

U.S. Country Commercial Guides



Latvia 2020

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Doing Business in Latvia

Market Overview

Latvia is a member of the European Union, NATO, Eurozone, and the Organization for Economic Cooperation and Development (OECD).

Geographically, Latvia is a natural gateway between the United States and EU, and Russia and Asia, with highly developed port, rail, and other transport infrastructure.

Latvia provides various tax, labor, and R&D incentives to foreign investors.

Latvia offers significant cost advantages to investors, including competitive labor costs, affordable real estate, and competitive tax rates.

Foreign and domestic investments in Latvia are treated equally under the law.

According to the [European Commission](#), Latvia's GDP grew by 2.2 percent in 2019. Due to the COVID-19 crisis, Latvia's GDP decreased by 9.8 percent in second quarter of 2020. Nevertheless, the [EU summer forecast](#) released on July 7, 2020 predicts that GDP will recover quickly. The European Commission predicts GDP will contract seven percent in 2020 and grow six percent in 2021.

According to the U.S. Census Bureau's Foreign Trade Division, the main exports to Latvia from the United States in 2019 were transportation equipment, chemicals, computer and electronic products, beverages, and tobacco products.

Latvia's main trading partners are Lithuania (18 percent of Latvia's total trade turnover), Estonia (10 percent), and Germany (9 percent), while the United States is the 14th largest partner.

Market Challenges

Local labeling requirements could prove costly relative to the possible customer base if a company only operates in Latvia. Many companies therefore focus on Latvia as part of the broader Baltic region or EU market. Other challenges that businesses face in Latvia are the potential for market saturation and the difficulty of protecting business secrets due to Latvia's small market size.

American products in Latvia face strong competition from EU countries, Russia, and the former Soviet-occupied states. Due to historical trade relations, companies from Scandinavian countries and Germany typically approach the Latvian market with greater confidence. Entrenched government bureaucracy, relatively higher levels of corruption, and challenges in maintaining correspondent banking relationships in U.S. dollars are potential impediments to the growth of U.S. trade and investment in Latvia.

Market Opportunities

The Latvian economy is largely based on service industries including transportation, information technology, and financial services. The construction industry also plays an important role, as do wood and forestry products, food processing, metalworking, and light industries (e.g., textiles). Prior to the COVID-19 outbreak, Tourism had grown rapidly, and as Latvia continues to enjoy low COVID-19 infection rates, the tourism industry is rebounding.

Latvia's corporate income tax (CIT) system has been in place since 2018. Latvia's corporate tax structure exempts retained earnings. The CIT rate on gross distributed profits is 20 percent. Prior to the COVID-19 outbreak, the country was well connected by more than 80 direct flights to all major European cities.

The Latvian government is expected to administer 2021-2027 about \$11.90 billion (10 billion EUR) of EU structural funds. The Latvian government provides several incentives for investment including in the areas of taxes, labor, research and development, and state credit guarantees. Please see the [Latvian Investment and Development Agency \(LIAA\)](#)'s website for detailed information on the available incentives and tax allowances.

The European Bank for Reconstruction and Development (EBRD) operates in Latvia out of its regional office in Vilnius, Lithuania. Latvia qualifies for U.S. Export Import Bank (ExIm) financed projects.

Opportunities exist for expanding trade in various sectors including energy, computers, forestry, farming, woodworking equipment, transportation (including aviation), and agricultural products. Latvia is part of the \$6 billion Rail Baltica greenfield rail transport infrastructure project that will connect Latvia, Lithuania, and Estonia with the European rail network. The project should be completed by the end of 2026. More details on the project are available here: <https://www.railbaltica.org/>

Market Entry Strategy

Market entry strategies varies from industry to industry and should be considered in the context of the U.S. company's overall approach toward the EU. Business agents are commonly used. Businesses, especially small and medium-sized enterprises (SMEs), wishing to enter the market should contact the Embassy for guidance and may wish to consider a visit to Latvia.

Leading Sectors for U.S. Exports and Investment

Agricultural Sector

Overview:

2019 U.S. agricultural exports to Latvia reached upwards of \$11 million. High-value and consumer ready products destined for the retail and hospitality sectors, as well as food ingredients destined for the food processing, drove expanding U.S. exports. Local demand for U.S. products is due in part to Latvia's growing demand for convenience products, more openness to non-traditional foods, and increasing interest in health and functional foods.

The Office of Agricultural Affairs routinely receives inquiries from local food importers seeking to expand their U.S. food product portfolios. Best prospects for U.S. exporters include distilled spirits, wine, tree nuts, fish and seafood, bovine genetics, pet food, dried fruits, and juices.

The agricultural sector in Latvia accounts for only a small portion of GDP but employs eight percent of Latvia's workforce. Latvian agriculture is focused on grains, potatoes, forage crops, and dairy production. Rising farm sizes creates opportunities for U.S. tractors and other machinery products. Farmer groups, such as the Farmers Union, have expressed interest in U.S. equipment, farming technology, and consulting services.

The Latvian Government does not support agricultural biotechnology. Although most food/feed safety and import control issues are handled at the EU level, local policies can negatively affect U.S. exports.

Best Sub-sector Prospects for Agricultural Products

Note: All figures are in thousands of U.S. dollars, unless otherwise stated.

Data Source: Main Statistical Office in Latvia. Trade data do not include indirect exports through third-country ports of entry in other EU Member States.

- Whiskey (Consumer Oriented Product)
- Tree Nuts (Consumer Oriented Product)
- Wine (Consumer Oriented Product)
- Hardwood Lumber (Forest Product)
- Bovine Semen (Livestock Genetics Product)

1. Whiskey (HS 220830)

Bourbon and other U.S. whiskies are increasingly popular in Latvia, although the market is still dominated by UK imports. Whiskey imported from the United States is also re-exported or transshipped to other Baltic States or outside the EU.

