



BUSINESS ENVIRONMENT AND BRIEF MACROECONOMIC REVIEW OF THE LATVIA ECONOMY IN THE CONTEXT OF EU MEMBERSHIP

**B O R I S H E I M A N I S
N A D I I A P R O S K U R N I N A**

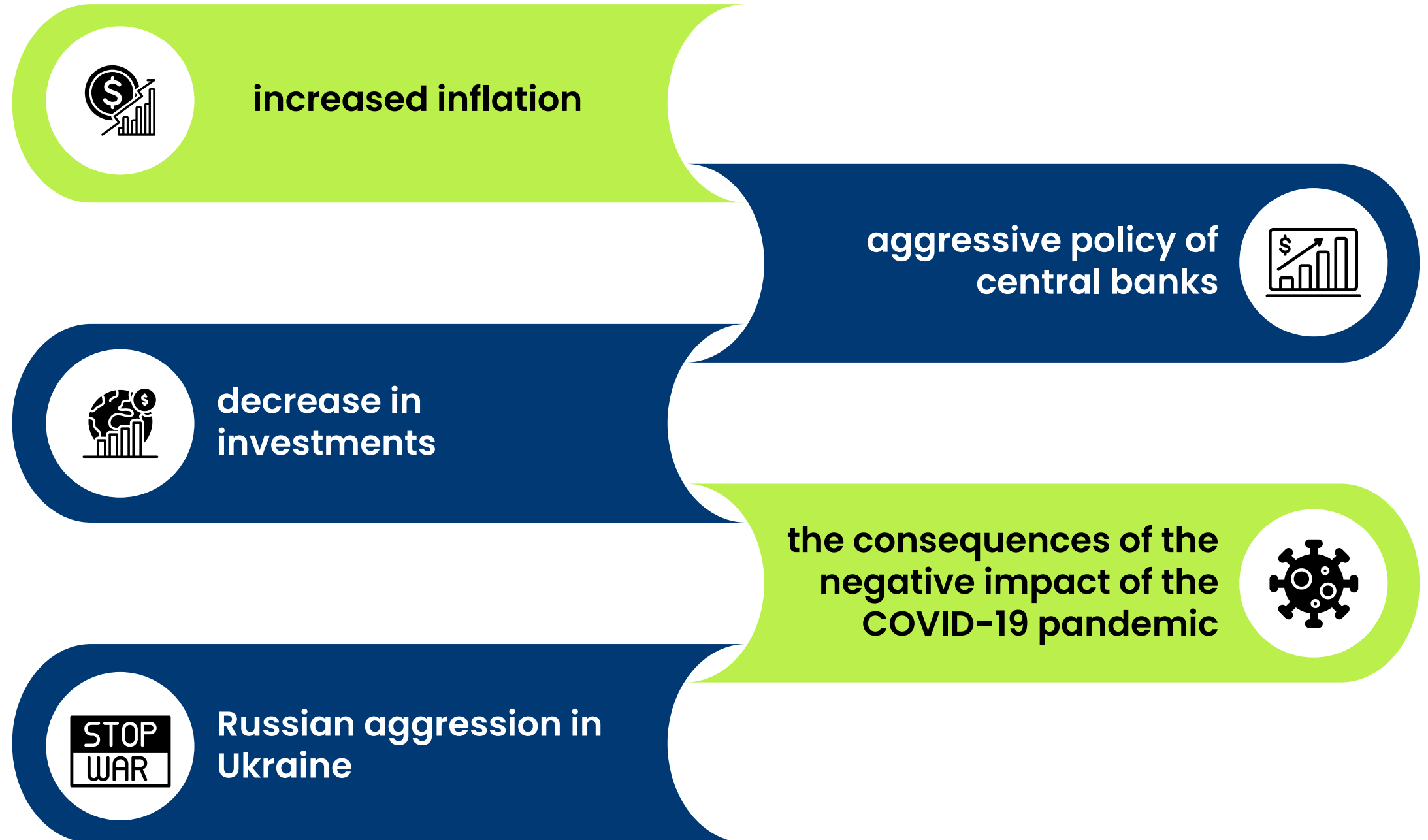
CED-2023



the consequences of the COVID-19 pandemic and the geopolitical situation in Europe had a very strong impact on all processes

- 01** 2023 BEGAN WITH AN ECONOMIC RECESSION AND GDP GROWTH IS FORECAST TO BE 0.0% FOR THE EUROZONE AS A WHOLE
- 02** 0.5% FOR THE US
- 03** AND A FALL IN GDP TO -0.3% -1.2% RESPECTIVELY IN GERMANY AND THE UNITED KINGDOM
- 04** CHINA, ON THE OTHER HAND, IS PROJECTED TO GROW BY 5.5%

