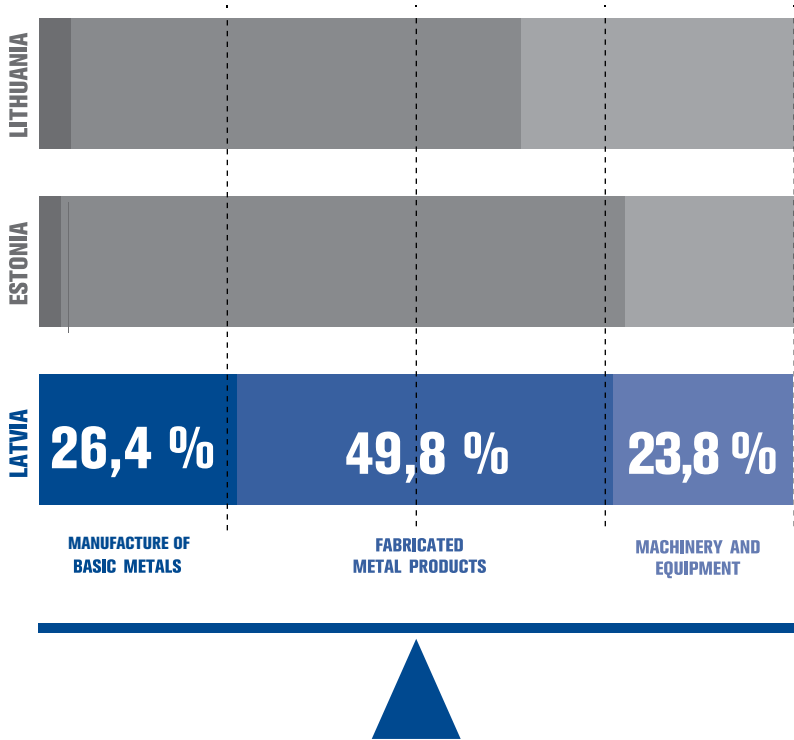
The prosperity of the sector is also reflected on the highly developed export market. The sector contributed extremely to exports during the 2003-2008 period, mainly exporting to its neighbors but also to very sophisticated markets such as Germany and Scandinavia.

Latvia is leading the sector in terms of investment rates and labor competitiveness in all subsectors. This fact has enabled it to consistently grow. The strongest subsectors are, without a doubt, metal products and machinery and equipment. Latvia is highly specialized and competitive in these areas. It has an excellent infrastructure and availability of qualified workforce to produce metal coating systems and also cars, trailers, and other transportation vehicles.

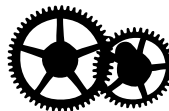
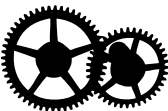
# KEY FIGURES

## A VERY BALANCED SECTOR

Distribution of value added by subsectors  
Source: Eurostat SBS (2010)



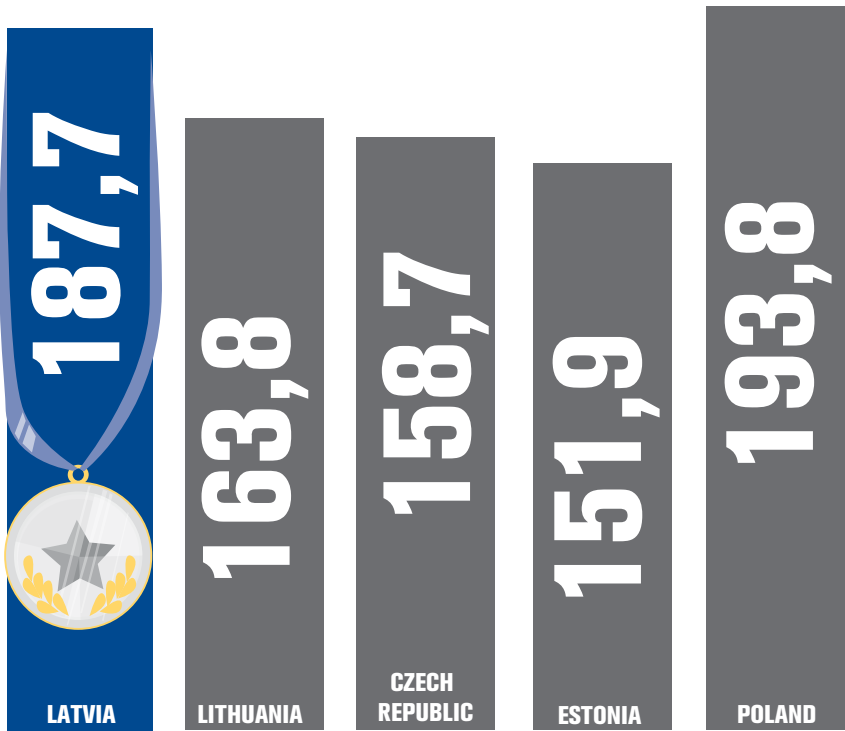
**A very balanced sector:** We guarantee maturity and expertise in all the subsectors, assuring a reliable flow of materials along the supply chain. A manufacturer looking for balanced distribution among the 3 subsectors, raw materials, intermediate facilities and high value-added, will find Latvia to be a perfect partner. Latvia is the ideal place to invest in the metalworking, machinery and electronics sector.



