



MAGNETIC  
**LATVIA**

# GLOBAL BUSINESS SERVICES IN LATVIA

Investment and Development Agency of Latvia

[www.investinlatvia.org](http://www.investinlatvia.org)

2022



# International Rankings and Infrastructure

Latvia provides world-class ICT infrastructure and secures high rankings in ICT

**93%**

is the broadband (NGA) coverage, and 71% are fibre connections (OECD & EC, 2020)

**#3**

in the world in mobile data usage (OECD, 2021) and fastest internet speed (Cable, 2021)

**#4**

in the European Union in Digital public services (DESI, 2020)

**23%**

Of ICT specialists are females, twice higher than in the EU (19%) (Eurostat, 2021)

**90%**

share of households with Internet access in Latvia in 2020 (CSP, 2020)

**1st**

5G military test site in Europe



# Growing Impact of GBS in Latvia

Continues development and growth of export-oriented service industry

**15,5k** specialists in GBS centers

**51** global business service centers

**80%** of GBS centers are expanding

**1,5%** GBS saturation rate in Riga region

**100%** satisfaction with the accessibility and quality of life of the location

Source: LIAA, ABSL Latvia (2021)

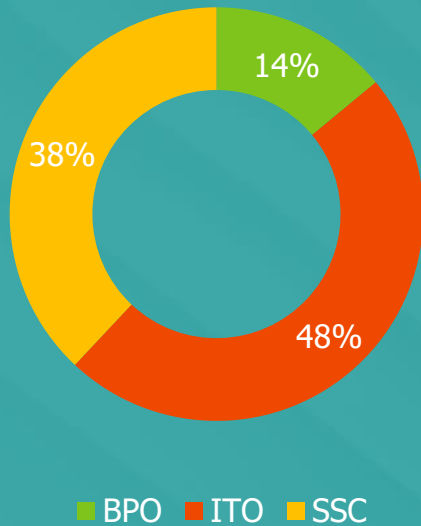
Total Number of Employees in GBS Centers



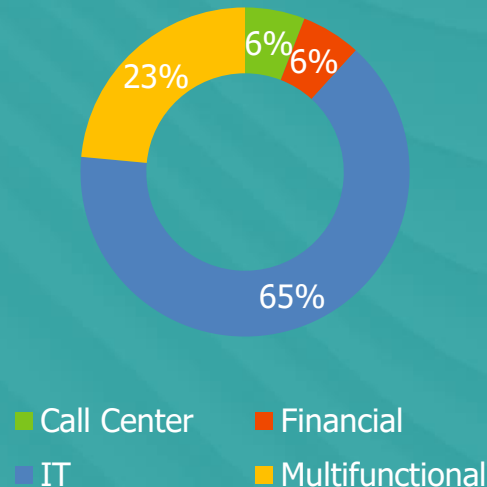
# Breakdown of the GBS Centers in Latvia

Most of GBS centers are BPOs from the Nordics (30%) with IT, customer care, financial and accounting services as dominating functions

