

Ministry of Economics
Republic of Latvia

Out of the Shadows: The course of development of the economy in Latvia

Minister for Economics
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Republic of Latvia

VISION



Excellent business environment,
which is recognized in international
rankings



Innovative economy,
high rate of innovation growth,
building of innovation capacity



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PRIORITIES TO COMBAT SHADOW ECONOMY



Improve business environment and
attraction of investments



Reduce bureaucracy and simplify
payment of taxes



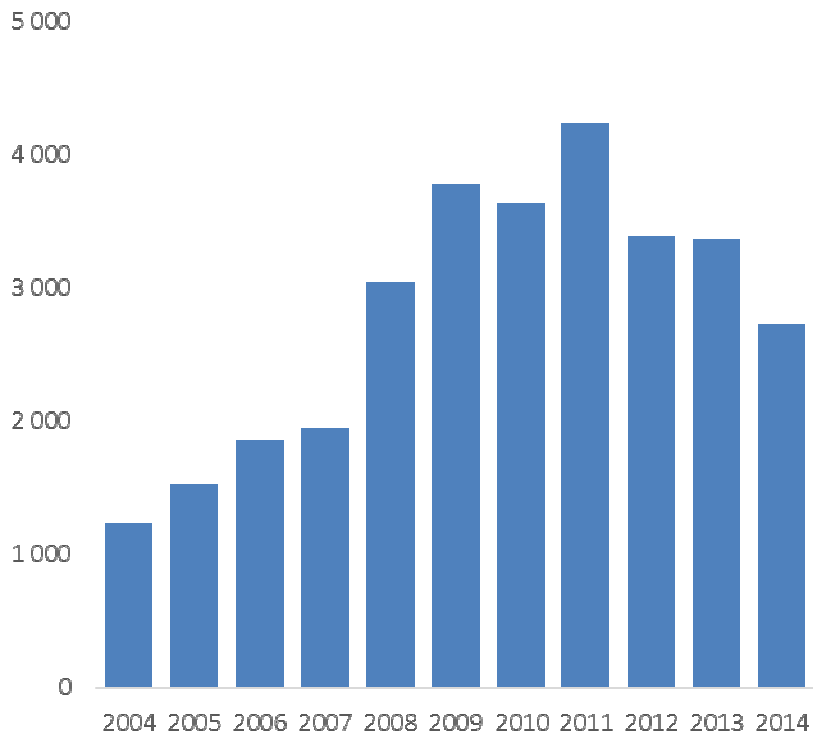
Improve control of construction process



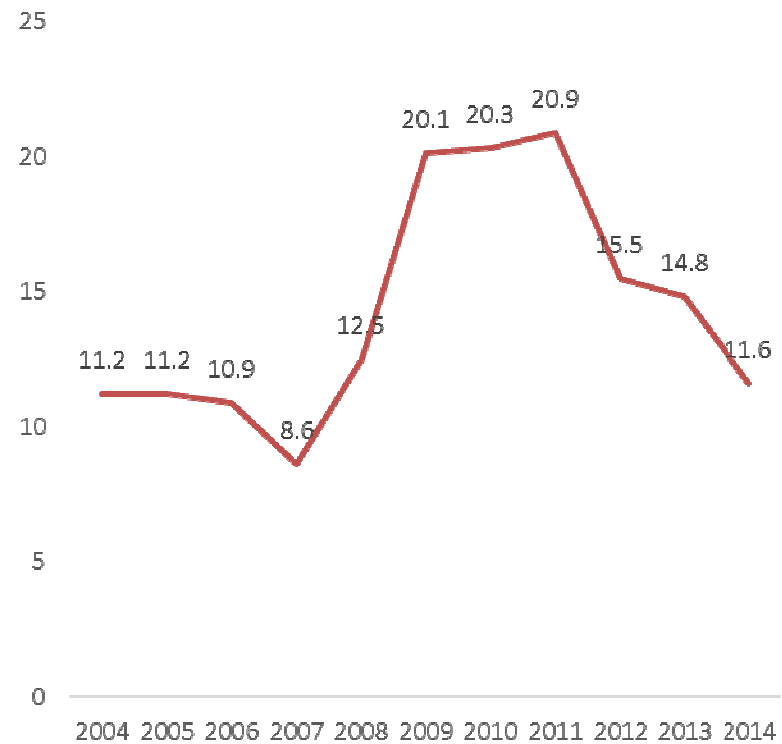
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NON – OBSERVED ECONOMY