# KEY FIGURES

## HIGHLY COMPETITIVE LABOR FORCE

Wage adjusted labor productivity as value added divided by personnel costs times 100 (2010)  
Source: Eurostat SBS

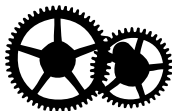


Ranked #3 in electronic subsector



Ranked #3 in metalworking

**Highly competitive labor force:** Latvia is ranked 4th overall in regards to wage adjusted labor productivity in the metalworking, machinery and electronics sector. We offer internationally competitive human resources at all levels of expertise at very competitive costs. Latvia is competing head to head with countries that have a long tradition of metal manufacturing and mechanical engineering. This competitiveness is demonstrated by an extremely competent, productive and stable workforce that is expected to grow.



# KEY FIGURES

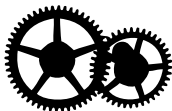
## HIGH INVESTMENT RATE IN METALWORKING

Investment rate (investment/value added at factors cost) (2010)  
Source: Eurostat SBS



Ranked #4 across Europe in fabricated metal products

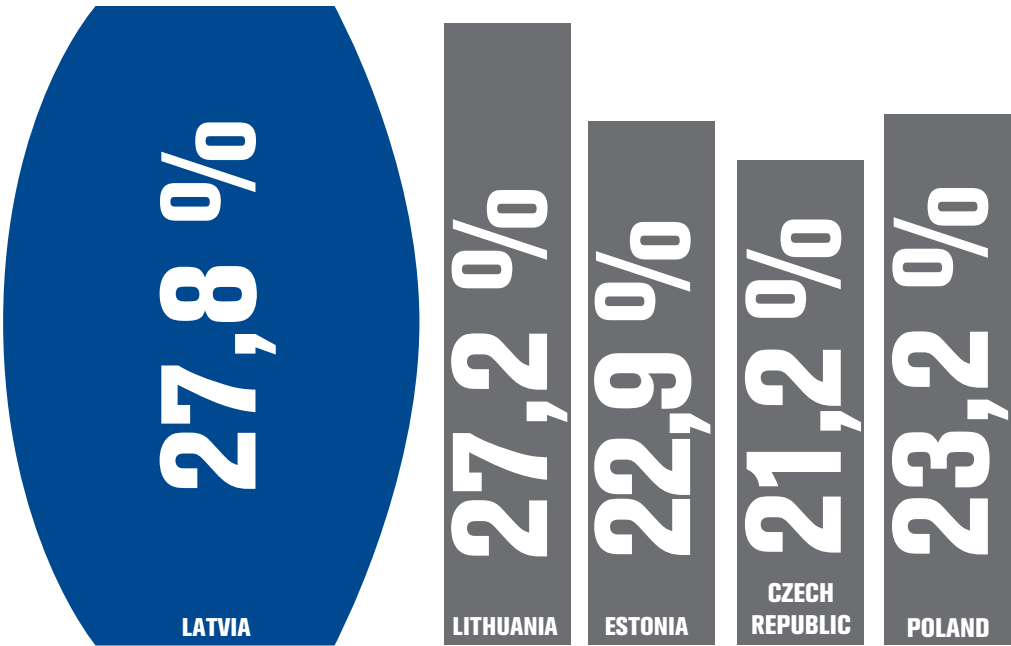
**High investment rate:** We are very committed to growing in this sector. These investments go towards increasing productivity and capacity. This contributes to a very productive and sophisticated economy. We are at the cutting edge of innovation. In the end, what this demonstrates is that we are fully committed to this sector and have total confidence in its future.



