



ICT INDUSTRY IN LATVIA

Investment and Development Agency of Latvia

www.investinlatvia.org

September, 2021



Contents

| | |
|-----------------------------------|----|
| Reasons to Choose Latvia..... | 3 |
| ICT Industry and Community..... | 16 |
| ICT Education and Innovation..... | 42 |
| Thriving Startup Community..... | 52 |
| A Place to Work and Live..... | 56 |
| About Us..... | 69 |



Reasons to Choose Latvia



Location



Territory: 64.6 ths.sq.km

Capital: Riga

Population: 1,9 million

Language: Latvian

Currency: euro (EUR)

S&P Credit Rating: A+



OECD



Superior Connectivity

Quick and easy access from Riga to the whole Europe

RIX airport

airBaltic most punctual airline in Europe

100+ direct flights

20 min to the city centre

1,5-hour flight to Berlin, Copenhagen, Kyiv, Minsk, Moscow, Oslo, Prague, Stockholm, Warsaw

2,5-hour flight to Amsterdam, Brussels, Frankfurt, London, Milan, Munich, Paris, Stuttgart, Zurich

Rail Baltica

249 km/h speed for passenger trains

5-hour trip Riga–Warsaw

by 2026 - the railway connection Tallinn-Riga-Kaunas

RAIL BALTICA

0.86
million (2020)
Tallinn | Estonia

1.34
million (2020)
Riga | Latvia

0.37
million (2020)
Kaunas | Lithuania

1.31
million (2020)
Vilnius | Lithuania



Reasons to Choose Latvia



equal treatment of foreign investors and direct dialogue with government institutions



superior connectivity in the Baltics with 100+ direct flights from RIX, and high-speed railway (Rail Baltica by 2026)

0%

zero corporate income tax on reinvested profit



40+ incentives for innovations and smart business development



PLUG&PLAY
BUSINESS

easy and quick company registration in 1-3 days, access to digital government services with eID and eSignature

#2

among OECD countries in the International Tax Competitiveness Index

Inclusive, Innovative, Digital

Latvia is a diverse, digitally advanced and cost-efficient country in the EU

#1

in the EU with the largest share of women in management – 56% (Eurostat, 2019)

#1

as the most startup-friendly country in the world (Index Ventures, 2021)

#4

in the EU in eGovernment Benchmark 2020 (EC, 2020)

#19

in the world in Doing Business ranking (The World Bank, 2020)

#1

in the Baltics in innovations (Bloomberg Innovation Index 2021)

eID

digital ID for signing documents and remote access to 120+ government services



12 Key Industries

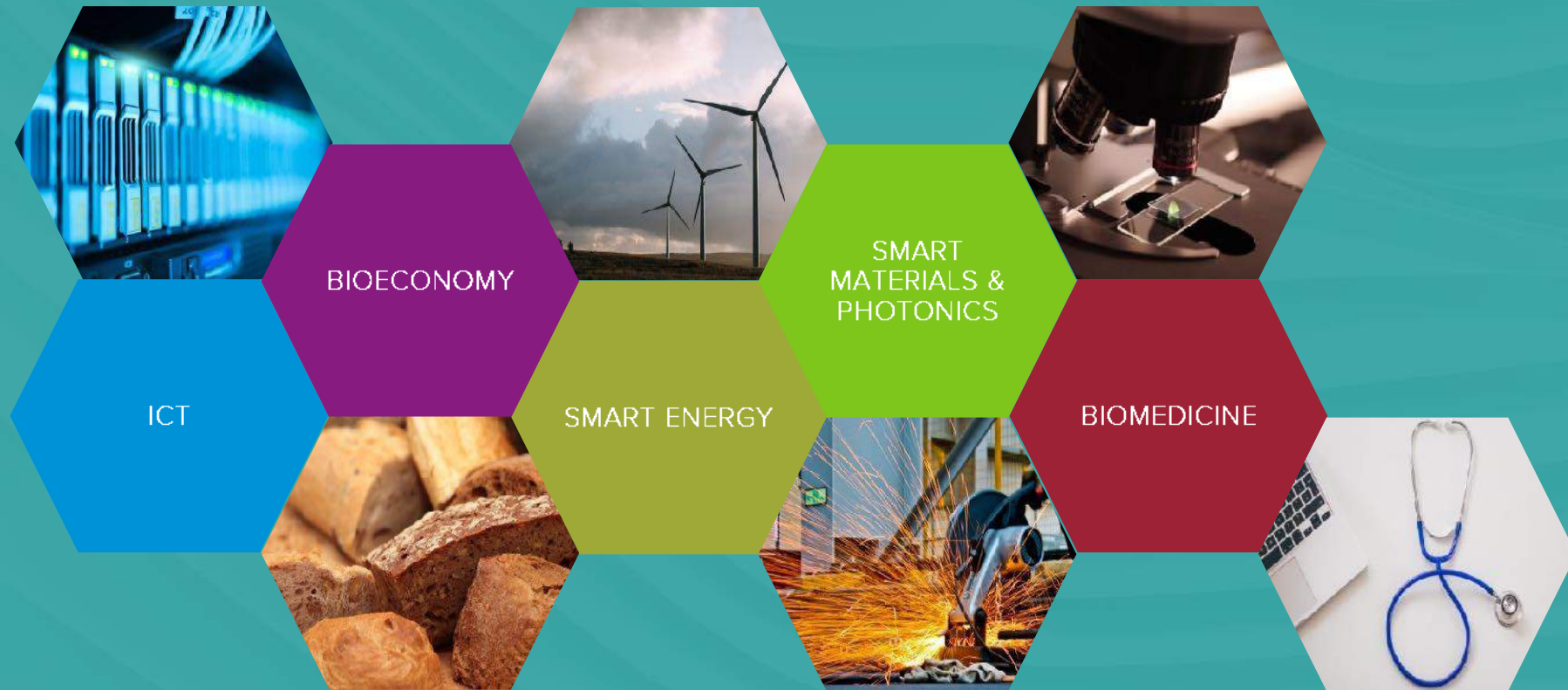
Development of industries and ecosystems with high value-added