mln EUR, current prices



% of GDP

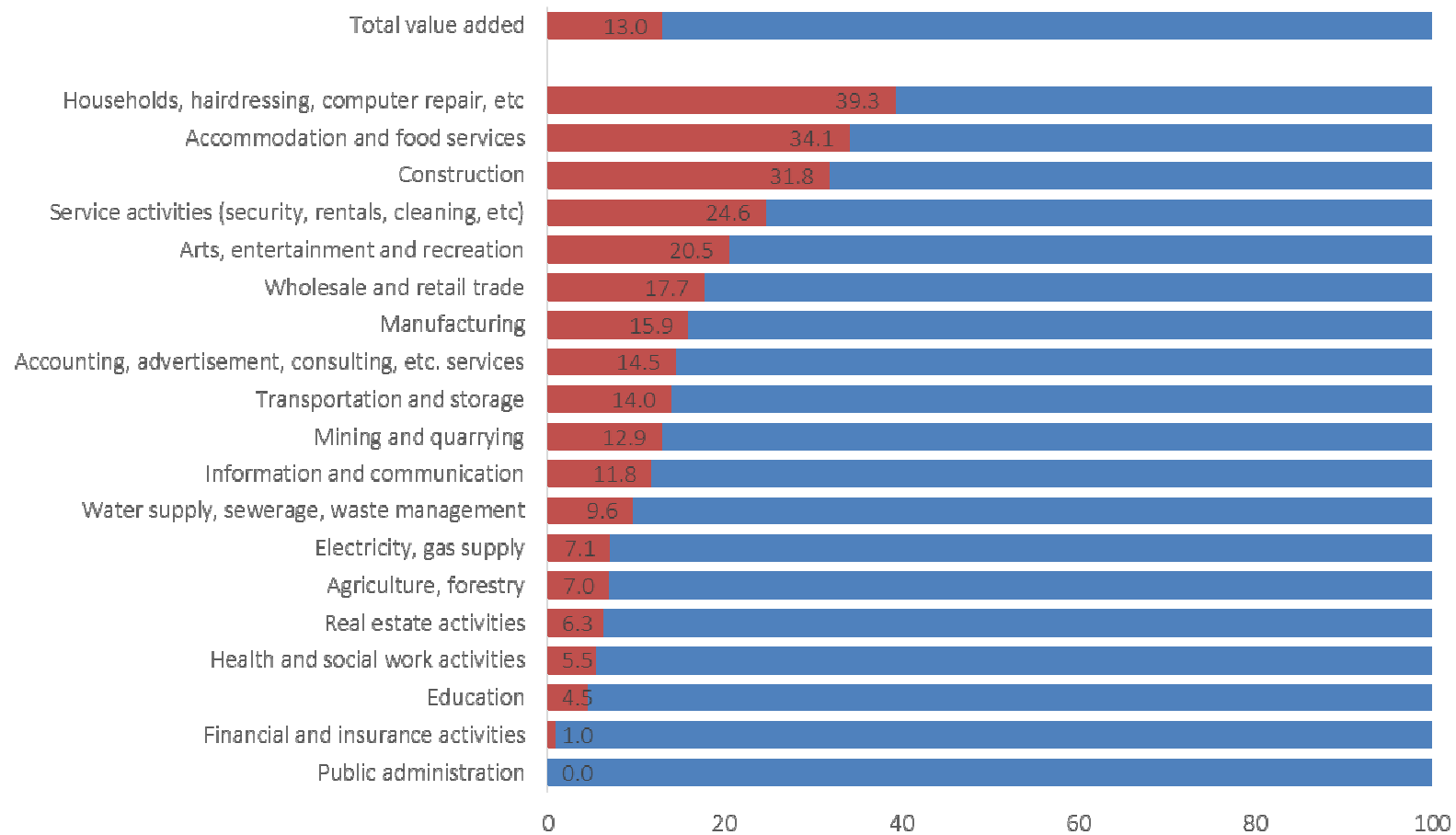




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NON-OBSERVED ECONOMY BY SECTORS IN 2014