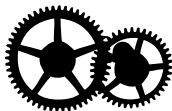
# KEY FIGURES

## HIGH LEVEL OF SPECIALIZATION

Value added at factor cost in production value  
Source: Eurostat (2010)



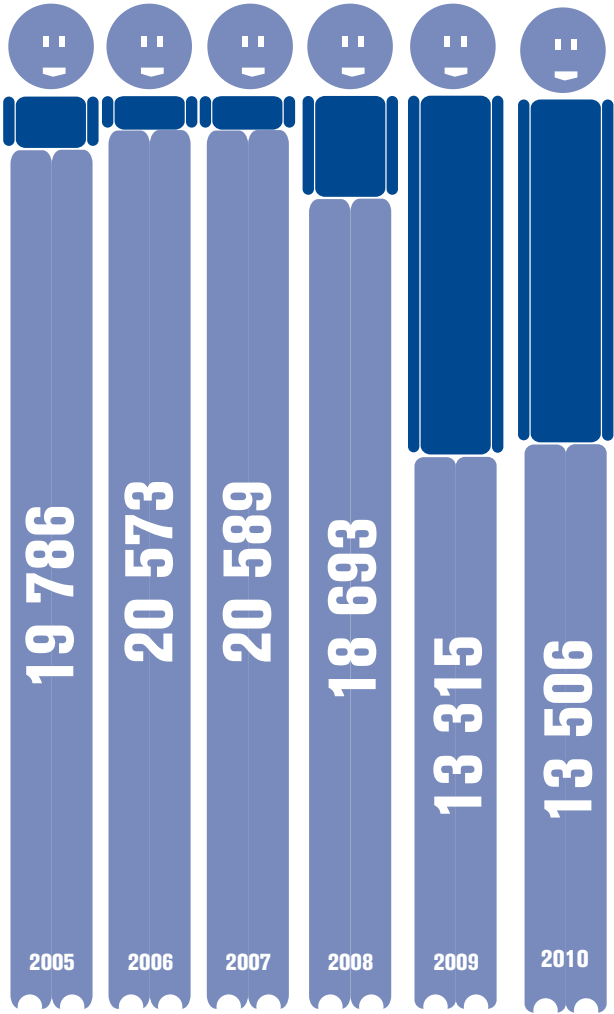
**High level of specialization:** The metalworking, machinery and electronics sector is a key player in the development of the Latvian economy. In fact, the sector is one of the strongest of the economy and has grown consistently over the past years. This sector is being perfected in Latvia and offers phenomenal investment opportunities.



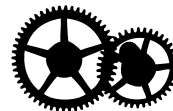
# KEY FIGURES

## AVAILABLE AND HIGHLY QUALIFIED WORKFORCE

Employment in thousands of people (2005-2010)  
Source: Eurostat SBS



**Available and highly qualified workforce:** We have a historically stable workforce experiencing slight growth up until 2007, when it started to decline. Today, the sector benefits from the availability of a workforce with years of training and experience, and loyal to continuing the advancement of the sector in Latvia. This offers a great opportunity to launch new ventures as the workforce can be allocated easily to any new project, national or international.



# FOREIGN DIRECT INVESTMENTS

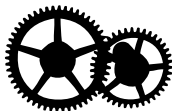
## LARGEST FDI PROJECTS WITHIN THE SECTOR

Source: Lursoft

NAME	FDI IN EQUITY CAPITAL (€)	TURNOVER IN 2011 (€)	NUMBER OF EMPLOYEES IN 2011
TRELLEBORG WHEEL SYSTEMS LIEPAJA, LSEZ, Ltd.	12.097.325	11.026.407	58
VENTSPILS METINĀŠANAS RŪPNĪCA, Ltd.	4.400.478	39.869	5
SPERRE BALTIC, Ltd.	3.557.200	5.273.379	63
ARDAGH METAL PACKAGING LATVIA, Ltd.	2.111.097	14.366.912	46
CSK STEEL, Ltd.	1.713.147	7.416.594	118
BRABANTIA LATVIA, Ltd.	1.414.072	10.032.833	69
VOESTALPINE VAE RĪGA, Ltd.	1.358.725	7.916.668	43
AISIS, Ltd.	1.253.699	3.236.357	45
ZIEGLERA MAŠINBŪVE, Ltd.	1.196.912	8.871.937	408
KRĀSAINIE LĒJUMI, JSC	1.195.219	55.764.848	96

Fixed exchange rate of 1 EUR = 0,7028 LVL

**Largest FDI projects within the sector:** We have a great experience attracting FDI investments. In 2011, 79,4m€ were invested in metalworking, machinery and electronics. Inviting companies to invest and settle operations in Latvia has been a two-way road. Latvia has benefited from having such quality operations within their borders and these companies have benefited from the knowledge bestowed upon them by the POLARIS process.