The reasons for the disappointing state of the economy, in principle, developed and successful countries, lie in the following:



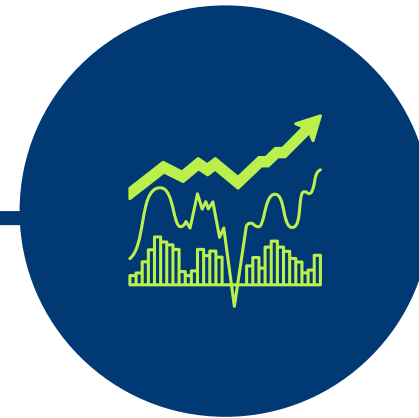
Risks



This could be the first time in 80 years that there have been two global recessions in the same decade



LATVIAN BUSINESS SECTOR



INCREASED TURNOVER



INCREASED PROFIT



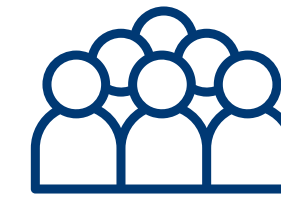
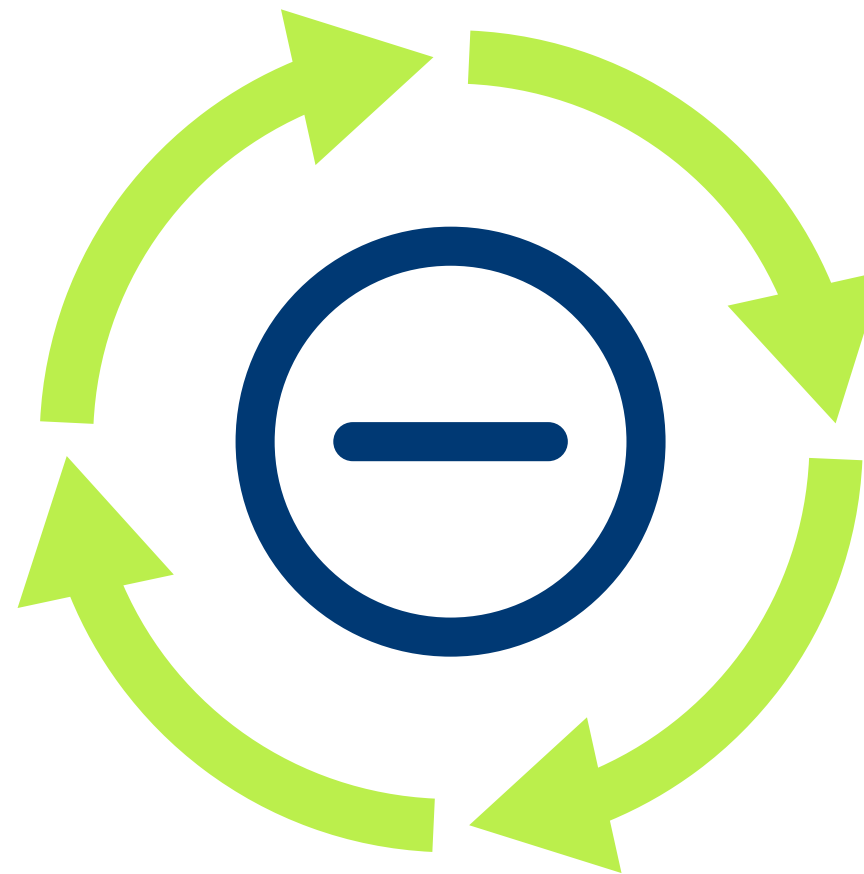
INCREASED FOREIGN INVESTMENT



INCREASED VOLUME OF TAXES PAID PER ENTERPRISE

Latvian business sector

Number of enterprises
the number of newly
created enterprises
annually is less than that
of liquidated ones



Population
**only 1.8 million
people**



Liquidation statistics

with 10.5 thousand newly created enterprises,
there were 24 thousand liquidated ones

Conducted surveys

61% of respondents in 2023 believe that geopolitical risks will be the main problem, and 25%–35% consider inflation and energy prices to be significant risks. Also, about 30% of entrepreneurs see macroeconomic instability as a serious threat to their enterprises.