Commodity Group: Whiskey
Harmonized Schedule Code(s): HS 220830

Value in \$1,000

Year	2017	2018	2019	2020(f)
Total Imports	196,323	220,273	228,114	251,000
Total Imports from U.S. 3,182	3,470	2,820	3,000	

Tree Nuts (HS 0802)

U.S. tree nut exports consist primarily of almonds. Almonds are becoming popular as an ingredient in the confectionary and snack industries, as well as among consumers. The U.S. is a main supplier of almonds in Latvia. The leading U.S. competitor in is Spain (inclusive of transshipment arriving via Lithuania).

Commodity Group: Almonds
Harmonized Schedule Code(s): HS 080212

Value in \$1,000

Year	2017	2018	2019	2020(f)
Total Imports	2,726	3,571	3,434	3,000
Total Imports from U.S. 975	1,538	1,933	1,900	

Wine (HS 2204)

Latvia is emerging as a gateway for wine exports into the three Baltic markets. Italy, France, Spain, and Germany are the leading suppliers, holding a combined market share of nearly 80 percent. U.S. wines, together with other “new-world” wines, are developing an ever-expanding following among Latvians.

Commodity Group: Wine
Harmonized Schedule Code(s): HS2204

Value in \$1,000

Year	2017	2018	2019	2020(f)
Total Imports	227,367	236,384	285,204	250,000
Total Imports from U.S. 424	561	1,195	1,000	

Wood incl. Hardwood Lumber (HS 4409)

Latvia has one of the highest investment rates in Europe in wood and wood products and the most competitive labor force. Within the subsector, wood construction has the highest investment rate. The housing market creates opportunities for wood products (softwood and hardwood panels, etc.) in the local market. Imports from U.S. varies

from year to year. The most important factors influencing buying decisions of the Latvian importers are logistics costs and currency volatility.

Commodity Group: Forest Products
Harmonized Schedule Code(s): HS 4401, 4409

Value in \$1,000

Year	2017	2018	2019	2020(f)
Total Imports	36,760	81,426	97,362	80,000
Total Imports from U.S.	37	129	74	60

Bovine semen (HS 051110)

Latvia has strong dairy industry supplying domestic milk processing industry and exporting over 30 percent of its milk production to neighboring countries. U.S. dairy cattle genetics are recognized by Latvian farmers as the best in the world. The United States is the major supplier of bovine genetics to Latvia with 83 percent market share in 2019.

Commodity Group: Bovine semen
Harmonized Schedule Code(s): HS 051110

Value in \$1,000

Year	2017	2018	2019	2020(f)
Total Imports	597	528	652	700
Total Imports from U.S.	484	480	540	520

Web Resources:

Attaché Reports

Attaché reports provide information on market opportunities, crop conditions, new policy developments and information on the local food industry. Some standard reports include: Retail Market Report, Exporter Guide, Food Service Report, and market briefs on select products. Attaché reports can be found at <http://www.fas.usda.gov/scripts/attacherep/default.asp>¹³⁹. In recent years, many of the reports have been consolidated and are submitted as EU reports. We recommend that companies interested in the market covered by our Post also review the EU-27 reports.

Computer Services

Overview

A Latvian priority since regaining independence has been to update its outdated data and voice communications sectors. Large investments have been made both in telecommunication and high-speed data transmission networks, and that trend is expected to continue. U.S. companies have had recent successes competing for government contracts in this area, providing both technology and services.

Internet and electronic commerce are rapidly penetrating the Latvian market and increasing the need for information and communications technologies (ICT) products, services, and support. The total ICT sector turnover has reached about \$4 billion, and the sector accounts for about 4.3 percent of total GDP.

For these reasons, the ICT sectors, including computer services, computer software, computer hardware and peripherals, and telecommunications services have played a significant role in Latvia's economy during recent years. There are about 7,000 companies operating in the Latvian ICT sector.

Leading Sub-Sectors

Prospects can be found in almost any sub-sector of the ICT market. Latvia's highly educated, multilingual, and competitively-priced workforce has led to opportunities in the field of business support centers. The rapid development of the ICT sector has given rise to opportunities in the fields of data and network security. E-government initiatives have opened opportunities for participation in Latvian government tenders for a wide range of ICT-related services.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

The popularity of the Internet in Latvia has heightened the need for computer and network security. This sector will grow, especially accounting for the growing popularity of online banking in the country. Opportunities can also be found in: Internet/intranet systems and networks implementation, education and training, support services, software development and re-design, enterprise resource planning services, implementation of Internet B2B software, development of payment card systems, adaptation of foreign software, development of electronic communications, and development of call centers.

Web Resources

- [Latvian Internet Association](#)
- [Latvian Information and Communications Technology Association](#)
- [Latvian ICT Sector overview](#)

Computers and Peripherals and Computer Software

Overview

Computer hardware comprises a significant share of the Latvian ICT market. Although the locally produced software development sector has significantly increased its role in Latvia's economy (including exports) during recent years, foreign-sourced software continues to be important.

Leading Sub-Sectors

The best prospects for U.S. computer hardware exports to Latvia include new personal computers with the latest processor versions, small and medium multi-processor servers, multimedia equipment, LAN accessories and relevant computer parts, and Internet protocol-related equipment. Second-hand and overstock personal computers continue to represent a significant market niche. The principal consumers of these products in Latvia are private individuals who purchase computers for home use. Recent studies show that there is also a growing demand for business management software among medium and large enterprises in Latvia. Another potential growth sector is cybersecurity software, as cyber threats and business awareness of them increase.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

Retail opportunities include software and hardware for home and business use. We expect a stable supply of government computer hardware and software tenders as Latvia's budget situation improves. There are also opportunities for companies that want to use Latvia as a logistical center for distribution in northern Europe and neighboring Russia. Considering the relatively low cost of production and well-educated workforce, computer companies could also consider placing production lines in Latvia. The success of enterprises such as ELKO grupa (the largest Latvian ICT wholesale company), HansaMatrix, Mikrotik, and Ubiquity Networks demonstrate the viability of such plans.

Web Resources

- [Latvian Electrical Engineering and Electronics Association](#)
- [Latvian Information Technology Telecommunication Association](#)
- [Latvian Investment and Development Agency](#)

Drugs/Pharmaceuticals

Overview

The state has considerable influence on the medical services sector in Latvia. All of the primary hospitals and rehabilitation centers are state-owned and receive centralized financing from the state budget. Therefore, a large part of drug and pharmaceutical procurement passes through state-organized tenders. However, the retail and wholesale market for pharmaceuticals is left to private businesses.