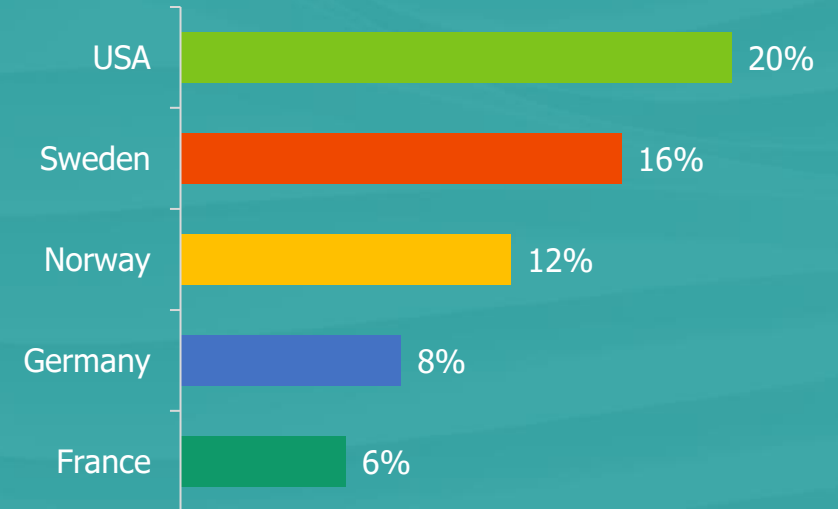
GBS Centers by Type



GBS Centers by Core Function



GBS Centers by the Country of Origin



**Core services of a multifunctional GBS:** customer care, finance, accounting, procurement, logistics.

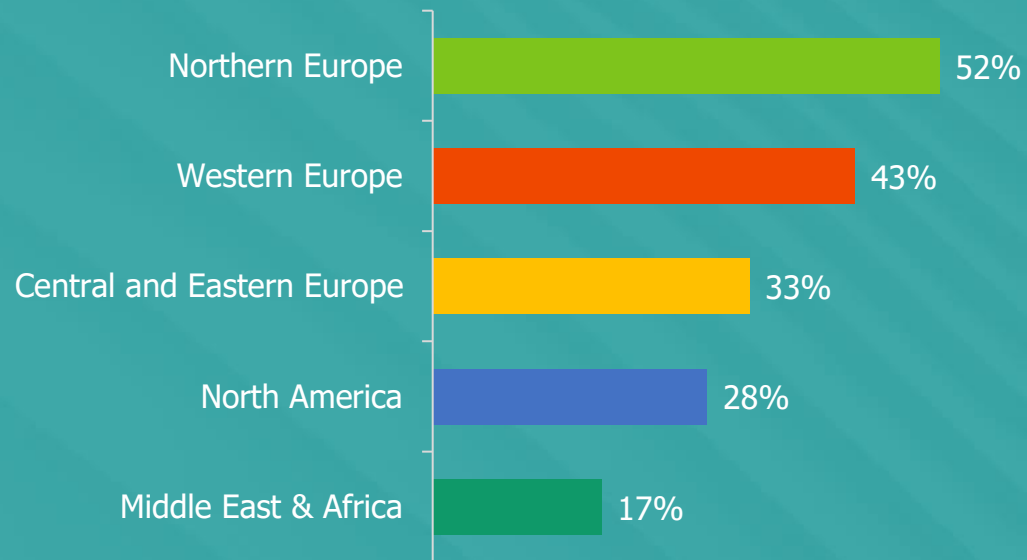
Source: LIAA, ABSL Latvia (2021)



# Breakdown of the GBS Centers in Latvia

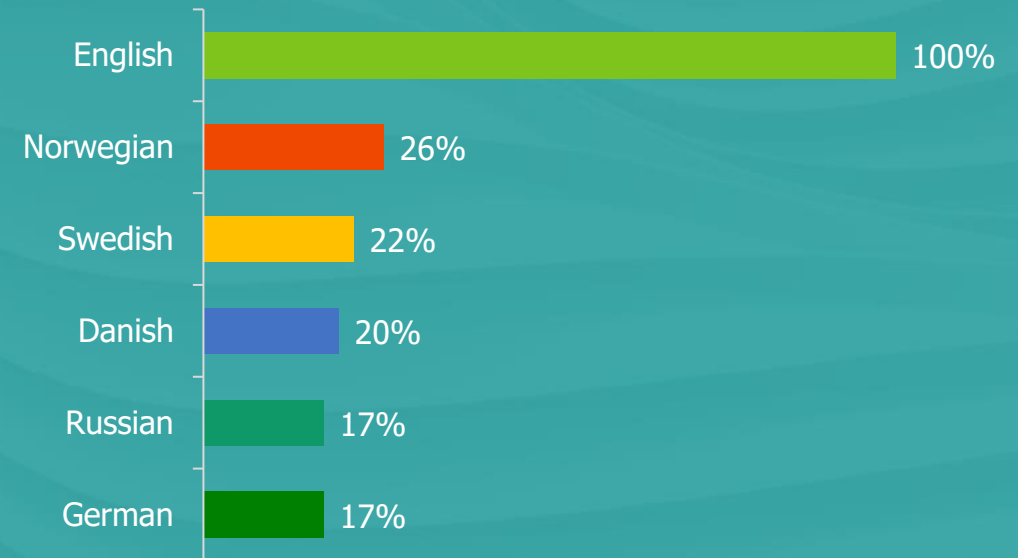
Most of GBS centers serve European markets with 100% English language knowledge and widespread use of Scandinavian languages

**Main Markets Served**



**Other regions:** Asia, Latin America, Southern Europe

**Language use in GBS Centers**



**Other languages:** Italian, French, Lithuanian, Estonian, Finnish, Polish, Dutch, Spanish, Czech, Japanese, Chinese

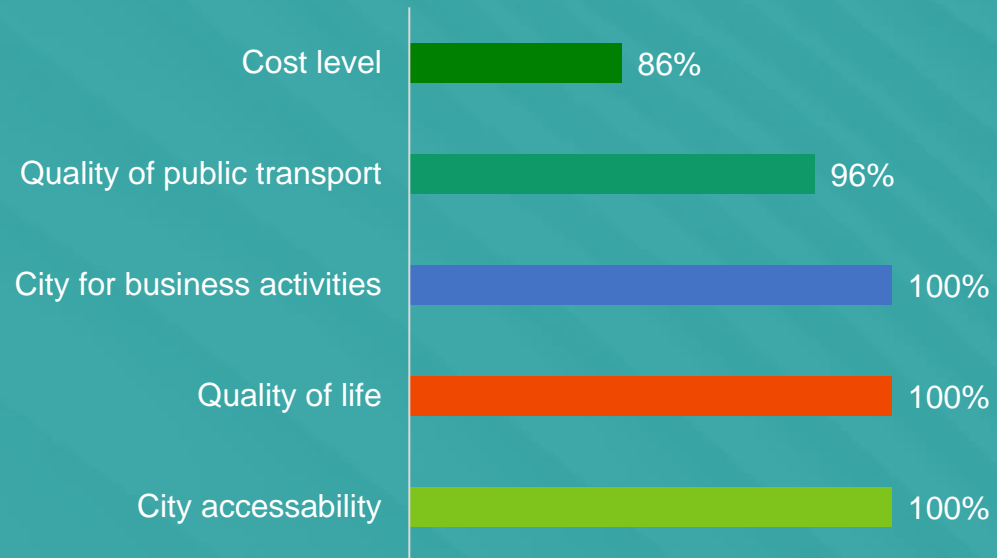
Source: LIAA, ABSL Latvia (2021)