- Life Science
- Food Processing
- ICT
- Smart City
- Healthcare
- Bio medicine
- Woodworking
- Green Technology
- Transport & Storage
- Global Business Services
- Engineering & Metalworking
- Smart materials & Photonics



Five Smart Industries & Value-chains

Development of industries and ecosystems with high value-added



The Ecosystem Approach

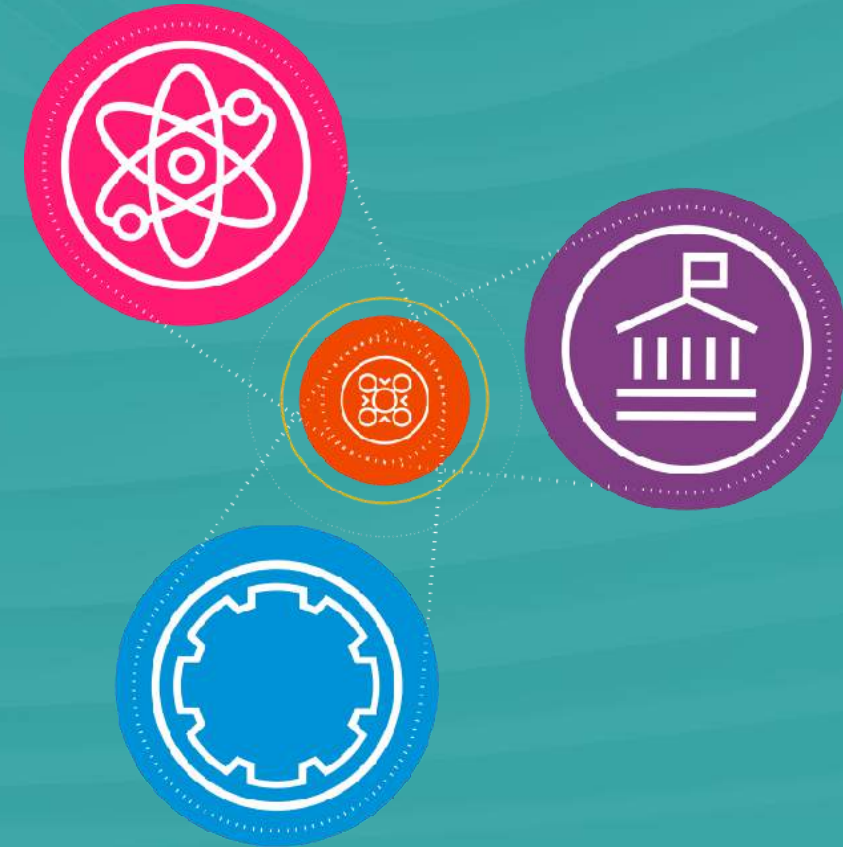
Development of industries and ecosystems with high value-added

Diverse ecosystems and strong collaboration:
INDUSTRY + ACADEMIA + POLICY MAKERS

Since 2014 **Smart Specialization Strategy (RIS3)** for Latvia is being developed – a strategy of economic transformation towards **higher added value** and **more efficient use of resources**.

5 strategic RIS3 areas have been set and ICT is one of them, playing an important horizontal value:

1. knowledge intensive bioeconomy;
2. biomedicine, medical technologies, biopharmacy and biotechnologies;
3. smart materials, technologies and engineering systems;
4. smart Energy;
5. information and communication technologies.



The Ecosystem Approach

Launching the **ecosystem approach** — a dynamic process of identifying prospective, knowledge-intensive value chains and mapping out the ecosystems. There are 3 **ecosystems** so far, and more to come.



Incentives and Support Mechanisms

Local companies have access to a broad range of 40+ incentives



IDEA DEVELOPMENT (4)

The Idea Cup
Business Incubators
Accelerators
Events and support
of municipalities



BUSINESS AND INNOVATIONS (24)

Startup benefits
Innovation vouchers
Cluster programmes
Financing programmes
Norwegian grants
Employee training



EXPORT DEVELOPMENT (7)

Export promotion
activities
Cluster programmes
Export credit
guarantees
LIAA network support



SPECIAL ECONOMIC ZONES (5)

80% CIT and RE tax
rebates in five special
economic zones in
Latvia



ADMINISTRATIVE FAST- TRACK

Twice faster procedures
for high priority FDI
projects

Incentives for Innovation and Growth



**EMPLOYEE TRAINING AND
KNOWLEDGE TRANSFER**
Up to 200,000 EUR per company
50-60% intensity



INNOVATION VOUCHERS
Up to 25,000 EUR for designing
prototyping, testing etc.
45-100% intensity



**PROMOTION OF INTERNATIONAL
COMPETITIVENESS**
Up to 40,000 EUR per year
50% intensity



STARTUP BENEFITS
Up to 200,000 EUR for employee
salary co-financing, or tax benefits.
Startup visa for 5 founders and family



**INCENTIVES BY INDUSTRY
ASSOCIATIONS**
Various projects and training
programmes co-financed by the EU



LOANS AND GRANTS
Various programmes for business and
individuals by state financial institution
“Altum”

Green corridor to enable new investment

Benefits: twice shorter administrative procedures including territorial planning, construction permits, foreign workforce relocation.