Latvia, Estonia, and Lithuania have signed the [Joint Baltic Drug Procurement Agreement](#).

Some prescribed drugs, such as those used for diabetes, HIV, and TB, are subsidized by the state, and Latvian authorities have indicated that fighting tuberculosis, tick-borne encephalitis, and HIV are key priorities. However, U.S. pharmaceutical companies have indicated that there is insufficient funding for innovative medicines.

A pharmaceuticals company could enter the market either by opening a branch office in Latvia or by approaching a Latvian wholesale company that already has an established brand name and base of clients.

All drugs sold in Latvia must be certified by the State Drugs Agency before entering the market. U.S. Food and Drug Administration (FDA) certification is not enough to sell drugs in Latvia, although FDA results will be helpful in the certification process.

Leading Sub-Sectors

There are excellent opportunities for both innovative and generic drugs.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

Latvia places emphasis on public health and disease prevention schemes. As such, there are numerous opportunities in vaccines and medicines for TB, tick-borne encephalitis, diabetes, HIV, flu, and other diseases.

Web Resources

- [The Ministry of Health of the Republic of Latvia](#)
- [State Agency of Medicines of Latvia](#)
- [Latvian Investment and Development Agency](#)
- [Latvian Chemical, Pharmaceutical and Biotechnological Industry overview](#)

Forestry/Woodworking

Overview

The forestry and wood processing industry has a long tradition in Latvia. With forests covering more than 50 percent of Latvia's territory, Latvia is one of the most forested EU member states. About half of forests are owned by the state. Timber processing is the largest industrial sector in Latvia and timber is one of Latvia's top exports. The local sawmill industry has strong potential, but would benefit from technology and machinery upgrades and modern managerial and marketing techniques. Both raw materials and labor are available at relatively low cost. The sector accounts for roughly 20 percent of Latvia's exports with 80 percent of the production designated specifically for exports.

Leading Sub-Sectors

Best prospects for U.S. exports include saw mill equipment, woodworking and furniture-making machinery, and plant technologies.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement. [Latvian Export and Import Directory](#)

The primary opportunities are in the sales of sawmill or woodworking equipment and machinery.

Web Resources

[Latvian Forest Industry Federation](#)

[Latvian Investment and Development Agency](#)

[Investment and Development Agency of Latvia – Forest Industry](#)

Renewable Energy Equipment

Overview

Due to substantial hydroelectric capacity, Latvia already has one of the most "green" supplies of energy in the world, with green sources of energy making up about 40 percent of total energy consumption. However, the European Union is actively working to reduce the effects of climate change and to establish a common energy policy. The current EU policy dictates that Latvia must increase the share of renewable energy in its final energy consumption and Latvia has plans to reach 50 percent by 2030 according to the [National Energy and Climate Action Plan 2030](#).

Much of Latvia's heat and electricity still comes from imported natural gas. The Latvian government is interested in diversifying supplies and in developing more local resources to reduce the country's reliance on foreign sources of energy.

To reach these targets, government agencies and entrepreneurs have discussed options to move beyond hydropower into wind and biomass power plants. Many stretches of the Baltic coast have wind conditions suitable for wind parks, especially offshore. Over half of Latvia is covered by forest, so wood biomass presents excellent potential for further development. In addition to renewable energy projects, Latvia remains notionally interested in pursuing a possible liquefied natural gas (LNG) terminal to enhance its supply source diversity.

Leading Sub-Sectors

The best prospects for U.S. exports in the renewable energy sector include energy-efficiency solutions and equipment, combined heat and power turnkey plants, biomass gasification technology, wind parks, and related technology.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

The most promising sectors for renewable energy equipment in Latvia are energy efficiency solutions, biomass power, wind energy, and energy produced in combined heat and power plants.

While the Latvian government provided support in the past for the production of energy from renewable energy resources (wind, biomass, etc.), the government has suspended the existing support mechanism for renewables and is currently developing a new support plan. Given Latvia's recent efforts to liberalize its gas market, LNG and gas infrastructure technology and services could be in greater demand.

Web Resources

[Ministry of Economy, Energy Department](#)

[Latvian Investment and Development Agency](#)

[Investment and Development Agency of Latvia - Environment and Renewable Energy Industry](#)

[Public Utilities Commission](#)

[Housing and Energy Conservation Bureau](#)

[Skulte LNG terminal project](#)

Transportation Services

Overview

Due to Latvia's modest natural resource base and its strategic location between the EU and large markets to the East, the transportation sector is one of the most important in the country. Latvia's geography, infrastructure, proximity to Russia, and close ties with other former Soviet-occupied countries are a unique asset for this sector. Latvia is also within the Schengen area. Due to recent geopolitical changes, the sector has seen a significant downturn with Russia diverting significant volumes of cargo to its own ports. This change has increased the appetite of Latvian logistics sector for alternative suppliers and cargoes.

Leading Sub-Sectors

Latvia has three major ice-free sea ports: Riga, Liepaja, and Ventspils. Each is actively working to expand and improve services and offer support mechanisms for potential investors. The best prospects are in developing different cargo terminals in the specified sea ports. In addition, the Rezekne Special Economic Zone provides excellent business opportunities as a railway hub close to Russia.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

The Latvian government has identified the development of an effective, secure, multi-modal, and competitive transportation system as a priority. The goal for the sustainable development of Latvia's transportation system is to fully integrate Latvia's infrastructure with the trans-European, multi-modal transportation system. Latvia has launched a sustained effort to develop trade and transport links to Asia including India and China.

Latvia is also participating in the Rail Baltica project, a \$6 billion infrastructure-development project that will connect Estonia, Latvia, Lithuania, and Poland – with a possible future link to Finland – through a European-gauge rail system. The project will create a number of procurement opportunities for U.S. exporters, particularly in the areas of infrastructure design, construction services, and railway equipment.