# Breakdown of the GBS Centers in Latvia

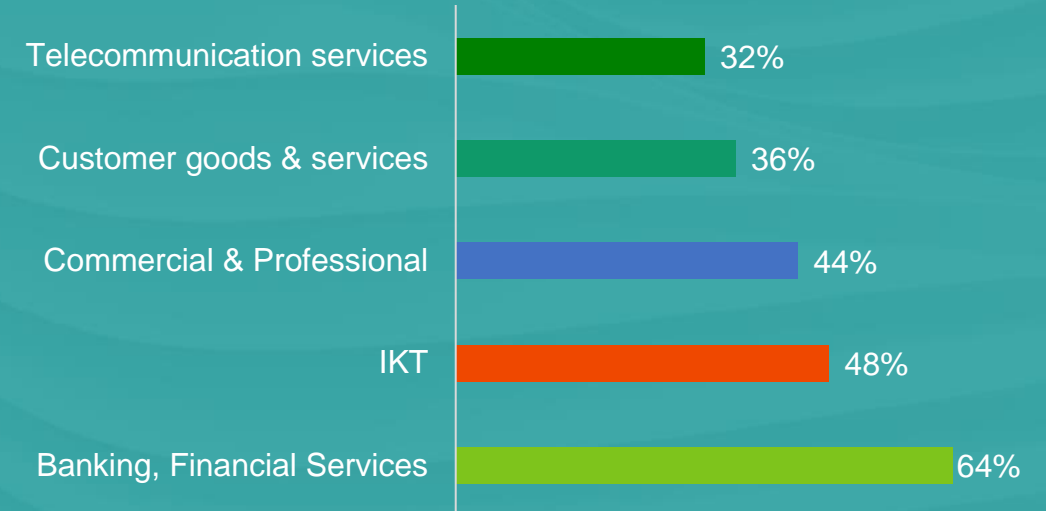
Investors are 100% satisfied with Riga as a place for business activities, and quality of life

Satisfaction with certain factors in Riga, 2020



Source: LIAA, ABSL Latvia (2021)

Business sectors with BPO, SSC/GBS, ITO from Latvia, 2020

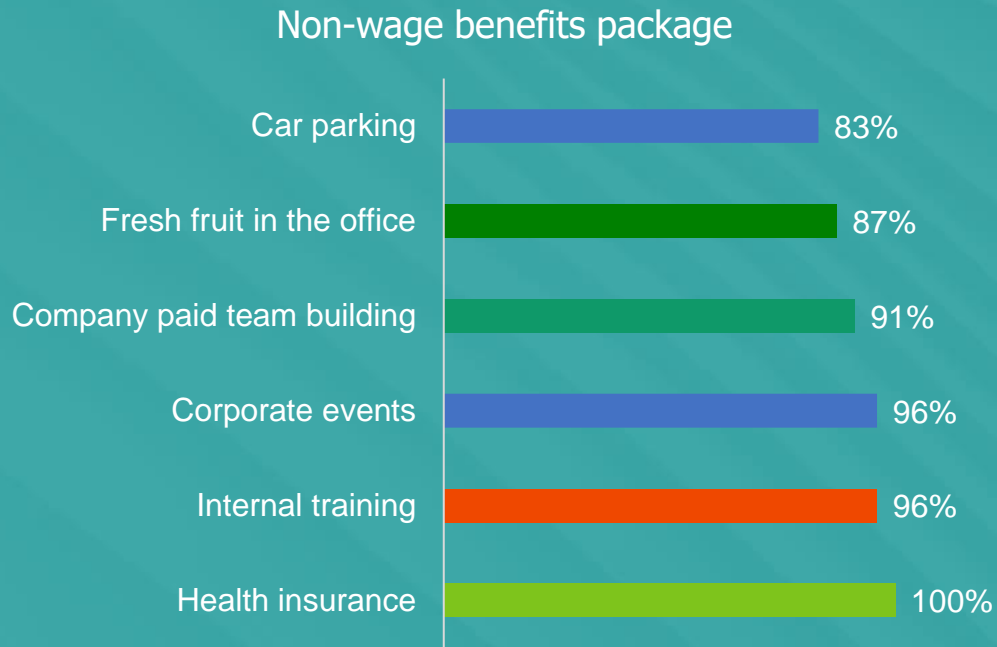


Source: LIAA, ABSL Latvia (2021)