CRITERIA: 3 OUT OF 4 FOR A POSITIVE EVALUATION

1.

5 M €
investment
in 3 years

2.

50-75
jobs

3.

Exports worth
over 3 M €
in 3 years

4.

Over 250 000 €
R&D or employee
development



Diverse Talent Pool

Excellent balance of skills, work ethics, productivity and returns



EDUCATED

79 000 student pool

20 000 STEM students

the highest foreign student share in the Baltics (13%)



MULTILINGUAL

95% speaks at least 1 foreign language

54% speaks at least 2 foreign languages (English and Russian)



CULTURE FIT

150 nationalities, and 38% of the population is represented by minorities

26% of FDI from Nordics



HIGH ROI

41 000 EUR of annual average added value per ICT specialist

competitive operational and labor costs



ICT Industry and Community



Growing Impact of the ICT Industry

Continues development and growth of export-oriented industry

37k ICT specialists (**4%** of all labour force)

4,1 billion EUR turnover (**+6%**)

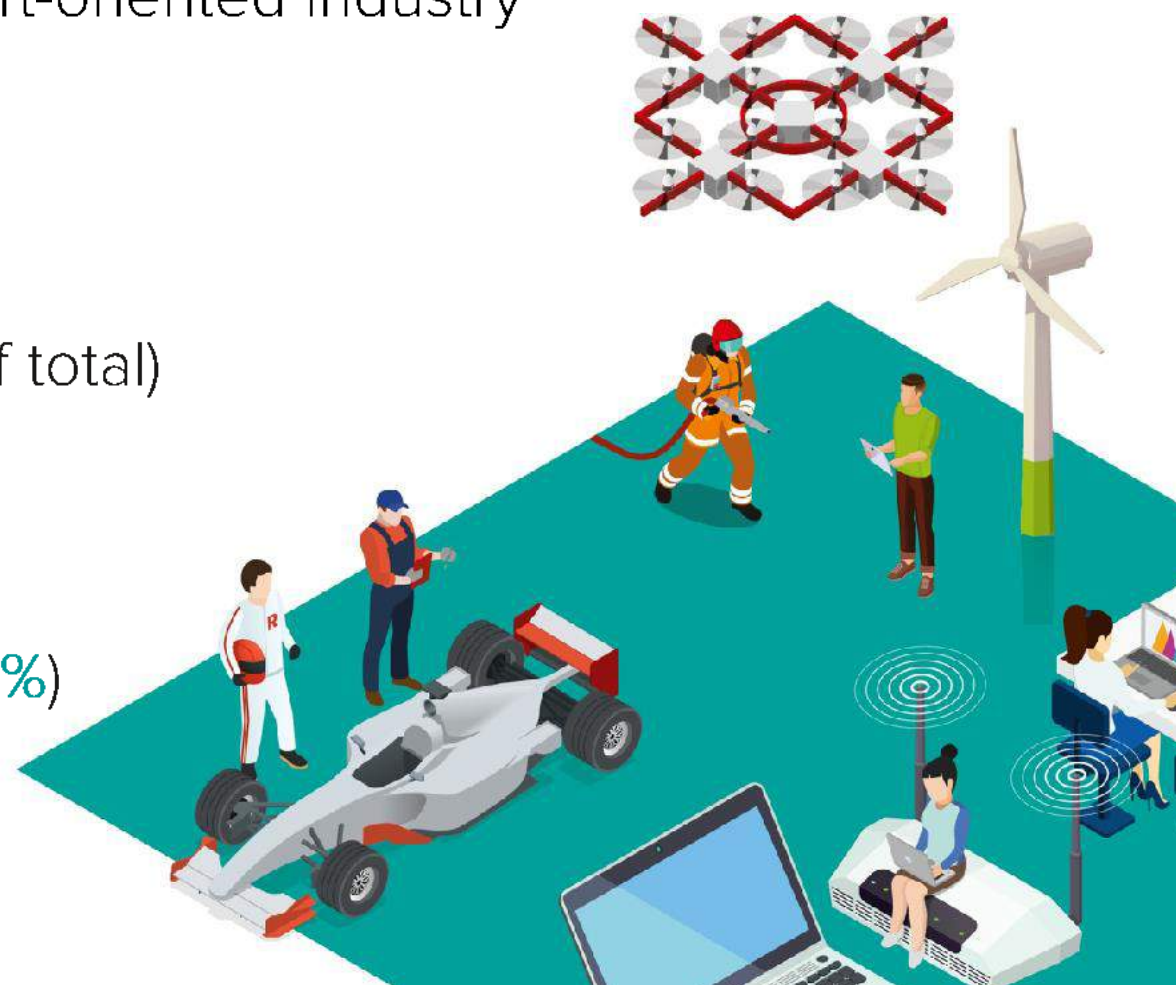
1,4 billion EUR value-added (**+11%** and 5% of total)

427 million EUR profit (**+8%**)

49% is exported (**1,2 bEUR**)

4,6% share of ICT value-added in GDP (**+7%**)