There are many opportunities in Latvia given its good port access, its railways to Russia, and its high labor competitiveness. In addition to rail and seaports, Latvia has the potential to grow in road freight by investing in infrastructure improvements, and in air transport for both passengers and freight. Opportunities also exist in construction and the development of industrial, logistics, and distribution parks.

Web Resources

[VIA Latvia](#)

[Latvian Ministry of Transport](#)

[Latvian Transit and Logistics Sector Overview](#)

[Latvian Investment and Development Agency](#)

[Special Economic Zones](#)

[Rail Baltica](#)

Travel and Tourism

Overview

Prior to the COVID-19 outbreak tourism was one of the fastest growing sectors in Latvia. This growth has been steady over the past several years, boosted by the Latvian government's implementation of the EU Open Skies policy and incentives for air carriers to attract additional passengers to Riga International Airport (RIX). In 2019, over 7.8 million passengers flew through the Riga airport.

Latvia is emerging as a global destination and attracting new tourists each year. World brands such as Accor Hotels, Kempinski Hotels, Hilton, and Marriott have begun to enter the Latvian market.

Leading Sub-Sectors

This market is still developing, and many products can find a niche if appropriately priced and marketed.

Opportunities

Please see the Supplement to the [Official Journal of the European Union](#) dedicated to European public procurement.

[Latvian Export and Import Directory](#)

Good opportunities exist in the travel and tourism sector, particularly in hotel, airport, and ferry operations.

Web Resources

- [Latvian Investment and Development Agency](#)
- [Riga International Airport](#)
- [Riga Tourism Development Bureau](#)

Customs, Regulations and Standards

Trade Barriers

For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available here: <https://ustr.gov/about-us/policy-offices/press-office/reports-and-publications/2020>

Information on agricultural trade barriers can be found at the following website: [United States Mission to the European Union - Foreign Agricultural Service](#)

To report existing or new trade barriers and get assistance in removing them, contact either the [Trade Compliance Center](#) or the [U.S. Mission to the European Union](#).

Import Tariffs

[Latvian Integrated Tariff Management System](#)

The National Customs Board of Latvia is part of the State Revenue Service, an institution of direct administration subordinate to the Minister of Finance. Latvia has been a member of the World Customs Organization (WCO) since 1992.

When products enter the EU, they need to be declared to customs according to their classification in the Combined Nomenclature (CN). The CN document is updated and published every year, and the latest version can be found on the European Commission's website: [European Commission - The Combined Nomenclature](#)

U.S. exports to the EU are subject to an average tariff of just three percent. U.S. exporters should consult "The Integrated Tariff of the Community," referred to as [TARIC](#) (Tarif Intégré de la Communauté), to identify the various rules which apply to specific products being imported into the customs territory of the EU. To determine if a license is required for a particular product, check the TARIC.

The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

Import Requirements and Documentation

Information on [Latvian Customs requirements](#).

The TARIC (Tarif Intégré de la Communauté), described above, is available to help determine if a license is required for a particular product. Moreover, the European Commission maintains an [export helpdesk](#) with information on import restrictions of various products. <http://trade.ec.europa.eu/tradehelp/>

Labeling and Marking Requirements

Labeling is harmonized with EU regulations. Exact requirements depend upon the type of product and its intended usage. Labels and instructions must be in Latvian. They must contain the name of the product, information about the manufacturer, importer, and (in some cases), instructions for use. [Detailed requirements](#) are set by the Consumer Rights Protection Law.

Additional information is available at the [Consumer Rights Protection Center of Latvia](#) website.

A detailed overview on the EU mandatory and voluntary labeling and marking requirements has been compiled in a [market research report](#).

U.S. Export Controls

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counselling exporters, and drafting and publishing changes to the [Export Administration Regulations](#); and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the *bona fides* of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end use and end user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the U.S. during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "red flags", or warning signs, and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry specific topics. Interested parties can check a [list of upcoming seminars and webinars](#) or reference BIS provided [online training](#).

BIS and the EAR regulate transactions involving the export of "dual-use" U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State's Directorate of Defense Trade Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the [BIS website](#) or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the [BIS website](#) and on the e-CFR (Electronic Code of Federal Regulations) and is updated as needed.

The [Consolidated Screening List](#) (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting

electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

Latvia's security policy is based on active multilateral and bilateral cooperation and participation in the European Union and NATO. Responsible action in the areas of arms control and non-proliferation is an important element of Latvian foreign and security policy.

Temporary Entry

Goods are accepted for temporary entry if they stay for no more than 24 months in the customs zone and then leave the country.

Find additional information concerning temporary entry customs procedure [here: temporary entry customs procedure](#).

Locate information on the [ATA Carnet customs procedure](#) used for temporary importation, transit, and temporary admission of goods designed for specific purposes, duty-free, and tax-free (such as professional equipment for presentations or trade fairs).

Additional information is available at the [EU Export Helpdesk](#).

For Latvia-specific information please consult the website of the [Latvian Investment and Development Agency](#).

Prohibited and Restricted Imports

The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

- *CITES Convention on International Trade of Endangered Species*
- *PROHI Import Suspension*
- *RSTR Import Restriction*
- Information on [TARIC](#).
-

Customs Regulations

The transit of goods through Latvia is not subject to import and export duties or Value Added Tax (VAT).

The applicable import rates vary depending on the origin and the type of goods imported. Since Latvia is a member of the WTO and the EU, rating practices required by these organizations have been adopted. As an EU member state, import tariffs are dependent and regulated by the pertinent EU-U.S. bilateral agreements.

There are no import or export tariffs for the movement of goods between Latvia and other EU countries.

The Customs Law provides for customs duty exemptions, and foreign investors commonly exempt the temporary import of goods.

Besides customs duties, imports are subject to VAT and may also be subject to excise tax and tax on natural resources.

To learn more about the different tax rates in Latvia visit:
[State Revenue Service of the Republic of Latvia - Taxes](#),
[National Customs Board of Latvia](#)
[Customs and Taxation Union Directorate \(TAXUD\)](#).