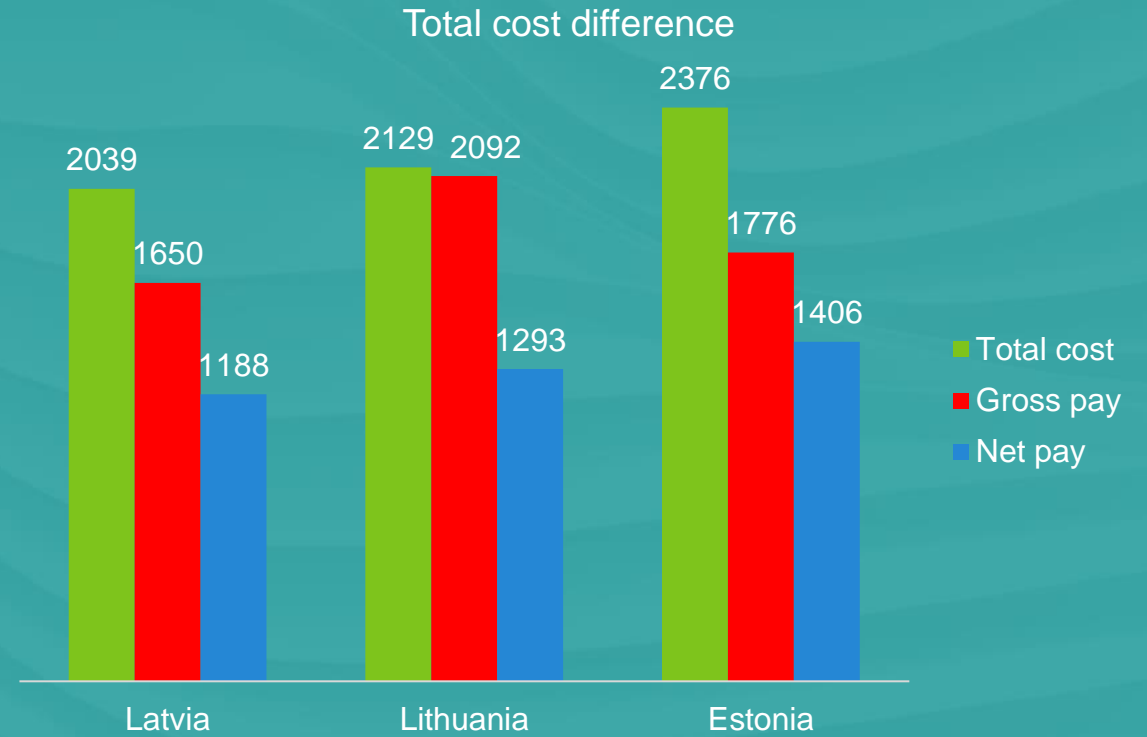


# Competitive cost-structure

Benefits package **970 EUR** an average budget for benefits per employee in SSC sector.



Source: LIAA, ABSL Latvia (2021)



Source: LIAA, ABSL Latvia (2021)



# Leading GBS Centers in Latvia

Large GBS centers continue to expand in Riga and consider other cities in Latvia



## Accenture

World's leading provider of technology and IT consulting services.

**Origin:** Ireland | **Industry:** IT

**Established in Latvia:** 2002 | **FTEs:** 1700

**Functions:** IT delivery and consulting , IT customer support



## Webhelp

A multinational business process outsourcing and consultancy company with rapid expansion in Latvia.

**Origin:** France | **Industry:** Customer support & IT

**Established in Latvia:** 2017 | **FTEs:** 810

**Functions:** customer experience solutions, social media moderation, payment services



## Tieto Evry

A leading digital services and software company with local presence and global capabilities.

**Origin:** Finland / Norway | **Industry:** IT

**Established in Latvia:** 2005 | **FTEs:** 970

**Functions:** IT helpdesk, project management, business analytics, finance, accounting, sales, HR



## Circle K Business Centre

An international chain of convenience stores and gas stations across North America and Europe

**Origin:** Canada | **Industry:** Fuel and retail

**Established in Latvia:** 2012 | **FTEs:** 670

**Functions:** Finance, control, HR, logistics, customer support, IT, tax, purchases



## SEB Global Services

A leading Swedish bank with business service centre in Riga.

**Origin:** Sweden | **Industry:** Banking

**Established in Latvia:** 2006 | **FTEs:** 820

**Functions:** Wire transfers, securities market, stock exchange



## Atea Global Services

Northern Europe's market leader in IT infrastructure that delivers world class services and software products.

**Origin:** Norway | **Industry:** IT

**Established in Latvia:** 1996 | **FTEs:** 400

**Functions:** IT as BPO, finance & control, HR, procurement, client management, contract management.





# Notable Newcomers and Expansions

Largest FDI projects in ICT and Business Services in 2019 and 2020

	2019	2020	2021
Newcomers	<div></div> <p><b>+310 workplaces</b></p>	<div></div> <p><b>+850 workplaces</b></p>	<div></div> <p><b>+340 workplaces</b></p>
Expansions	<div></div> <p><b>+140 workplaces</b></p>	<div></div> <p><b>+175 workplaces</b></p>	<div></div> <p><b>+200 workplaces</b></p>

# ABSL Latvia Business Services Association

The only international Association of Business Service Leaders in the Baltics



International Association of Business Service Leaders was launched in Latvia in 2019 and represents GBS industry. The organization is present in five countries across Europe.

## Activities:

- knowledge sharing platform;
- employee training and upskilling with EU co-financing programmes;
- annual industry report;
- cooperation with the government, ministries and universities.