# EDUCATIONAL INSTITUTIONS

**Why is this such a competitive sector?**  
You need not look any further for the answer. The key is in knowledge. The educational system supports the metalworking, machinery and electronics sector at both the vocational and higher education levels.

The Association of Mechanical Engineering and Metalworking Industries of Latvia lists 17 relevant educational institutions for the sector. In 2011/2012, there were studying 4.427 students in programs related to metalworking, machinery and electronics.

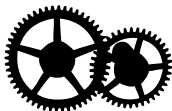
### Vocational level

At the vocational level there are 7 key institutions related to the sector. They offer an array of programs for metalworking specialists, lathe operators, mechanics, electricians, welders, locksmiths, and tinsmiths. Other key programs are energetics and electrotechnics, electronics, and machinery science.

### Higher education

There are 6 main institutions at the higher education level: the Riga Technical University, the Riga Technical College, the Rezekne Higher Education Institution, the Ventspils University College, the Transport and Telecommunication Institute, and the Latvia University of Agriculture. The most popular bachelor programs are 'Energetics and electrotechnics' and 'Electronics' at the Riga Technical University, with an annual enrollment of 253 and 104 respectively.

In all, they offer more than 30 programs at college, professional, bachelor's, master's and doctoral levels.





# RESEARCH INSTITUTIONS

## LEADING RESEARCH INSTITUTIONS WITHIN THE SECTOR

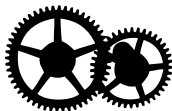
Personnel of the key research institutions relevant to the sector  
Source: Research institutions

NAMES	PERSONNEL	SCIENTIFIC WORKERS
Institute of Solid State Physics of the University of Latvia (ISSP UL)	153	91
Institute of Electronics and Computer Science	102	50
Institute of Physics of the University of Latvia	75	27
Institute of Polymer Mechanics of the University of Latvia	97	39

At the University of Latvia, the **Institute of Solid State Physics** has been particularly successful in the fields of plasma technology, touch screen, solar battery storage and LEDs. The **Institute of Physics** is recognized as one of the oldest and largest global centers in the field of fundamental and applied magneto hydrodynamics (MHD) research. The **Institute of Polymer Mechanics** works in the investigation of material properties.

The **Institute of Electronics and Computer Science** (IECS) is a public research institution dedicated to fundamental and applied research in computer science, information, communication and electronic engineering technologies. IECS is an acknowledged center in the ICT field and related engineering sciences in Europe.

If you decide to invest in this sector, you will **benefit from a special agreement** between the educational system and your development department. This is **the key to your company's success**. We want you to benefit from our greatness.



# RESEARCH INSTITUTIONS IN DETAIL

## THE INSTITUTE OF SOLID STATE PHYSICS OF THE UNIVERSITY OF LATVIA

Kengaraga iela 8, Riga, LV-1063, Latvia  
**Phone:** +371 67187816 **Fax:** +371 67132778  
**E-mail:** [issp@cfi.lu.lv](mailto:issp@cfi.lu.lv) **Web site:** [www.cfi.lu.lv](http://www.cfi.lu.lv)



### Institute

Founded in 1978, the Institute of Solid State Physics of the University of Latvia (ISSP UL) is the main material science institute in Latvia. Its origins are in the Laboratory of Semiconductor Physics (founded in 1962) and the Laboratory of Ferroelectricity and Piezoelectricity of the Faculty of Physics and Mathematics (founded in 1968).

The Latvian Academy of Sciences is regularly accredited with the honor of being one of the most successful institutes in Latvia and in the year 2000, it was named a "Center of Excellence for Advanced Material Research and Technologies" by the European Commission.

### Research fields

**X-Ray absorption spectroscopy** is a powerful tool to study local electronic and atomic structures of solids, liquids and gases in a wide range of external conditions defined by temperature and pressure. The ISSP UL is involved in the research and development of nano-scale materials, experimental methods and new procedures for x-ray absorption spectra data analysis.

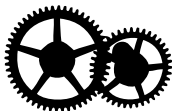
The Division of Ferroelectric Physics is involved in basic and applied research and education, recently directing its attention to **environmentally friendly lead-free ferroelectrics and materials for energy applications**.