Standards for Trade:

Overview

Products tested and certified in the United States will likely have to be re-tested and re-certified to EU requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union legislation and standards created under the New Approach are harmonized across the member states and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking, in which the letters "CE" appear on products to signify that products sold in the EEA meet high safety, health, and environmental protection requirements.

The concept of New Approach legislation is slowly disappearing as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve as a blueprint for existing and future CE marking legislation. Existing legislation has been reviewed to bring them in line with the [NLF concepts](#), which means that, as of 2016, new requirements are being addressed and new reference numbers are to be used on declarations of conformity. For more information about the NLF, go to [European Commission - New Legislative Framework](#).

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the European Union.

Standards

The Standardization, Accreditation and Metrology Centre (SAMC) is a limited liability company under the supervision of the Ministry of Economics of the Republic of Latvia, which acts as the national standards body of Latvia. [SAMC – LVS](#) and [SAMC - Latak](#).

For detailed information on standards for trade in the European Union please check [European-Union-Trade-Standards](#). **Testing, Inspection and Certification**

Conformity Assessment

Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages, from design to production, to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice regarding conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control systems, to full quality assurance systems.

You can find conformity assessment bodies for Latvia in the NANDO list prepared by the European Commission: [European Commission - NANDO](#)

Labeling/Marking Requirements: To sell products in the EU, as well as Norway, Liechtenstein and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. The CE mark indicates that the product has undergone appropriate testing and it conforms to provisions of relevant regulations. Understanding and implementing the CE marking process is not easy, and information can be found at: [Export.gov - European Standards and CE Marking](#)

European Accreditation" ([European Accreditation](#)) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible to appropriate EN and ISO/IEC standards.

[Latvian National Accreditation Bureau](#)

Publication of technical regulations

National technical Regulations are published on the Commission's website [European Commission - Prevention of Technical Barriers to Trade](#) to allow other countries and interested parties to comment.

Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify the WTO about proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country(ies) and industry sector(s) of interest, and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

Contact Information

Standardization, Accreditation and Metrology Centre, Ltd. (SAMC)
Standardization Bureau Latvian Standard (LVS)
157, Kr. Valdemara Street
Riga, Latvia LV-1013
Tel: +371 67379340
Fax: +371 67371324
E-mail: lvs@lvs.lv
Web: <https://www.lvs.lv/en>

State Agency "Latvian National Accreditation Bureau"
157, Kr. Valdemara Street
Riga, Latvia LV-1013
Tel: +371 67373051
E-mail: administracija@latak.lv
Web: <https://www.latak.gov.lv/>

Trade Agreements

For a list of trade agreements with the EU and its member states, as well as concise explanations, please see: [Enforcement and Compliance - Trade Agreements](#).

Licensing Requirements for Professional Services

Licensing of professional services in Latvia is managed by the Academic Information Centre (AIC). For detailed information, please visit the [database of regulated professions in Latvia](#).

Selling U.S. Products and Services

Distribution & Sales Channels

Overview

Latvia has three major ports (Riga, Ventspils, and Liepaja) as well as a major airport in the capital city of Riga, which has become a transportation hub. Latvia is well connected via railway, which runs largely east-west, to former countries of the Soviet Union. Rail Baltica, a proposed north-south rail corridor that would link Estonia, Latvia, and Lithuania to the rest of Europe is in the planning phase with an expected completion date of 2026. Riga is the major distribution center for the country.

Latvia has similar distribution and sales channels as other EU countries, and Latvia has very few specific laws that regulate in this area.

[The Latvian Traders Association](#) is the official national representational organization for retailers operating in Latvia.

Using an Agent or Distributor

There are no laws in Latvia that regulate the relationship between a foreign company and its distributors or agents in Latvia. A distributor relationship can be terminated according to the provisions stipulated in each specific distributor agreement. EU legislative acts regarding this subject have been incorporated into local law.

A common practice is to appoint one distributor/agent to cover the entire country, or the entire Baltic region (Estonia, Latvia, and Lithuania). Due to the small size of the Latvian market, one importer may carry products from several industry sectors.

U.S. companies looking for agents or distributors in Latvia should contact the nearest U.S. Department of Commerce [Export Assistance Center](#).

Establishing an Office

It is a simple process to establish an office in Latvia. However, considering the required documentation as well as the advantages of understanding local legislation, using legal counsel to establish an office in Latvia is highly recommended. A list of English-speaking lawyers can be obtained from the U.S. Embassy: [List of Attorneys in Latvia](#)

Details on establishing an office in Latvia are available on the [website of the Latvian Investment and Development Agency \(LIAA\)](#).

The European Commission manages the [Your Europe website](#) where investors can find useful information on various topics ranging from taxation and customs to employment contracts.

Franchising

Franchising is gradually growing in popularity and export opportunities exist in many sectors, especially in public catering. Although Latvia does not have specific franchising legislation, franchise arrangements are regulated under the Law on Competition and the Commercial Law.

More information on specific legislation can be found on the website of the [European Franchise Federation](#). More information on franchising opportunities in Latvia can be also found here: <https://www.franchising.lv/>.

Franchising is growing in popularity in Latvia with such brands as Subway, KFC, and Burger King recently expanding to Latvia.

Direct Marketing

Direct marketing is popular in some industries, and it is easy to attract sales consultants for such marketing strategies due to the affordable salary levels on the local job market.

To find out more about direct marketing in Latvia, visit the website of the [Latvian Direct Marketing Association](#).

There is a wide-range of EU legislation that impacts the direct marketing sector. Compliance requirements are stiffest for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase and on their approaches to collecting and using customer data. Learn more about the EU legislation covering direct marketing here: [European Commission - Your Rights in Consumer Contracts](#); [European Commission – Boosting e-commerce in the EU](#).