## Members and partners in Latvia



## Webpage:

Latvia - [www.absl.lv](http://www.absl.lv)

International – [www.absl.pl/en](http://www.absl.pl/en)



# Video Testimonials

Cabot Corporation (US)



Video link: <https://youtu.be/M7m5BqCYDVE>

Visma Labs (Norway)



Video link: [https://youtu.be/7dt\\_nPvrcGo](https://youtu.be/7dt_nPvrcGo)

Tieto Evry (Norway / Finland)



Video link: <https://youtu.be/zpKnW0WrdZA>



Video link: <https://youtu.be/FPhwtqYBRN8>



Video playlist: [https://youtube.com/playlist?list=PL-GAjBmq\\_k4o\\_RhI7Zs-ZqF2dURVRp5I6](https://youtube.com/playlist?list=PL-GAjBmq_k4o_RhI7Zs-ZqF2dURVRp5I6)



# ICT and Business Education

Internationally recognized education to match the demand of the industry

**52** higher education institutions

**79k** students and **15k** graduates

**26k** students in social sciences, business and law

**20k** STEM students and **97 ICT** programmes

**130%** of students are foreigners



World-class ICT bachelor programme in cooperation with **University at Buffalo** and **BI Norwegian Business School**.



A public-private initiative for IT education promotion in Latvia that brings together top high schools, IT companies and other stakeholders. [www.bits.education](http://www.bits.education)

Sources:

Ministry of Education of the Republic of Latvia;  
RTU Riga Business School «Bachelor of IT Leadership»



# Incentives for Smart Company Growth

Government support for employee upskilling and knowledge transfer

Up to 50-60% of costs coverage capped at **EUR 200 000 per project** for **professional trainings** or **knowledge transfer** activities:

## Eligible costs:

- Training course costs (implementation of digitalization, automation and robotization, specialized language courses, training materials etc.)
- Transportation and accommodation costs in Latvia and abroad.
- Salaries of employees during trainings.

Total available funding **EUR 7,9 million**

Project duration: until **31.12.2023**

Source: Investment and Development Agency of Latvia





# Availability of Office Space in Riga

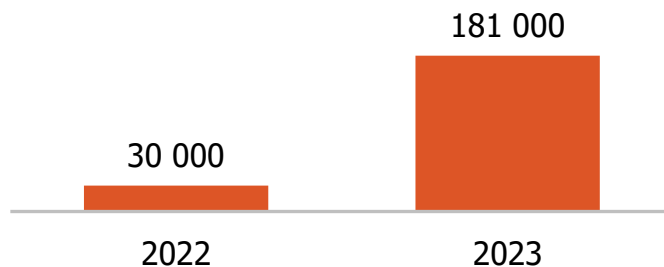
Large-scale A-class office project pipeline for 2022-2023

**800 000** sqm A and B class office stock in Riga

**1500+** coworking stations

**211 000** sqm development pipeline until 2023

## Office development pipeline in Riga (sqm)



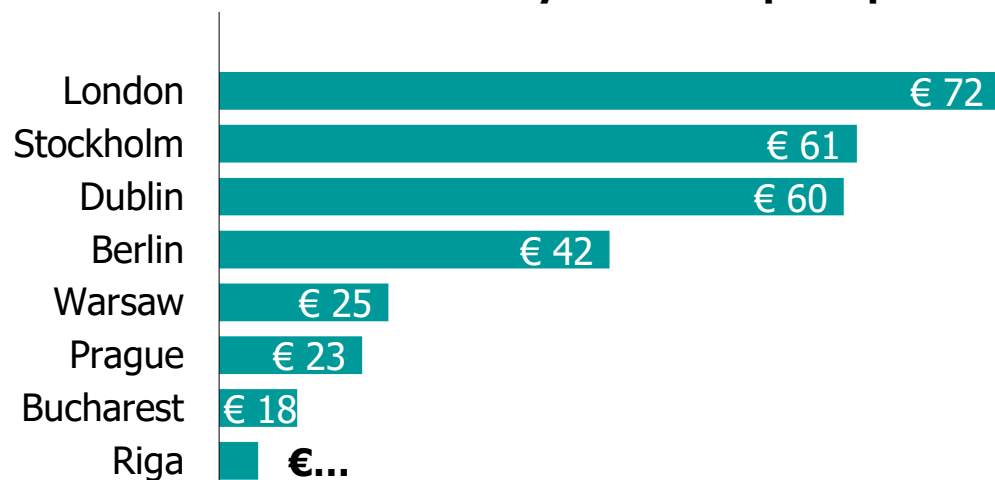
Source: Colliers International (Q3 2021)