Research is ongoing into developing an understanding of the **production, storage and distribution of hydrogen**. This revolves extensively around hydrogen production via **electrolysis**, hydrogen **storage in metal hydrides** and composites and electrodes for **fuel cells and rechargeable batteries**.

New research fields are synthesis and research of materials for optical recording, nanotechnology and holography. Advanced materials, FTIR spectroscopy, luminescence.

### Partners

The ISSP UL works closely with a range of various partner research institutions across the world, including RISO National Research Center of Denmark Technical University, the Lithuanian Energy Institute, the University of Vilnius, the Institute for Energy Technology (Norway), the Institute of Problems of Chemical Physics RAS (Russia), St Petersburg University, Joint Institute for Nuclear Research (Dubna, Russia), West Cape University (S. Africa), Università di Trento (Italy), the Institute for Photonics and Nanotechnologies (Trento, Italy), and the CNRS (Marseille, France).



# RESEARCH INSTITUTIONS IN DETAIL

## THE INSTITUTE OF PHYSICS OF THE UNIVERSITY OF LATVIA

Miera iela 32, Salaspils, LV-2169, Latvia

Phone: +371 67944700 Fax: +371 67901214

E-mail: fizinst@sal.lv Web site: www.ipul.lv



### Institute

The Institute of Physics of the University of Latvia (IPUL) is recognized as one of the oldest and largest world-renowned centers in the field of magneto hydrodynamics (MHD), and heat and mass transfer research. Formed in 1946, IPUL possesses crucial expertise in the field of electrodynamics and hydrodynamics.

The Institute is currently engaged in basic and applied research related to the complex interactions between electromagnetic fields and liquid flows, which are important for applications ranging from metallurgy and semiconductor crystal growth in medicine and nanotechnologies.

The IPUL is specialized in the areas of crystal, disordered material physics, ferroelectronics, semiconductor materials, radiation physics, sight science, organic materials, and electronic engineering.

### Research fields

IPUL is a pioneer in the field of research into **Heat and Mass Transfer** in **magnetic fluids**. Since beginning research in the mid-1970s, the institute has carried out a range of basic and applied research in static and dynamic magnetization of particles in a range of substances, including ferrocolloids and ferrohydrodynamics. These substances are similar to ordinary liquids, but display 'smart' or 'intelligent' properties which make them crucial to various commercial and technical applications, such as in bearings, sensors and hard-disk drives in computers.

IPUL's laboratories are well equipped for performing physical experiments and for preparing ferrofluid samples for basic and applied research.

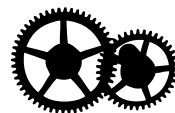
The **Ampere Initiative** is a Franco-Latvian collaboration aiming to create a **European Center of Excellence in Latvia**. Their applications are numerous, ranging across sectors as diverse as metalworking, semiconductors, nuclear reactors and biomedicine. Forecasting tests, designs and assessments of electromagnetic pumps have been successfully carried out for well-known companies, such as **Siemens**, all over the world.

IPUL is leading research efforts in the control of **combustion dynamics**. The aim is to develop **stable, efficient and environmentally friendly combustion** of various types of renewable fuel. This includes research of flame dynamics and composition, and heat and mass transfer at different stages of combustion of fuels such as wood biomass and wheat straw.

By improving the combustion of multiple materials with differing moisture content and structure, the Institute is advancing research into **co-firing** mixtures of fossil and renewable fuels. This is carried out in collaboration with the Latvian State Institute of Wood Chemistry and students at Riga Technical University.

### Partners

IPUL's partners consist of a range of eminent research institutions and world-famous corporations, including the Paul Scherer Institute (Switzerland), Corus Research, Development and Technology (Netherlands), Siemens, Le Commissariat à l'Energie Atomique (CEA- France), Los Alamos National Laboratory (USA), Oak Ridge National Laboratory (USA) and EURATOM.



sector 02 METALWORKING, MACHINERY AND ELECTRONICS

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POLARIS process®

# WHY IS IT INTERESTING FOR YOU ?

Your interest has already been sparked by the aforementioned figures- and there are plenty more to come. This is all due to the POLARIS process. This sector is a strategic one for the country and of great importance to us- you too will benefit greatly from it.

It is interesting to you because we work as a team in applying all the necessary knowledge that will add value to your investment. We are strongly committed to making the POLARIS process a key factor in **guaranteeing your success** and satisfaction and in maintaining a **long lasting relationship with you**.