Joint Ventures/Licensing

A joint venture with a local partner can be a significant help for a U.S. company with little or no experience in the Baltics. A good choice could be a company that is already registered with the Latvian Chamber of Commerce and Industry (LCCI). However, it is advisable to find out as much as possible about potential partners. Basic information on a local company, as well as its credit rating, can be obtained from Latvian business information companies as well as LCCI. Find more information here: [The Latvian Chamber of Commerce and Industry](#)

The U.S. Commercial Service offers several services for the purpose of due diligence. Please consult the nearest U.S. Export Assistance Center: [Export.gov - Offices in the U.S.](#)

Express Delivery

Express Delivery is well established in Latvia, and the majority of global express delivery companies service the Latvian market. Express delivery from New York City to Riga, Latvia, for example, takes approximately four days. The current *de minimis* amount for shipments from the United States is set at 22 EUR. More information on [express delivery](#) to Latvia from the United States.

Due Diligence

Many companies offer due diligence services, and the quality of their services has increased in recent years. In addition, the U.S. Commercial Service's [International Company Profile](#) program provides U.S. businesses with background reports on potential agents, distributors, and other companies. Specialists can investigate the financial strength of a company and provide useful information gleaned from local credit sources, press, industry contacts, and other sources. For more information, please contact the nearest [U.S. Commercial Service Export Assistance Center](#) for more information.

eCommerce

Electronic commerce (e-commerce) is growing rapidly in Latvia, providing real opportunities for U.S. business. As of spring 2020, 87 percent of the country's total adult population uses the Internet every day. According to recent official data, 46 percent of the Latvian population made online purchases within the past year. The most common purchases were clothes, shoes and sporting goods, tickets for events, household goods, electronic equipment, and travel and holiday accommodations.

Many Latvian companies, including airBaltic and most local banks and insurance companies, have created incentives for customers to use their services exclusively through the Internet.

In the COVID-19 environment demand for e-commerce has increased dramatically with many customers preferring to shop online.

The EU applies Value Added Tax (VAT) to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU-based non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. As of January 1, 2015, all supplies of telecommunications, broadcasting, and electronic services are taxable at the place where the customer resides. In the case of businesses this means either the country where it is registered or the country where it has fixed premises receiving the service. In the case of consumers, it is where they are registered, have their permanent address, or usually live.

The European Union's Digital Single Market Initiative

Creating a Digital Single Market (DSM) is one of the ten priorities of the European Commission (EC). The overall objective is to reduce regulatory and other barriers to trade and to unlock online opportunities in Europe, from e-commerce to e-government. By doing so, the EU hopes to do away with the current fragmented national markets and create one borderless market with harmonized legislation and rules for the benefit of businesses and consumers alike throughout Europe.

The EC set out its vision in its May 6, 2015 DSM Strategy which has been followed by a number of concrete legislative proposals and policy actions. They are broad reaching and include reforming e-commerce sector, VAT, copyright, audio-visual media services, consumer protection, and telecommunications laws. New legislation has already been finalized on portability of online content and geo-blocking.

Many DSM proposals are still going through the legislative process. DSM-related legislation will have a broad impact on U.S. companies doing business in Europe.

In addition, a new data protection legislation, the General Data Protection Regulation (GDPR) entered into force on 25 May 2018.

Selling Factors & Techniques

Overview:

Selling factors/techniques are similar to those applicable in other EU countries and the same terms that generally apply in trade with other small EU countries apply in Latvia. A single local distributor is typically able to cover the whole country.

Trade Promotion and Advertising

Advertising in Latvia is regulated by the [Advertising Law](#).

Advertising may be conducted freely in any print or electronic media. The leading Latvian-language daily newspapers are "Diena" and "Latvijas Avize." The leading business newspaper is "Dienas Bizness," published in Latvian. Many Latvians, especially youth, receive much of their information online through Twitter, Facebook, and Instagram, as well as from popular online portals like LSM.lv, Delfi.lv, and TVNet.lv. There are also many local and niche newspapers and magazines.

All information about official tenders and laws is published in the Latvian government website, "[Latvijas Vestnesis](#)." The only English-language print media in Latvia is the "Baltic Times." For information on trade events in Latvia, see the following website of a local trade show organizer:

[BT 1 - Leading Trade Fair Organiser in the Baltic States](#)

Key Link: [Latvian Association of Press Publishers](#)

Pricing

Customs duties information can be found from the [Latvian Integrated Tariff Management System](#). Each company, except for state regulated sectors with monopoly features (telecommunications, electrical power, gas), is free to choose its pricing policy. However, a state anti-monopoly commission ([Competition Council](#)) provides oversight to ensure that no cartel agreements are made. The standard value added tax (VAT) rate in Latvia is 21 percent, but for certain goods and services the reduced rate of 12% and 5% is applied. For detailed information on taxes and fees, please visit website of the [State Revenue Service of Latvia](#).

Sales Service/Customer Support

In most cases, Latvian consumers expect customer service and support within the country (or at least nearby). In retail-oriented sectors, round-the-clock customer support and guaranteed spare parts delivery within 24 hours is preferred.

According to Latvian law, merchandise must have a warranty for a 24-month period beginning from the moment of purchase.

Latvian law guarantees consumers certain rights. Consumer claims are submitted to the [Consumer Rights Protection Center](#).

Local Professional Services

Most professional services can be sourced in Latvia. The quality of service in most cases is comparable to that available in other European countries. The price/cost relationship is market-based. Local service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the [Commercial Service at the U.S. Mission to the European Union](#).

Local service providers can be found in the Latvian Yellow Pages here: <http://zl.lv/> and here: <https://www.1188.lv/en>.

Principal Business Associations

[Latvian Chamber of Commerce and Industry \(LCCI\)](#) is the largest voluntary, politically independent non-governmental organization for businesses, uniting micro, small, medium and large companies from all regions and economic sectors of Latvia.

[The Foreign Investors Council in Latvia \(FICIL\)](#) is a non-governmental organization that brings together the largest companies from various countries and sectors that have made significant investments in Latvia, as well as twelve foreign countries' chambers of commerce in Latvia.

[The American Chamber of Commerce in Latvia](#) is the leading foreign business organization in Latvia. It represents more than 140 companies, including some of the largest international investors in the country.

Limitations on Selling U.S. Products and Services

There are no limitations on selling US products and services in Latvia.