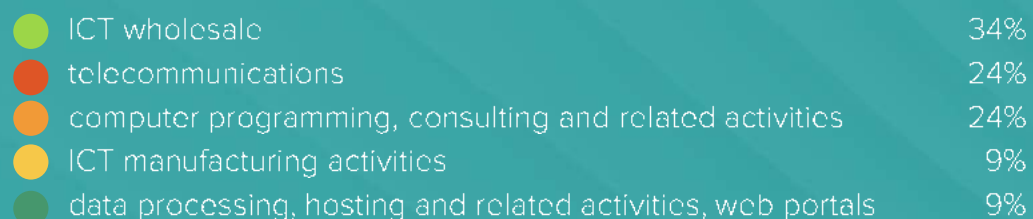
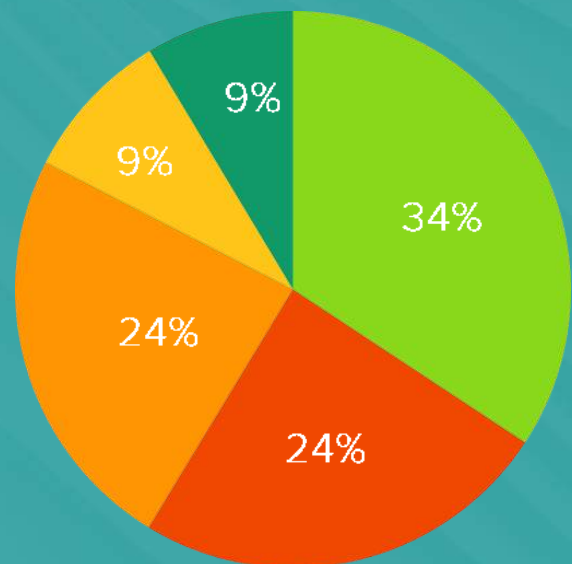
Source: Central Statistical Bureau of Latvia (2020)



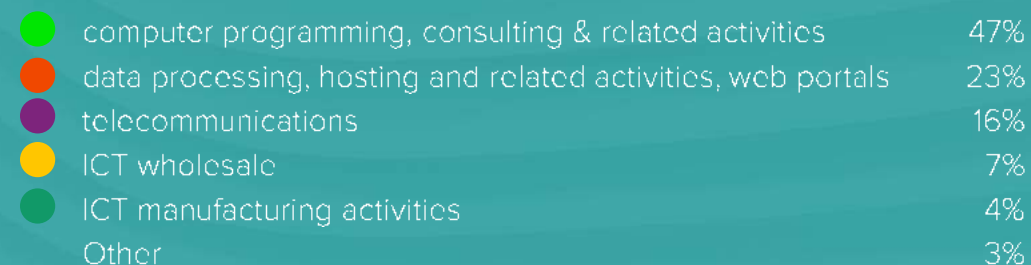
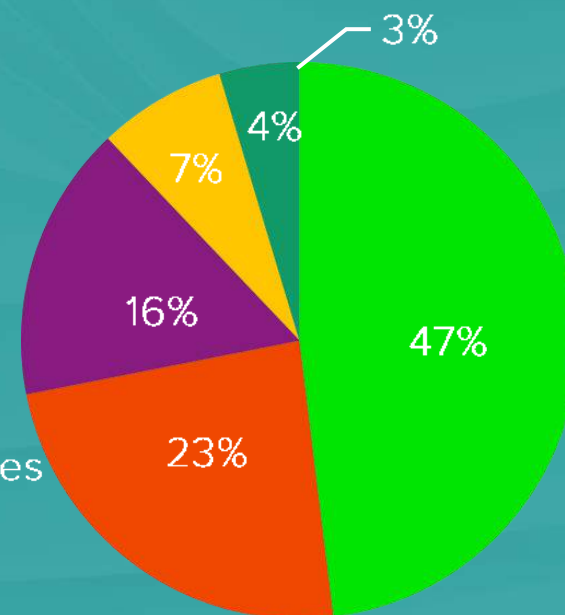
Breakdown of the ICT Industry

IT Services and ICT wholesale have the largest portion of the market

Turnover share of ICT industry enterprises



Share of employees in ICT industry enterprises



Source: Centra Statistical Bureau of Latvia (data for 2019)

International Rankings and Infrastructure

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

94%

is the overall fixed broadband coverage, and 69% are fibre connections (OECD & EC, 2019)

90%

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

#3

in the world in mobile data usage (OECD, 2019)

#4

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

37%

of ICT specialists are females, twice higher than in the EU (Eurostat, 2019)

1st

5G military test site in Europe



Promising Tech Segments



5G and IoT

with local world-class hardware and software developers LMT, SAF, MikroTik and others.



Smart City

Riga provides three test zones for smart city pilot project development and testing in cooperation with leading universities.



UAV and Aerospace Technologies

Latvia is the member of the European space agency since 2020.



Biotech and medtech

Latvia is the leader in Life Sciences among Baltic countries.



IT and Business Services

Riga is the most dynamically developing city in the CEE for business service centres.



Fintech

Both the Bank of Latvia and The Financial and Capital Market Commission are welcoming fintech innovations

ICT Industry in the Spotlight

Government dedication to further digital transformation



“

“Latvia has already strong foundations in the digital infrastructure, which is one of the main pillars for our sustainable economic growth. We will continue our work with digital transformation, as the digital ecosystem will enhance our already great e-governance and business environment for creation, implementation and export of innovative ICT solutions in the upcoming years”

”

- Jānis Vitenbergs,

Minister, The Ministry of Economics



“

“COVID-19 pandemic has revealed not only new opportunities for ICT companies but also the urgency for even broader and deeper digitalization of all industries”

”

- Kaspars Rožkalns,

Director of the Investment and Development Agency of Latvia

Notable Newcomers and Expansions

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

| | 2019 | 2020 |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Newcomers | <div></div> <p>+310 workplaces</p> | <div></div> <p>+850 workplaces</p> |
| Expansions | <div></div> <p>+140 workplaces</p> | <div></div> <p>+175 workplaces</p> |

Key Players in IT Services

Leading IT service & solution providers in Latvia



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

Number of employees: 1700

www.accenture.com



Develops custom and innovative IT solutions for complex business challenges that have companies worldwide.

