

Latvia in Facts

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On the world map, Latvia is located on the east coast of the Baltic Sea at the crossroads of Northern and Eastern Europe. Latvia, a parliamentary republic, is bordered by Estonia to the north, Russia and Belarus to the east, and Lithuania to the south, with a maritime border with Sweden to the west. The total length of Latvia's coastline is 498 km.

Latvia has almost 2 million inhabitants, of whom almost 1 million live in and around the capital city of Riga, the metropolis of the Baltic region. The second largest city is Daugavpils, with a population of about 82 600.

With its relatively small population, Latvia is not a major market, but the country's key advantage is its location, which provides access to its immediate neighbours. The population of the three Baltic States totals 6.0 million, approximately equal to the population of Denmark. On its doorstep are the Scandinavian countries, with 25 million people; Russia and the independent CIS states, with a combined population of about 280 million; and Eastern Europe, with about 100 million inhabitants. Latvia stands out for two major criteria eligible for any investor – infrastructure and labour force.

Latvia's skilled and multilingual labour force, abundant natural resources, and strategic location form a solid foundation for the country's economy and make Latvia the perfect place to develop your business.

Basic facts about Latvia

Name of country	Republic of Latvia
Country code	LV
Size of area	64,573 km ²
Population (at the beginning of 2020)	1.908 million
Capital city	Riga
Ethnic composition (beginning of 2019)	62.3 % Latvians 24.9 % Russians 3.2 % Belarusians 2.2 % Ukrainians 2.0 % Poles 1.2 % Lithuanians 0.3 % Roma 3.9 % other nationalities
Language	Latvian (official); Russian, English and German are also widely spoken
Political system	Republic, parliamentary democracy
Head of state	President (<i>Mr</i>) <i>Egils Levits</i> (elected in 2019 by Parliament for a four-year term)
Head of government	Prime Minister (<i>Mr</i>) <i>Arturs Krišjānis Kariņš</i>

<p>Political parties in Saeima represented in the 7 fractions of Parliament of Latvia (elected 2018)</p>	<ul style="list-style-type: none"> ● "Concord" Social Democratic Party (<i>Sociāldemokrātiskā partija "Saskaņa"</i>): 22 seats ● Who owns the state? KPV LV (<i>Kam pieder valsts?, KPV LV</i>): 12 seats ● The New Conservative Party (<i>Jaunā konservatīvā partija, JKP</i>): 16 seats ● Development/For! (<i>"Attīstībai/par!"</i>): 13 seats ● National Alliance "All For Latvia!" – "For Fatherland and Freedom/LNNK" (<i>Nacionālā apvienība "Visu Latvijai!" – "Tēvzemei un Brīvībai/LNNK"</i>): 12 seats ● Union of Greens and Farmers (<i>Zaļo un zemnieku savienība, ZZS</i>): 10 seats ● New Unity (<i>Jaunā vienotība</i>): 8 seats ● Unaffiliated members of parliament: 7 seats
<p>Membership in international organizations</p>	<p>Member of OECD since 2016; Member of NATO since 2004; Member of WTO since 1998; Member of EU since 2004.</p>

Economic indicators

<p>GDP (2019) GDP (2018)</p>	<p>EUR 30.5 billion EUR 29.1 billion</p>
<p>Growth of GDP (2019) Growth of GDP (2018)</p>	<p>2.2 % 4.3 %</p>
<p>GDP per capita (2019) GDP per capita (2018)</p>	<p>EUR 15 928 EUR 15 084</p>
<p>Private Consumption (percentage of GDP, 2019)</p>	<p>58.6 %</p>
<p>Public Consumption (percentage of GDP, 2019)</p>	<p>18.2 %</p>
<p>Capital Account Balance (2019)</p>	<p>EUR 588 million</p>
<p>Gross Fixed Capital Formation (percentage of GDP, 2019)</p>	<p>22.9 %</p>
<p>Growth of Industrial Production (as % of previous period, calendar adjusted data, 2018)</p>	<p>2.0 %</p>

Government Revenue (percentage of GDP, 2018)	37.8 %
Government Expenditure (percentage of GDP, 2018)	38.5 %
Inflation rate (2019)	2.8 %
Rate of Wage Growth (2019)	7.2 %
Unemployment Rate (2019)	6.3 %
Fiscal Balance (percentage of GDP) (2018)	-0.735 %
Current Account (2019)	EUR -163 million
Exports of goods and services (2019)	EUR 18.26 billion
Imports of goods and services (2019)	EUR 18.23 billion
Accumulated FDI (2019)	EUR 16.0 billion
Accumulated FDI per capita (2019)	EUR 8 321
General Government Debt (2018)	EUR 10.6 billion
Currency	Euro (EUR)
Credit Ratings (as at April 2020)	
Fitch Ratings	A- (Outlook: Negative)
Moody's	A3 (Outlook: Stable)
Standard & Poor's	A+ (Outlook: Stable)
R&I	A (Outlook: Stable)

Additional information

Central Statistical Bureau of Latvia: www.csb.gov.lv/en

Central Bank of Latvia: www.bank.lv/en

Latvian Institute: www.li.lv/en

www.fitchratings.com

www.moodys.com

www.standardandpoors.com

www.r-i.co.jp

<https://www.liaa.gov.lv/en/invest-latvia/latvia-facts>