For the acquisition of share capital of a commercial entity that is considered strategically important for national security, the potential acquirer is required to receive approval from the Cabinet of Ministers of the Republic of Latvia. The definition of commercial entities that are considered strategically important for national security includes companies that perform their commercial activity (according to specific requirements provided for in the law) as an electronic communications merchant, electronic mass medium, is licensed in Latvia for

transmission, distribution, storage of natural gas, electricity or thermal energy producer, is licensed in Latvia for transmission of electricity and/or thermal energy.

Trade Financing

Methods of Payment:

As elsewhere in Europe, various payment methods are available in Latvia, depending on the level of trust and business relationship between buyer and seller: wire transfers as pre-payment or after-payment, letters of credit, or payment by credit card are all commonly used.

Checks are not common as a payment method and are rarely accepted.

For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide available at <https://www.trade.gov/trade-finance-guide-quick-reference-us-exporters>

Banking Systems: The Latvian retail banking sector is dominated by Scandinavian-owned commercial banks, such as Swedbank and SEB, plus Luminor and Citadele – two banks backed by American capital. There are no state-owned commercial banks or other credit institutions. Latvia does have a state owned development finance institution “[Altum](#).” More on Latvian financial and capital markets is available here: <https://www.fktk.lv/en/news/infographics/>.

Foreign Exchange Controls: There are no foreign exchange controls or restrictions on capital repatriation in Latvia. The supervision and licensing of institutions that provide foreign exchange is carried out by the [Bank of Latvia](#).

U.S. Banks and Local Correspondent Banks: Please see the list of banks operating in Latvia here: [Financial and Capital Market Commission - Banks](#).

Protecting Intellectual Property

In any foreign market, companies should consider several general principles for effective protection of their intellectual property. For background on these principles, please link to our article on [Protecting Intellectual Property](#) and also [Stopfakes.gov](#) for more resources. For detailed information on protecting intellectual property in the European Union, please visit <https://www.stopfakes.gov/article?id=European-Union-IPR-Resources>.

IP Attaché Contact

Susan Wilson
U.S. Mission to the European Union
Boulevard du Régent 27
BE-1000
Brussels, Belgium
+32 2-811-5308
susan.wilson@trade.gov

ITA's Office of Intellectual Property Rights Director
Stevan Mitchell
Stevan.Mitchell@trade.gov

Selling to the Public Sector

Many governments finance public works projects through borrowing from the Multilateral Development Banks. Please refer to “Project Financing” Section in “Trade and Project Financing” for more information. Government procurement in Europe is governed by both international obligations under the WTO Government Procurement Agreement (GPA) and EU-wide legislation under the EU Public Procurement Directives. U.S.-based companies are allowed to bid on public tenders covered by the GPA, while European subsidiaries of U.S. companies may bid on all public procurement contracts covered by the EU Directives in the European Union.

For more information, please visit the [U.S. Commercial Service at the U.S. Mission to the European Union website](#) dedicated to EU public procurement. This site also has a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement. Access is free of charge.

Government procurement in Latvia is governed by the [Public Procurement Law \(PPL\)](#). There have been reports of corruption and a lack of transparency in public procurement in Latvia. Businesses interested in entering this market may wish to consult legal counsel and the U.S. Embassy for guidance.

All EU government tender notices can be viewed in English at: [TED Home](#). In addition, the U.S. Department of State has developed the State Business Information Database System, which includes information on public procurement opportunities. Please find it at: [Business Information Database System](#).

U.S. companies bidding on government tenders may also qualify for U.S. government advocacy. A unit of the U.S. Commerce Department’s International Trade Administration, the Advocacy Center coordinates U.S. government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies. The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. government agencies expressing support for the U.S. bidders directly to the foreign government. Consult [Advocacy for Foreign Government Contracts](#) for additional information.

Financing of Projects

Multilateral Development Banks and Financing Government Sales. Price, payment terms, and financing can be a significant factor in winning a government contract. Many governments finance public works projects through borrowing from the Multilateral Development Banks (MDB). A helpful guide for working with the MDBs is the [Guide to Doing Business with the Multilateral Development Banks](#). The U.S. Department of Commerce’s (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

The European Bank for Reconstruction and Development (EBRD) offers a full range of financial services to U.S. investors in Latvia. EBRD offers financial products tailored to each client and its financing for private sector projects generally ranges from \$5 million to \$250 million, in the form of loans or equity. More information can be found here: [European Bank for Reconstruction and Development](#)

Foreign companies can obtain financing from local banks for project financing, in addition to EU funding. For information on financing your project with EU structural funds, see: [Central Finance and Contracting Agency of the Republic of Latvia](#).

EU financial assistance programs provide a wide array of grants, loans, loan guarantees and co-financing for feasibility studies and projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications,

tourism, public health). A number of centralized financing programs are also generating procurement and other opportunities directly with EU institutions.

The EU provides project financing through grants from the EU budget and loans from the European Investment Bank. Grants from the EU Structural and Investment Funds program are distributed through the member states' national and regional authorities.

For more information on European grants and tenders, please visit the following website:

https://2016.export.gov/europeanunion/build/groups/public/@eg_eu/documents/webcontent/eg_eu_127665.pdf

Business Travel

Business Customs:

Latvians observe most national holidays recognized in western Europe, including Christmas and Easter. The most important national celebration, in addition to Christmas, is Ligo/Jani (Summer Solstice) on June 23 and 24.

Latvians celebrate name days in addition to their birthdays, and women expect to receive flowers. Local custom requires that, if the bouquet is made up of one type of flower, the total number of flowers must be an odd number, as an even number of flowers is often associated with the commemoration of a person who has died.

No gifts are expected during initial business contacts.

For additional information, please visit the website of the Latvian Institute: Latvia.eu

More info: [Commisceo Global](#)

Travel Advisory:

For the latest security information, Americans living and traveling abroad should regularly monitor the Department's Bureau of Consular Affairs Internet site at Travel.state.gov, where current worldwide cautions, public announcements, and travel warnings can be found. Up-to-date information on security can also be obtained by calling 1(888) 407-4747 toll free in the U.S. (from overseas: 1(202) 501-4444).