Number of employees: 240

www.dynatech.lv



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

Number of employees: 400

www.atca.com



An ICT consulting company that provides a range of various IT solution development and implementation across broad range of industries.

www.emergn.com



The first Cognizant delivery network in Europe, focused on Telecom specifically and IT in general.

Number of employees: 250

www.cognizant.com



World's leading B2B provider of video-streamed Live Dealer gaming.

Number of employees: 3500

www.evolution.com



Latvian IT company with 11 successful brands that use latest technologies in different industries.

Number of employees: 700

www.draugiemgroup.com



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

Number of employees: 970

www.tietoevry.com



European-oriented IT solutions and service provider that is delivering enterprise solutions for top global clients.

Number of employees: 480

www.ctco.lv



A leading business solution provider in Northern Europe, focusing on business optimisation and management tools for SME's and enterprise companies.

Number of employees: 230

www.visma.com



Expanding Business Service Centres

Untapped opportunities and cooperation between ICT and business services

50+ business services centres
with 15 500+ employed and growing
10% annual hire growth rate of the industry

Core functions: IT (58%), finance (50%), business support (38%), logistics (35%)

Main markets: Nordic countries (81%), CEE (62%), Western Europe (58%)

Riga as an Emerging GBS
City in Central Eastern
Europe
(CEE BSC Awards, 2019)



5G and IoT Overview

Latvia provides a testbed for 5G, smart city, and IoT pilot projects

Local innovation leaders in 5G & IoT solution development testing and implementation. LTE-M and NB-IoT connectivity networks are available

First mobile network for drones in Europe, enabling autonomous BVLOS flights

5G & IoT use-cases in transportation, infrastructure, military & defence, agriculture & forestry, environmental monitoring

International pilot projects – 5G-Routes, COMP4DRONES, iMUGS, Sparta & others

VEFRESH

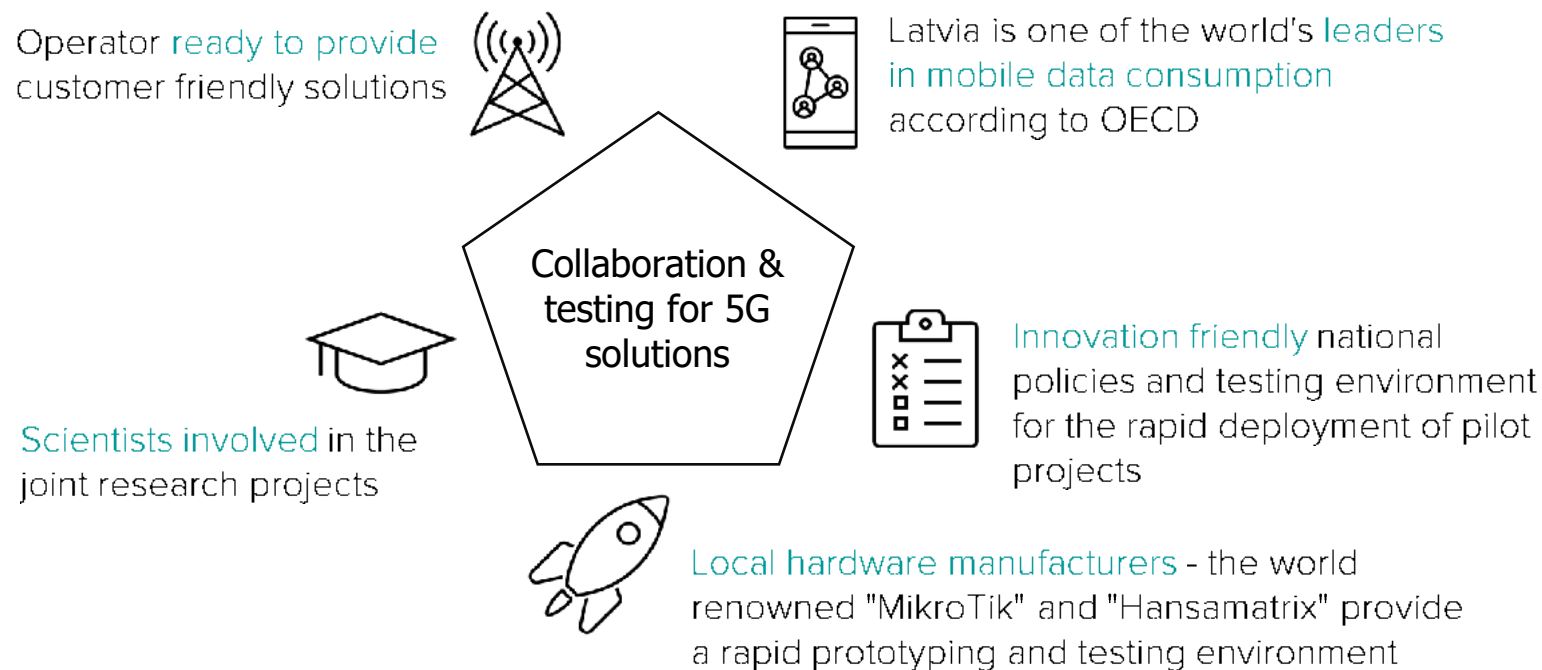
Smart innovation district in tech
area of Riga
www.vefresh.com