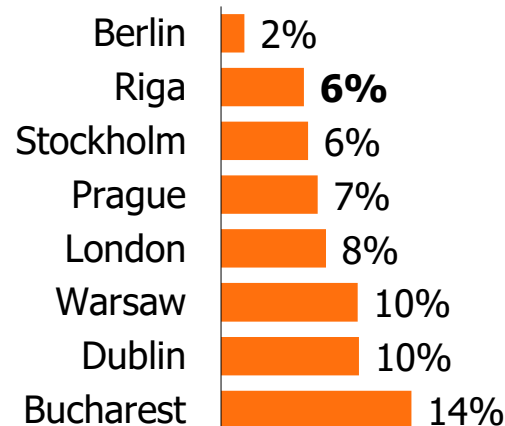
# Availability of Office Space in Riga

Nearly 1 million sqm of affordable A and B class office space by 2023

A-class office monthly rent rates per sqm

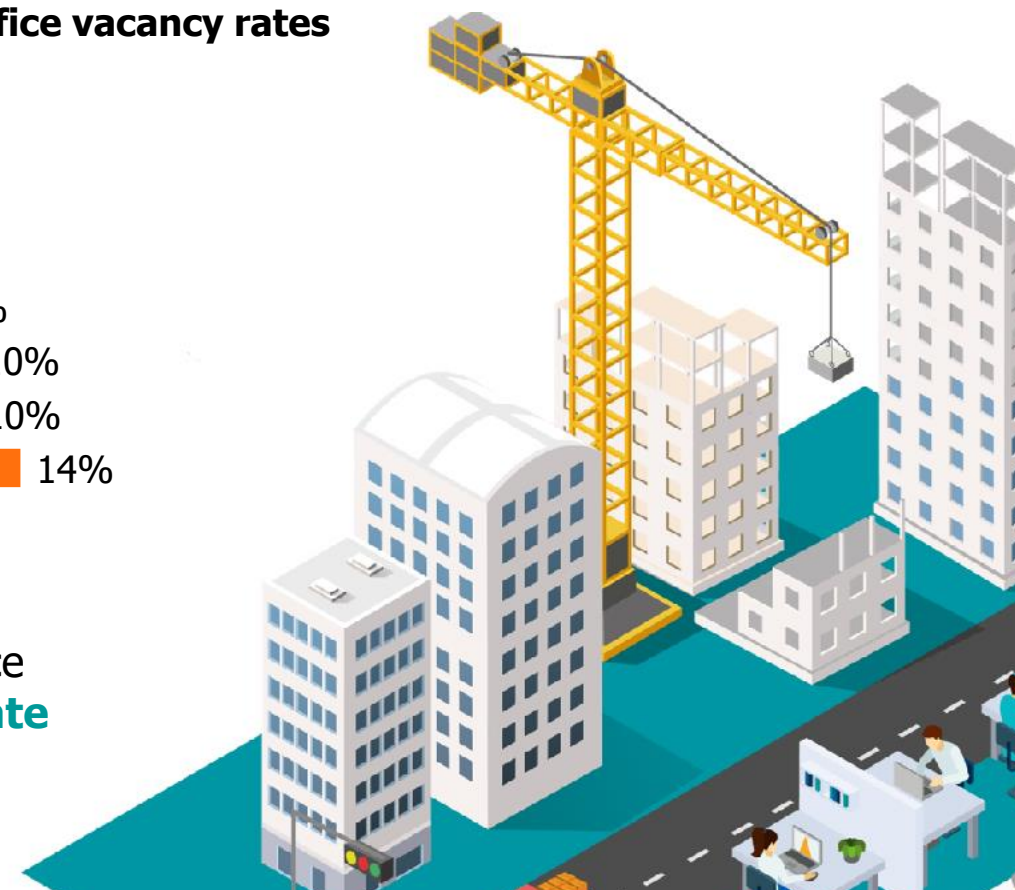


A-class office vacancy rates



Note: vacancy rate in Riga excluding recently commissioned A-class office center in the large-scale «Z-Towers» project. **The average vacancy rate for A and B class offices in Riga is 14.5%.**

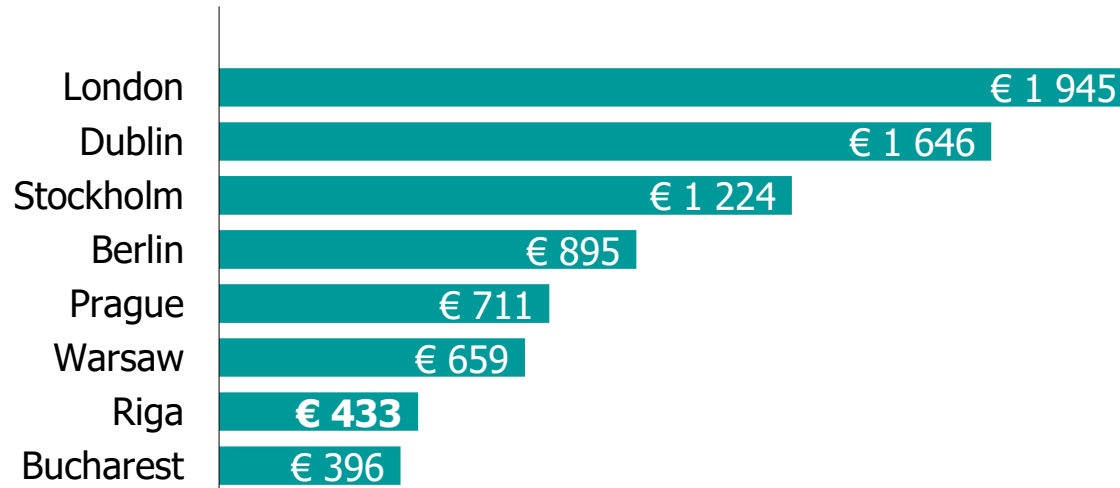
Source: Colliers (Q4, 2021)



# Affordable Housing and Increasing Development

Latvia has the most affordable housing among the Baltic countries

**One-bedroom monthly rent in the city centre**



Riga ranked #1 in Baltics with highest score in housing availability index (198.5) and with lowest average apartment transaction price in new housing projects (1256 EUR/sqm).

