

Metalworking, Machinery and Electronics in Latvia

The metalworking, machinery and electronics sector has traditionally been the leading industry in Latvia covering a wide range of sub-sectors. Historically, Latvia was the high-tech manufacturing centre for the Soviet-era military and aerospace industries, accruing long-standing experience, developing its R&D capabilities, and cultivating high educational and professional standards for the sector's workforce.

Today the industry spans from basic metal production to the latest high-tech engineering. Latvian companies deliver their products to a number of well-known international companies like Volvo and Scania. The Latvian built OSCar eO became the first range-extended electric-drive vehicle to complete the Dakar rally. Another Latvian company proudly holds the position of the leading European manufacturer and supplier of laser delivery systems used for sophisticated medical applications.

What Latvia can offer?

- Skilled and motivated workforce
- Accessibility to large markets
- Business friendliness
- Access to suppliers and resources
- Developed infrastructure
- Macroeconomic and political stability
- Cost effectiveness
- Innovation and R&D opportunities

Competitive subsectors

- Fabricated metal products
- Tool production
- Machinery and equipment
- Electrical engineering
- Shipbuilding
- Transport equipment, motor vehicles, trailers
- Telecom and fiber optics

Macroeconomic indicators

Total % of commodity exports



Total % of manufacturing



Source: MASOC, 2017

Why foreign companies choose Latvia?

“The factory in Latvia has the lowest production expenses of all AKG’s factories in Europe. Our low costs have enabled Jelgava to produce radiators even for buyers in Asia, where local factories did not have the capacity to fulfill all incoming orders.”

AKG, industrial equipment and consumer appliances
– Germany

“We are working in Daugavpils for Airbus, Boeing. We found good workers in Daugavpils, we were surprised that they can speak English, Russian, of course Latvian, and some of them – French. Our first contact with LIAA was very positive. They helped us to discover Latvia.”

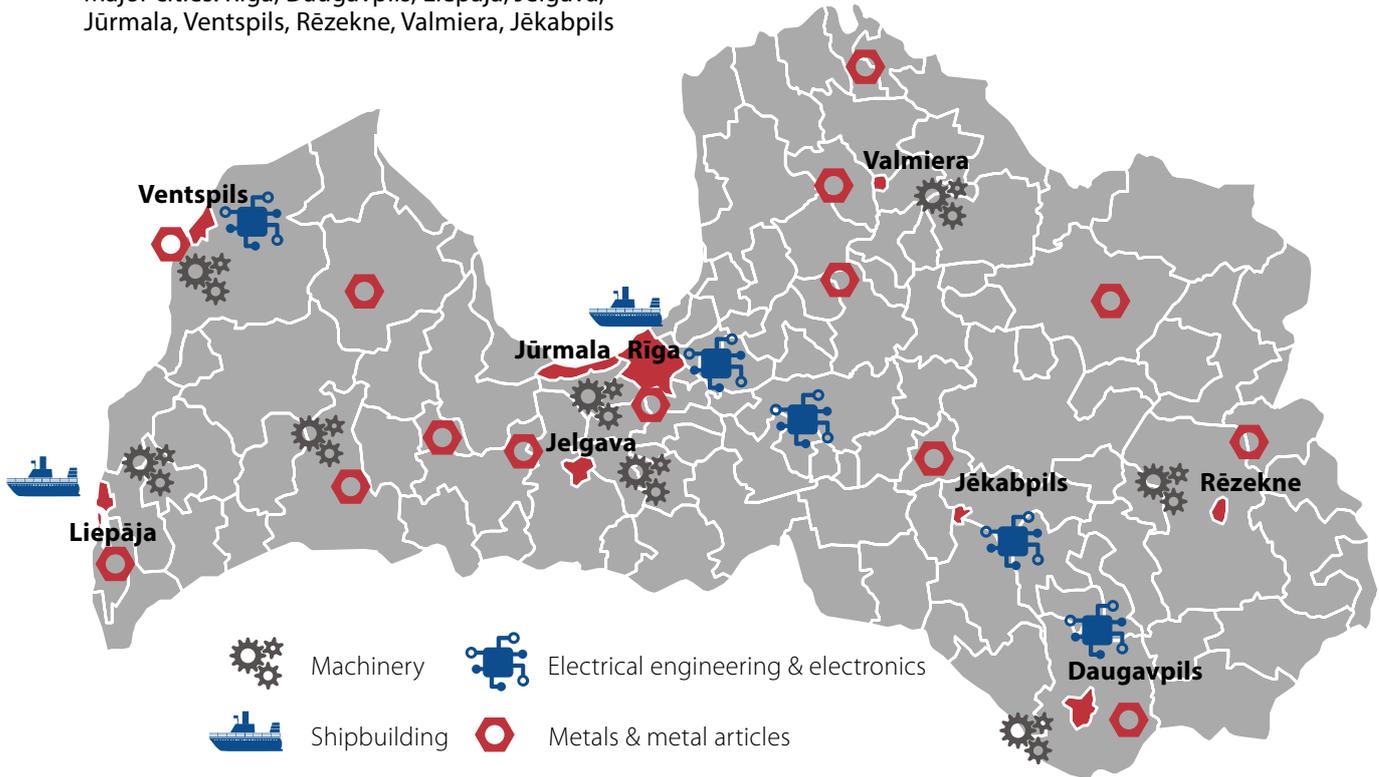
AXON Cable, Electronics
– France

“Availability of qualified welders and mechanics is one of the most essential requirements for us, and we have made investments in training employees, especially as we expand our operations here. Our decision in choosing Ventspils as our site was based on several considerations, including good overall entrepreneurial conditions; outstanding support from the Free Port of Ventspils Authority and the local municipality; benefits from the free economic zone; a harbour with frequent ferry traffic to and from Germany; and proximity to the Russian market.”

Bucher Municipal, machinery and equipment
– Switzerland

Locations of manufacturing centres in Latvia

Major cities: Rīga, Daugavpils, Liepāja, Jelgava, Jūrmala, Ventspils, Rēzekne, Valmiera, Jēkabpils



Consider investing in Latvia?

Latvia is in head-to-head competition with countries that have a long tradition of metal manufacturing and mechanical engineering, yet Latvia demonstrates its competitiveness through its qualified and cost-efficient workforce.

Vocational education institutions related to engineering sciences have been fully modernised, which is much appreciated by international companies and foreign investors.

The metalworking, machinery and electronics sector is one of the strongest in the economy and has grown consistently over the past years offering diverse investment opportunities.



20%

of people employed in manufacturing are working in metalworking, machinery and electronics



Competitive labour force

Latvia has one of the most competitive labour forces in metal article, machinery and equipment production in CEE countries in terms of wage adjusted productivity

Source: Eurostat, 2014; Central Statistical Bureau of Latvia, 2015

Take the next step!

Under the Ministry of Economics, Investment and Development Agency of Latvia (LIAA) is a "one-stop shop" for assistance in setting up and doing business in Latvia. LIAA's expert team provides free of charge tailor-made solutions to meet each investor's specific needs. LIAA also collaborates with local business councils and organizations, and it has an extensive network of global representatives in 20 countries to provide support every step of the way.



www.liaa.gov.lv

twitter:@LIAAglobal
www.exim.lv

POLARIS process®

www.liaa.gov.lv/stories
invest@liaa.gov.lv