in % of the value added in each sector

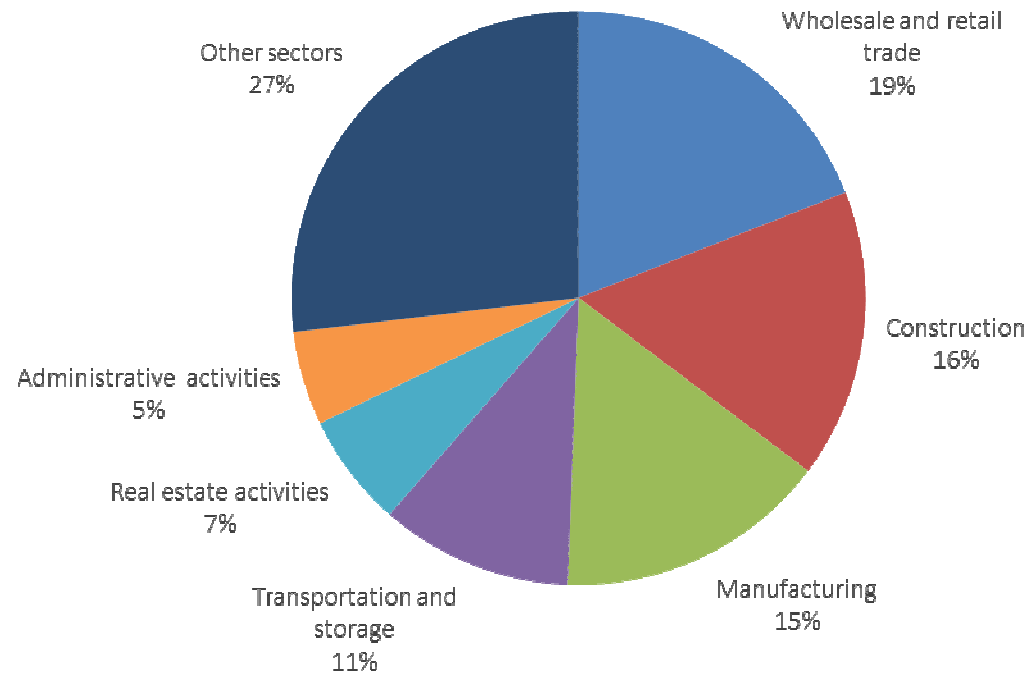




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NON-OBSERVED ECONOMY BY SECTORS IN 2014

in % of total non-observed economy





Ekonomikas ministrija

Priorities for Business Environment Improvement



The rule of law

- ✓ Improved legal framework of Insolvency regulation
- ✓ Combating gray economy
- ✓ Effective investigation of economic crimes



Customer-oriented public administration

- ✓ «Advise first» principle
- ✓ «0» bureaucracy



Public service digitization

- ✓ Developed e-government
- ✓ State Revenue Service, Tax and electronic declaration system, Construction information system
- ✓ A single public service portal
- ✓ Digitalization of public services



Business environment openness

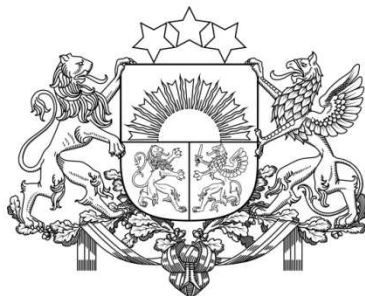
Services in English:

- ✓ Professional service for foreign investors in State Revenue service
- ✓ Services of Company Register provided in English
- ✓ Tax and electronic declaration system in English



Competitive tax system

- ✓ 0% tax rate on re-invested profit
- ✓ Single account in all tax payment
- ✓ Simplify payment of taxes
- ✓ Simplify accounting
- ✓ Develop start-up ecosystem
- ✓ Starting business & *life-style* tax regime



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Thank you!

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