World's leading 5G event takes
place in Riga
www.5gtechritory.com

Profound Cooperation in 5G and IoT

Pilot projects and tests involve academia, private and public sector

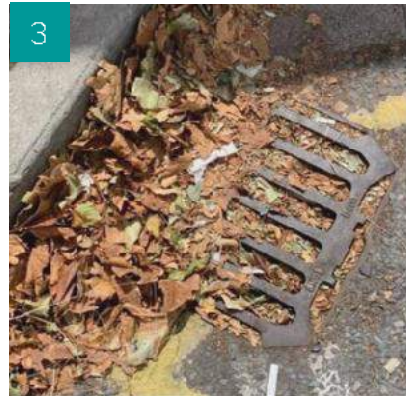


High speed research data network launched to help scientists battle cancer & combat the COVID-19 crisis



The first 5G military test site in Europe has been unveiled in Ādaži, Latvia.

Use-cases and Application



1. Sensors for road surface temperature measurement
2. Deformation or crash sensor
3. Sewage drain monitoring, maintenance
4. Air and noise monitoring
5. LMT and MikroTik 5G laboratory
6. Mobile Network-Enabled cross-border BVLOS drone flights

Key Players in Network and IoT

Strong international & local connectivity providers & innovators



Third largest mobile service provider in Latvia.
Number of employees: 480
www.bite.lv



A microwave data transmission equipment designer, producer and distributor.
Number of employees: 200
www.saftchnika.com



One of the largest carrier-neutral data centre operators in Northern Europe.
Number of employees: 70
www.deac.eu/en/



Mobile network service provider with the largest customer base in Latvia. Also has shared service centre and IoT division.
Number of employees: 650
www.tele2.lv



A mobile telecommunications operator with Innovation branch that is dedicated to 5G and IoT solutions and technologies.
Number of employees: 590
www.innovations.lmt.lv



Latvian internet service provider, telecommunications, technology and entertainment company with 12 brands providing various ICT services and solutions.
Number of employees: 1300
www.tet.lv



Was founded in 1996 to develop routers and wireless ISP systems and now provides hardware and software for Internet connectivity in most of the countries around the world.
Number of employees: 250
www.mikrotik.com



Next-generation communications technology company, that creates technology platforms for Businesses, Smart Homes, and Internet Service Providers.
Number of employees: 80
www.ui.com

Business Ready Infrastructure

Professional service providers with certified data centres

TIER III design and facility certified data centres with international network.

VISA / Mastercard PCI DSS Level 1 certificate for Internet commerce, which guarantees and controls electronic transactions online.

Certified key service providers with global partnerships:



LATVIJAS VALSTS
RADIO UN TELEVĪZIJAS CENTRS



Payment Card
Industry – Data
Security Standard



Fintech Overview

Innovative ecosystem and well- established infrastructure for fintech development

91 fintechs in 2020 (+21%)

88% are planning to expand

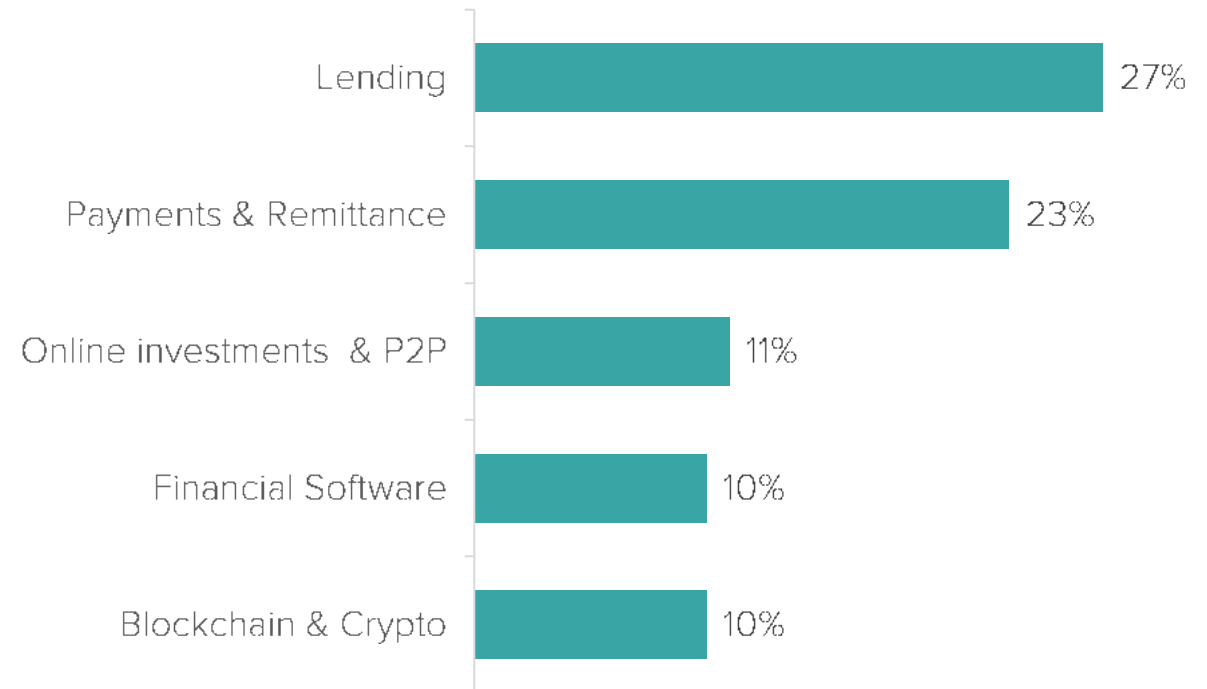
Main markets

Europe (88%), North America (6%), Asia Pacific (6%)