Sources: Numbeo.com, Swedbank Baltic Housing Affordability Index (Q3, 2021)





# Labour Cost in GBS Centers

Position	Net monthly salary, EUR		Gross monthly salary, EUR		Total monthly costs for the employer, EUR	
Customer Support and Operations Specialist (Entry Level)	650	700	907	977	1122	1209
IT Helpdesk Specialist / HR / Finance / Logistics / Accountant Specialist	650	850	907	1187	1122	1468
Team Lead	950	1400	1326	1968	1640	2432
Software Developer	2100	2600	2988	3717	3693	4594
Managing Director	2500	4500	3665	6597	4548	8186
HR Manager	1300	2500	1822	3665	2252	4414

Indicated salary levels are related to companies in Riga and available to qualified specialists with good English. Salary levels for similar positions are up to 15-20% lower outside Riga city. There is no premium for English and Russian language knowledge.

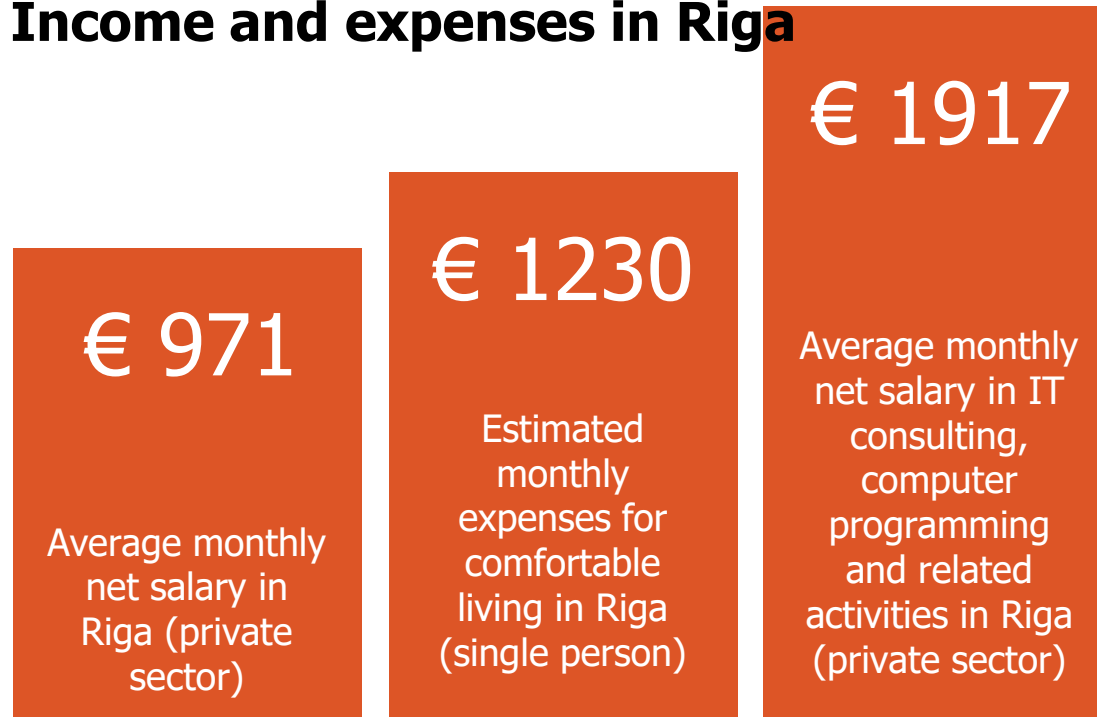
Source: Manpower Latvia (2021)



# Excellent Value for Money

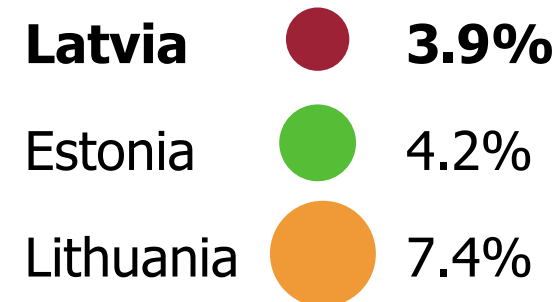
ICT talent will have sufficient means for comfortable living in Latvia

## Income and expenses in Riga



Sources:  
Central Statistical Bureau of Latvia (Q4 2020)  
Fontes Recruitment agency annual ICT industry salary report 2020

## STABLE salary growth in ICT in Latvia



Latvia has a **stable ICT salary growth rate** in Baltics in 2021 (research by Fontes).