the structure of the national economy of the Republic of Latvia

more than 90% of enterprises are small businesses

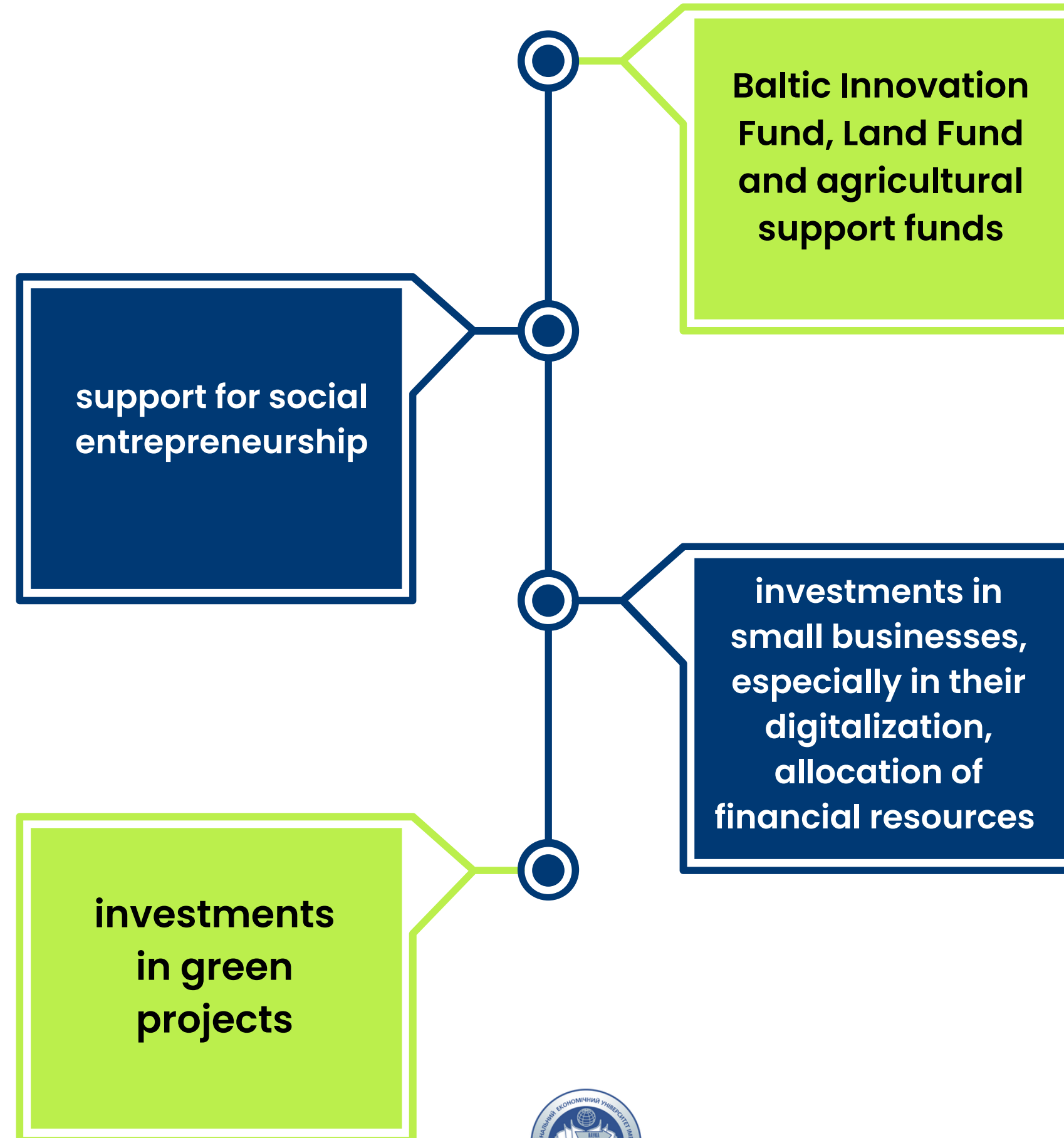


The question is already at the political level:
"Adjustment of Latvia's strategy in order to preserve the nation and actions to reduce the "slippage" of the economy", and there are two key questions in the business strategy: who will produce?, and who will buy?



ALTUM - 1.0 billion EUR

A financial institution for state development, which, with the help of financial instruments (loans, guarantees, investments in risk capital funds), ensures financial activity in the area that the state has identified as important and supported, but for which there is insufficient funding from credit institutions



key tasks



effective management and environment



competent people (new knowledge, skills and abilities) and, as a result, a constant process of obtaining education



competitive product and export focus

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Thank You

let's talk



BORIS HEIMANIS



NADIIA PROSKURNINA