The Latvian metal industry association, MASOC, represents around 176 companies today who account for more than 80% of the total output produced by the sector. It is a guarantee for the development and promotion of companies that invest in the sector.

Some of the key government initiatives going on right now include promoting the development of the machinery and equipment subsector by encouraging R&D and supporting the transfer of technology and the collaboration between research institutions and the industry. The government is also looking to promote the metal products subsector, especially in higher-value and treatment and coating products, by increasing innovation and new product development.

The recovery from the crisis has positively impacted the country. The largest growth will continue to come from agricultural and forestry machinery as well as from machinery for production of mechanical power and woodworking, and from machinery for the packaging of food and pharmaceuticals.

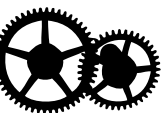
Latvia offers a great opportunity to relocate some of the capacity from higher cost or inland locations in Europe thanks to our low costs of electricity for industrial purposes. In addition, the location in the middle of the trade corridor between the EU and the Asian markets, great ports and excellent railway infrastructure makes for an ideal situation.

The LIAA, through the POLARIS process, is committed to promoting innovative products and to help Latvian metalworking, machinery, and electronics services and products to be exported to **international markets**.

We are ranked among the best European countries in **ease to set up and manage a business**. We offer a **quality available workforce** and exceptional conditions to maximize profit.

Latvia offers a very advantageous **increased depreciation system** in comparison to other Baltic countries. A **1.5 ratio** may be applied to new **technological manufacturing equipment** used in business activities. That means that the depreciation of the bought equipment can be made of the larger sum than the equipment was bought.

**Make Latvia your hub for business capitalize on all the business opportunities offered.**



sector 02 METALWORKING, MACHINERY AND ELECTRONICS

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POLARIS process®





# HERE IS A STORY FOR YOU

Jon Schneeberger, Ted Johnson and Anthony Peritore, National Geographic, Getty Images, Flash Press Media

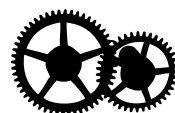
## SIDRABE

*Once upon a time*, there was a Latvian company called Sidrabe, a humble Vacuum Metallization Design Bureau. Gradually, over a period of many years, this company developed new, innovative technologies, constantly updating and creating more advanced equipment in vacuum coating.

Today, Sidrabe is a joint-stock company, employing over 100 people, and continues to develop equipment while becoming internationally renowned for their capacity to build large-scale customized vacuum machinery. The success of Sidrabe is largely due to its optimized, unique small scale products, and its ability to transfer this expertise to larger machinery.

Sidrabe's 50 years of expertise and dedicated approach to the development of systems and processes has allowed them to win contracts with high-profile international aerospace and technological leaders from the EU, USA and Japan, demonstrating their reputation and prestige within the industry. Sidrabe has been recognized for its contribution to the development of high technologies by the WIPO, and by the Laureate of Riga Award for the worldwide promotion of Latvia.

Sidrabe's success has been made possible by the POLARIS process. The company's Research & Development department works closely with scientific institutes and universities, such as the Institute of Solid State Physics, University of Latvia, Riga Technical University and the Latvian Academy of Sciences. Sidrabe's close collaboration with universities in the development and creation of technologies demonstrates the POLARIS process in action.



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POLARIS process®



# HERE IS A STORY FOR YOU

"JZ microphones" Ltd.

## JZ MICROPHONES

*Once upon a time*, Juris Zariņš, with twenty years experience repairing and creating spare parts for microphones, had an idea. Having created several dozen successful, award-winning products for the company Scruples, he set his mind to create his own line of microphones. His innovative approach, fine craftsmanship, and ceaseless dedication and determination led to the creation of JZ Microphones.

Zariņš put his knowledge, expertise and understanding of the trade to excellent use, by hand crafting superbly manufactured, high quality products. The company's patented capsule technology, designed specifically to produce the highest possible quality of sound recording, makes their company unique and cutting edge.

All products are handcrafted in Riga, and their quality is monitored by Zariņš himself, ensuring that every product is of top quality. His vision: "To create the best microphone ever." With such ambition, the designer, inventor and chairman of the board is destined to achieve great things.

Today, JZ Microphones employs over 50 people and has achieved worldwide fame in the US music and Hollywood film industries. Their recording equipment is used by leading, Grammy-winning sound engineers in recording studios worldwide, recording artists and bands as well known as Lady Gaga, Madonna, Janet Jackson and Aerosmith, and featured on the sets of such films as the Lord of the Rings. Particularly noteworthy is JZ Microphones' Black Hole studio microphone, incorporating their advanced 'golden drop' technology, which has become well recognized and highly respected among leading sound engineers.