Latvia specific information is available here: <https://travel.state.gov/content/travel/en/international-travel/International-Travel-Country-Information-Pages/Latvia.html>

Additional travel information can be found on the Embassy Riga home page at: [U.S. Embassy in Latvia](#)

Visa requirements:

U.S. citizens do not need a visa to travel to Latvia if they plan to stay no longer than 90 days in a half year, counting from the first day of entry. To remain in Latvia for more than 90 days, or to work, study, or reside in Latvia, a U.S. citizen must obtain a temporary residence permit. The 90-day period begins with entry to any of the Schengen group countries. Multiple visits to Schengen countries may not exceed 90 days in any 6-month period. More information on traveling to the Schengen area is available at <https://travel.state.gov/content/passports/en/go/schengen-fact-sheet.html>.

To travel to Latvia, U.S. citizens must hold a valid U.S. citizen passport with a term of validity that exceeds the intended period of stay in Latvia by at least three months and a valid health insurance policy for international travel, which covers all costs relating to emergency medical care during the stay in Latvia, including the transportation costs from Latvia to the place of permanent residence of the individual in case of his/her severe medical condition or death.

Information regarding extension of the stay or how to receive an entry visa for the purpose of work, education, training, or other professional activity may be obtained from the Embassy of Latvia in the United States.

U.S. companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process.

The U.S. Embassy in Latvia can provide a list of English-speaking physicians and lawyers. More information is available here: [U.S. Embassy in Latvia - U.S. Citizen Services](#)

Travelers are advised to purchase travel medical insurance coverage prior to visiting Latvia.

Currency:

The currency of Latvia is the euro. There are no restrictions on exchanging currencies or capital movement and foreign investors are allowed to extract their profits in any currency with no restraints. As of August 19, 2020, one euro is worth \$1.1906. Details available here:

https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-usd.en.html

Telecommunications/Electronics:

The Latvian telecommunications market is completely liberalized. The main market players are Tet for fixed telephony and mobile operators LMT, Tele2, and Bite. In addition, there are many licensed companies that provide specialized services such as broadband or international pre-paid phone cards, etc.

Latvia has one of the fastest broadband Internet in the world. WI-FI is widely available in office buildings, hotels, near public phone booths, and at the airport.

The following mobile phone standards are operational in Latvia: GSM 900, GSM 1800 UMTS 900, UMTS 2100 LTE 800 (Band 20), LTE 1800 (Band 3), LTE 2100 (1) and LTE 2600 (Band 7).

Transportation:

Riga International Airport is the main airport in the country. American Airlines, Delta, and United Airlines all offer code-share flights run by their partners in the region. The most popular air routes connecting Latvia with the United States lead through Amsterdam, Copenhagen, Frankfurt, Helsinki, London, and Stockholm.

Many internationally recognized car rental companies, such as National, Avis, Sixt, and Budget, provide service for travel within the Baltic states.

The local public transportation system, including commuter trains, trolleys, and busses, is well developed and inexpensive. Travel is safe so long as one uses precautions similar to elsewhere in Europe. Tickets for public transport can be obtained from special ticket offices or directly on the transport, depending on the city and type of transport.

For more info visit: <http://www.latvia.travel/en/article/public-transport>.

Language:

In Latvia, the state language is Latvian. The Latvian language belongs to the Baltic group of the Indo-European family of languages. Its closest and only living relative is Lithuanian. In the large cities and the eastern region of the country, Russian is also widely spoken. English is generally accepted as a business language.

Health:

The latest updates on COVID-19 in Latvia can be found here: <https://lv.usembassy.gov/covid-19-information/>
There are both private and state medical systems in Latvia. Medical education is at a high standard. Some services and skills that one may expect in the United States are less available. There are no recorded notable health risks, and public tap water is safe to drink. However, travelers must be alert to the risk of tick-borne encephalitis, especially when going to the countryside.

The U.S. Embassy in Latvia can provide a list of English-speaking physicians and lawyers. More information is available here: <https://lv.usembassy.gov/u-s-citizen-services/>.

Travelers are advised to purchase travel medical insurance coverage prior to visiting Latvia.

Local time, business hours, and holidays:

The local time in Latvia is Universal Time (Greenwich Mean Time) + 2 hours.

Daylight Savings Time or Summer Time is observed in Latvia. It begins at 2 a.m. local time on the last Sunday in March, and it ends at 2 a.m. local time on the last Sunday in October.

Latvia observes a five-day workweek, with eight working hours per day and 40 working hours per week. The work day typically lasts from 8 a.m. to 5 p.m. for manufacturing-related industries, or from 9 a.m. to 6 p.m. for service institutions, including a one-hour lunch. List of national holidays in Latvia is available here:

<https://www.latvia.eu/history/national-holidays>

Temporary Entry of Materials and Personal Belongings:

Goods are accepted for temporary entry if they stay for no more than 24 months in the customs zone and then leave the country.

Find additional information concerning [temporary entry customs procedure](#).

Locate information on the [ATA Carnet customs procedure](#) used for temporary importation, transit and temporary admission of goods designed for specific purposes, duty-free and tax-free (such as professional equipment for presentations or trade fairs).

Additional information is available at the [EU Export Helpdesk](#).

For Latvia-specific information please consult the website of the [Latvian Investment and Development Agency](#).

Investment Climate Statement (ICS)

The U.S. Department of State's Investment Climate Statements provide information on the business climates of more than 170 economies and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses.

Topics include Openness to Investment, Legal and Regulatory systems, Dispute Resolution, Intellectual Property Rights, Transparency, Performance Requirements, State-Owned Enterprises, Responsible Business Conduct, and Corruption.

These statements highlight persistent barriers to further U.S. investment. Addressing these barriers would expand high-quality, private sector-led investment in infrastructure, further women's economic empowerment, and facilitate a healthy business environment for the digital economy. To access the ICS, visit the U.S. Department of State's [Investment Climate Statement](https://www.state.gov/reports/2019-investment-climate-statements/) website.

<https://www.state.gov/reports/2019-investment-climate-statements/latvia/>

Political Environment

For background information on the political and economic environment of the country, please click on the link to the U.S. Department of State [Countries & Areas](#) website.