Developed infrastructure

Electronic Clearing System (EKS), proxy registry “Instant Links”, virtual platform “ZibLab++”

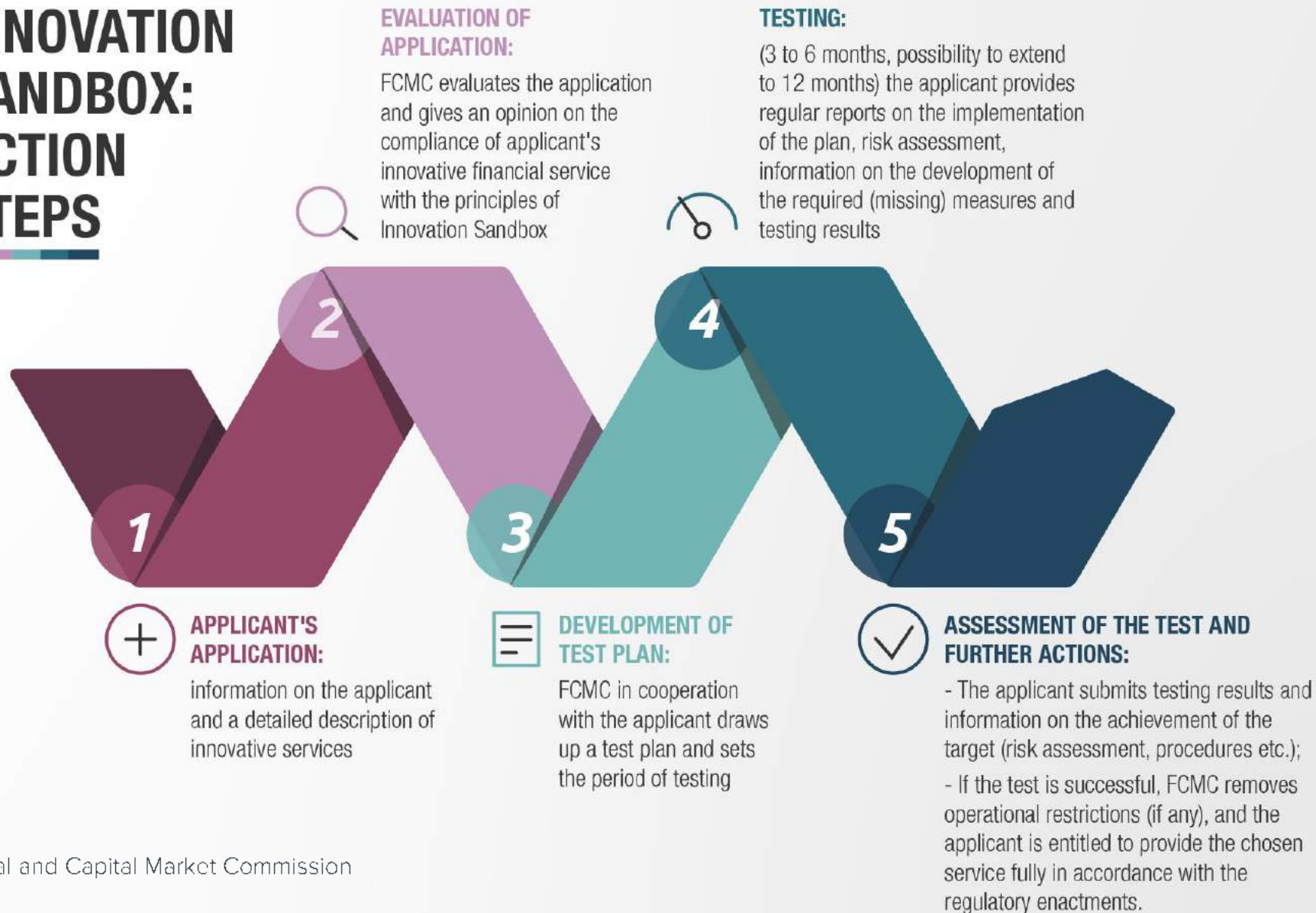
Latvian Fintech companies by segment



Source: Latvian Fintech Report by Swedbank (2020)



INNOVATION SANDBOX: ACTION STEPS



Source: Financial and Capital Market Commission

Key Players in Drone Technologies

Emerging 5G network facilitates new drone technology development



Academic and professional aviation center (TSI/APAC) is the first training provider in Latvia for both recreational and professional remote pilots.

www.apac.lv



Drone Plan provides a solution for accurate mapping and technical surveys in construction, oil and gas, utilities, mining, agriculture and transport.

www.droneplan.eu



Heavy lift drones for industrial and agricultural applications (e.g. crop spraying).

www.airboard.co



FIXAR drones are used for aerial photo-videography, land surveying, mapping, monitoring and inspections, last-mile delivery, and agricultural work.

www.fixar.pro



Develops and manufactures Unmanned Aerial Systems (UAS) for professional use cases in defense, search & rescue, industry.

www.atlasdynamics.eu



SPH Engineering offers unmanned systems integration services and software development. UgCS is a unified survey mission planner for UAV platforms.