The LIAA has helped the company to achieve its worldwide status through funding and support to promote the business through events such as international trade fairs and the opening of a US office, which enables their important collaboration with recording studios. This clearly demonstrates the vital role of the POLARIS process.



sector 02 METALWORKING, MACHINERY AND ELECTRONICS

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POLARIS process®



# HERE IS A STORY FOR YOU

Comstock Images, Getty Images, Flash Press Media

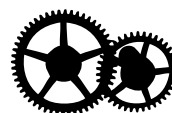
## T T S - A V I O

*Once upon a time*, a metalworking firm was founded in Latvia. The year was 1993, and the company TTS-Avio. The aim was to manufacture customized transportation technology systems, specializing in conveyor systems.

They take pride in their unique client collaboration process in the design of tailored, non-standard solutions. As their CEO states, "We put the customers' ideas into metal". The company's specialization is customization. Today, TTS-Avio employs around 140 people with offices in Riga and Berlin, serving a range of clients across the European Union.

Their expertise has led them to work with clients such as Vestas to develop and produce casting forms used in the production of their wind turbine generators. TTS-Avio also supply the likes of METSO and Diefenbacher in the pulp and paper and wood industries as well as supplying bulk material transport systems to Sandvik. Their speed and reliability has helped them to conform to stringent German and Scandinavian product standards.

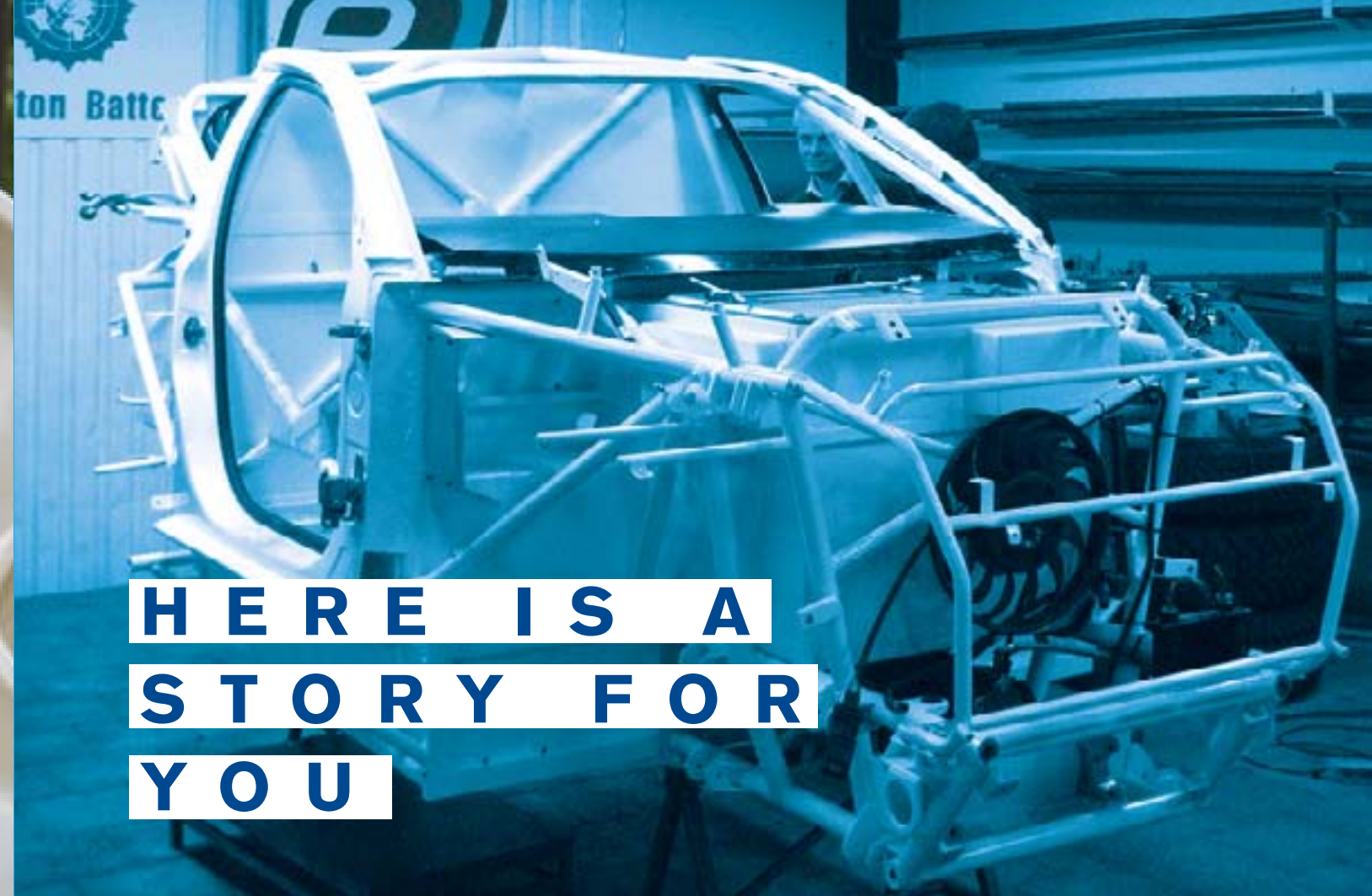
TTS-Avio has worked closely with the LIAA to help their export business grow and further expand their expertise. The LIAA helps TTS-Avio to develop its international profile at conferences worldwide and acts as a point of contact for potential clients, helping its client base grow internationally. This is a clear example of how the POLARIS process can help companies to expand to new markets and develop their business.



