

# Foreign Direct Investment

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After Latvia's accession to the EU, the inflow of FDI increased rapidly and in 2020 reached its highest point (EUR 16.7 billion). The main factors fostering FDI inflow were new market opportunities for foreign investors, stable monetary policy, Latvia's advantageous geographic location between the EU and CIS countries, and its well-developed infrastructure. After being severely affected by the global financial crisis, Latvia implemented extensive austerity measures. As a result, Latvia's economy, the confidence of foreign investors, and FDI inflows are on the rise again.

Historically, most of Latvia's FDI inflow has come from neighbouring countries in the Baltic Sea region and other EU member states. The largest amounts of investment in 2020 were from Sweden – 16 % of the total FDI stock at Latvia's economy. In 2020, FDI from the EU states represented 76 % of all accrued FDI.

However, Latvia's FDI inflows cover a wide range of economic sectors, the largest share of FDI stock is attributable to services. FDI split by sectors shows that most investment is attracted by financial intermediation (24 %). Others of the largest foreign investments have been accumulated in real estate operations (16 %), trade (15 %), and manufacturing (12 %).

Many international companies have established operations in Latvia, including such globally recognized names as Coca-Cola, [Bucher Schoerling](#), Schneider Electric, [Tieto](#), [Cytac](#), JELD-WEN, Circle K Latvia, Generex Biotechnology, [Cemex](#), [Brabantia](#), and others have chosen to benefit from Latvia's competitive advantages.

## Additional information

Central Statistical Bureau: [www.csb.gov.lv](http://www.csb.gov.lv)

Central Bank of Latvia: [www.bank.lv](http://www.bank.lv)

Ministry of Foreign Affairs of the Republic of Latvia: [www.mfa.gov.lv](http://www.mfa.gov.lv)

<https://www.liaa.gov.lv/en/invest-latvia/business-guide/foreign-direct-investment>