# Truly European standard of living on the shores of the Baltic Sea

**5000+ restaurants**, various street food festivals & special restaurant weeks.





# RIGA

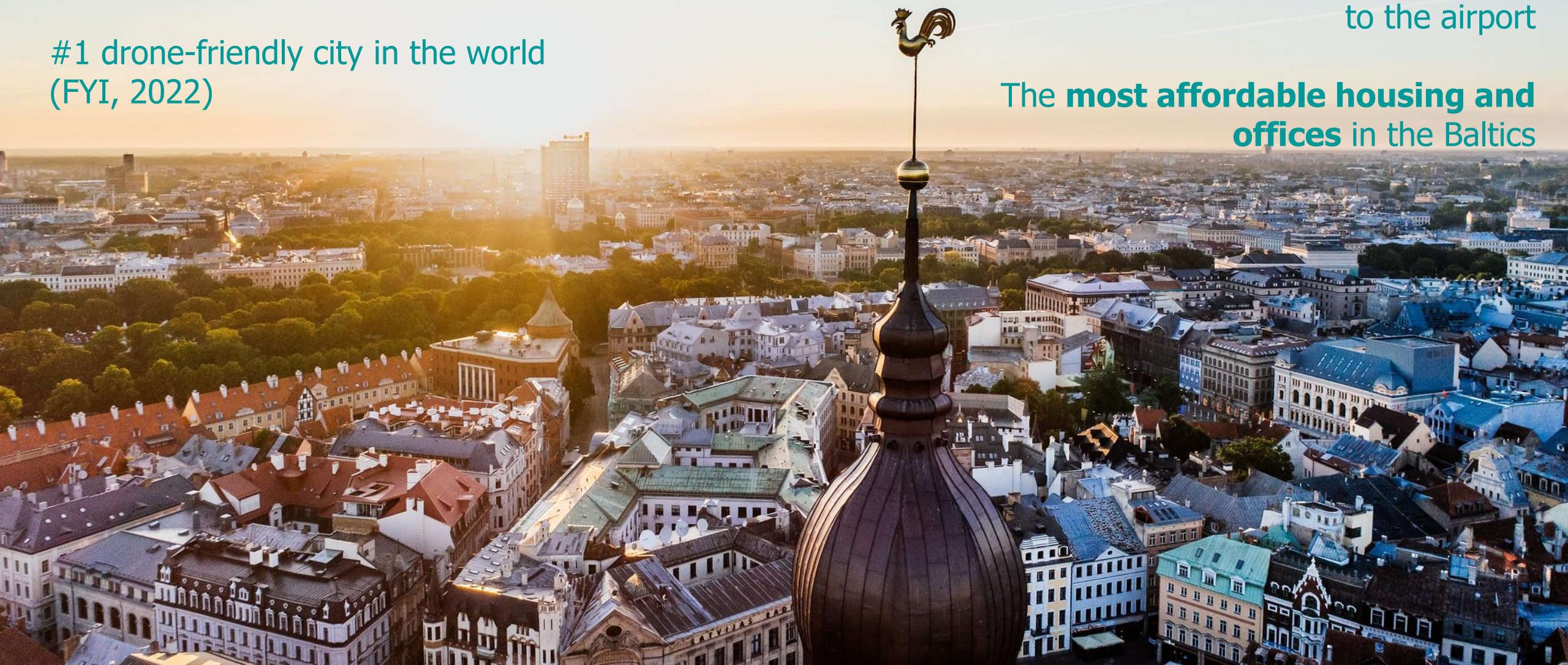
Most Dynamically Developing City  
(CEE Business Services Awards, 2021)

#1 drone-friendly city in the world  
(FYI, 2022)

**The third largest city** in the Nordics  
with 1,1 million inhabitants in Riga  
region

**20 minute drive** to the seaside and  
to the airport

The **most affordable housing and  
offices** in the Baltics





**#2 greenest** country in the EU  
**45%** of Latvia covered in forests  
**20 min** away from the nature  
**500 km** of sandy beaches

**LATVIA**







**LOW COMPETITION**

**EASY TO ENTER & SCALE**

**TRAINING INCENTIVES**

**FAST-TRACK PROCEDURES**

**EXCELLENT VALUE FOR MONEY**

**SUPERIOR ACCESSIBILITY**

**MODERN ICT INFRASTRUCTURE**

# Welcome on board

[invest@liaa.gov.lv](mailto:invest@liaa.gov.lv)  
+371 6703 9473  
[www.investinlatvia.org](http://www.investinlatvia.org)  
[www.liaa.gov.lv](http://www.liaa.gov.lv)



MAGNETIC  
**LATVIA**

# Investment and Development Agency of Latvia

Government agency with global presence

**300** employees

**20** representative offices around the world

**4** departments



**Investment**



**Trade**



**Innovation**



**Tourism**





# Investment and Development Agency of Latvia

Your personal guide for setting up business operations in Latvia



Assistance with investment location selection & implementation of investment projects.



Provision of all relevant information on business opportunities & business incentives.



Identification of the best property options for manufacturing facilities, offices, & greenfield development.



Assistance in establishing contacts with Latvian business partners, municipalities, & associations.

# Successful LIAA FDI Cases