sector 02 METALWORKING, MACHINERY AND ELECTRONICS

LIAA - Investment and Development Agency of Latvia

POLARIS process®



# HERE IS A STORY FOR YOU

\*OSC\* Ltd.

## O S C L t d .

*Once upon a time*, there was a race driver and engineer. His name is Andris Dambis. He did win countless Latvian racing trophies, as well as the title of USSR Rally Champion. After Latvia regained its independence he continued the racing and he became vice-champion of the FIA European Autocross championship twice in 1998 and 2000.

Having reached the tops for a racing driver Andris Dambis focused his motor sports career as a race car constructor. He still uses an old-school drawing board to sketch the ideas and work on details.

He has established his own engineering service center "OSC" in Ogre offering specialized autosport engineering, electric car drive-train and component development for race drivers and teams from all around the world. Considering his remarkable experience he decided to build a Latvian rally raid car and take part in the world famous rally raid Paris-Dakar. Having built 4 cars from the scratch in the first year for the Riga Rally Raid Team, three "OSCars" did cross the desert and reached the finish. In 2004, Dambis finished 28th place (1st in category "First time in Dakar"). The challenge was accepted and they continued to perfect the technical solutions and equipment. The results were improving. In 2007, Dambis' designed OSCar finished 26th place in Paris-Dakar rally raid.

After a while Andris Dambis came to the conclusion that his team has the knowledge and capacity to step into unknown territory. They commenced to design and construct a conceptually new car - rally race car powered solely with electric power. Their ultimate goal was to take part and win Dakar 2012 with the world first electric rally car – electric OSCar (OSCar eO). OSCar eO become the first electric vehicle to finish the Dakar rally, an 8400 km long gruelling challenge through Argentina, Chile and Peru.

The state-of-the art motor sport solutions designed and developed by the engineering center "OSC" and Andris Dambis demonstrates the capabilities and innovativeness of Latvian engineers and metalworking industry. Supporting key target sectors such as metalworking, the POLARIS process provides a framework to facilitate cooperation between key stakeholders, enhancing the exchange of knowledge in order to create added value for all parties involved.



sector 02 METALWORKING, MACHINERY AND ELECTRONICS

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# GENERAL INFORMATION

## KEY FACTS ABOUT LATVIA

- 64.559 square km
- Population of 2,06 million
- Latvian, Russian, English and German spoken
- Member of the EU and NATO since 2004 and the WTO since 1998
- GDP of 20,31 billion euros in 2011
- FDI stock of 9,36 billion euros in 2011
- Fixed exchange rate of 1 EUR = 0,7028 LVL
- 3 major ice-free ports and 4 special economic zones
- 15% corporate income tax
- 21% VAT
- 1,5 depreciation ratio for new technological equipment
- Easy to set up and manage business
- Equal rights and benefits for both foreign and local investors
- Liberal employment legislation
- LIAA ranked 7th globally in 2009 by the World Bank out of 213 investment promotion agencies

**We offer you cost-free advisory and information services to facilitate your investment in Latvia. Take advantage of the POLARIS process.**

Further information at [www.polarisprocess.com](http://www.polarisprocess.com)

Further detailed information on investment opportunities in Latvia at [www.liaa.gov.lv/en](http://www.liaa.gov.lv/en)



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