www.sph-engineering.com



Drone Racing Latvia is an organization that brings together FPV racing drone pilots to promote new sport in Latvia.

www.droneracinglatvia.com



One of the world's leading developers of long endurance unmanned aircraft and subsystems.

www.uavfactory.com

Drone Development



Atlas Dynamics



Fixar



UAV Factory



SPH Engineering



Digital Game Development Overview

Rapid growth of turnover and profit since 2017

49+ digital game development companies

30+ games released in 2019

30,1 million EUR turnover

16,5 million EUR profit

65% of games are for mobile platforms

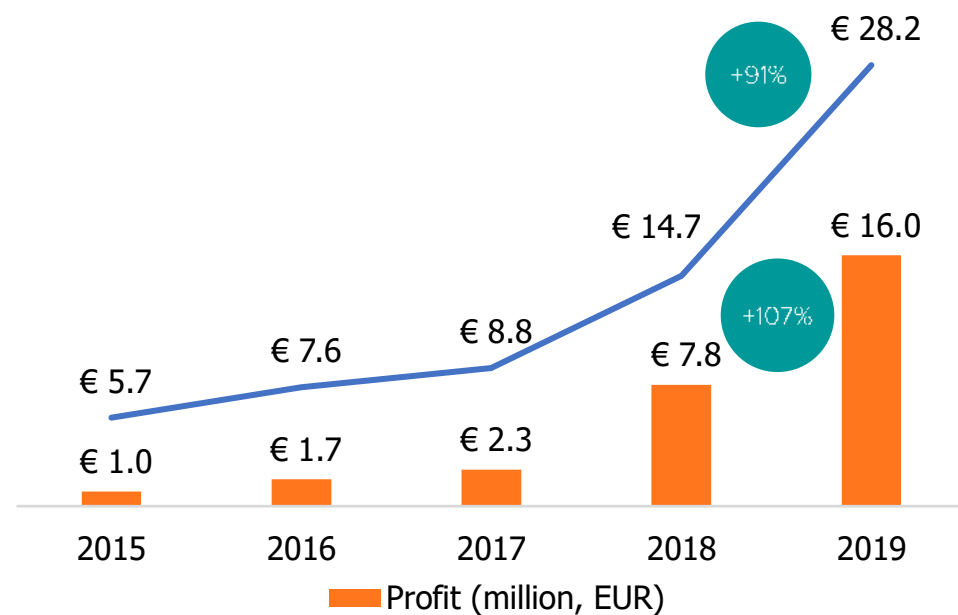


Latvian **Game Developers Association** with 90+ members and regular events.



Professional **bachelor degree in computer game design & graphics** at EKA University of Applied Sciences

Game Development Company
Turnover and Profit in Latvia



Key Players in Digital Game Development

Leading gamedev companies generate approximately 85% of industry turnover



Amber Games

An online game developer in the Baltic region, founded in 2006 in Riga. In 2008 Amber Games released online medieval strategy game 1100AD, the most recognized game of the company.

www.ambergames.com



FunGenerationLab

The gaming studio was founded in 2011 when mobile gaming was a new market and the dominant market segment was paid games. Launched 6 games since the foundation.

www.fungenerationlab.com



Beetroot Lab

Was founded in 2014 in Riga, and is specialising in the field of mobile game development for iOS and Android platforms. Has developed more than 100 games that have 5+ million app users.

www.beetrootlab.com



Fufu

A small gamedev studio that develops mobile games. The most popular ones are Bacterial takeover, Word Battle and Puzzly Words.

www.bacteriale takeover.com



Estoty

The biggest hyper-casual games developer in the Baltic states with 1+ billion downloads and 200+ million active users across 40+ countries worldwide. Founded in 2012.

www.estoty.com



Game Insight

Game Insight was founded in 2009 and it is the world's leading innovator of mobile and social games, creating exceptional gameplay experiences for a wide range of audiences, from casual to hardcore.

www.game-insight.com



Digital Games Developed in Latvia



Bacterial Takeover - Idle Clicker

Developer: Fufla

1+ million downloads

www.bacterialtakeover.com



Johnny Trigger - Action Shooting Game

Developer: Estoty (Saygames)

100k+ downloads

www.estoty.com/games

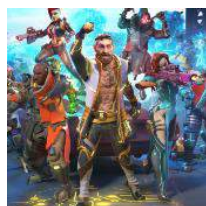


Gods of Boom (Guns of Boom)

Developer: Game Insight

50+ million downloads

www.godsofboom.com



Dystopia: Contest of Heroes

Developer: Beetroot Lab

100k+ downloads

www.dystopia.beetrootlab.com



Prince of Persia: Escape

Developer: Estoty (Ketchapp/Ubisoft)

5+ million downloads

www.ketchappgames.com/games/



GX Racing

Developer: FunGenerationLab

1+ million downloads

www.gxracing.com

ICT Industry Testimonials

Local and foreign companies highly value business ethics & talent quality in Latvia



“Talents are the most precious asset in Latvia as we possess a powerful body of knowledge – we are reliable, industrious, speak several languages, generate new ideas, and create world-class products and services with high added value. The IT sector is one of the fastest-growing in Latvia’s economy and the development of the industry is connected to the worldwide trend of digitalization”

- Maksims Jegorovs,
Accenture Lead in Latvia



“Latvia is home to the world’s most active mobile internet consumers, thanks to the super-efficient and advanced mobile network infrastructure we’ve built. As a mobile operator as well as an IT company and integrator, we are ready to help different industries tackle their challenges with mobile-enhanced technologies and embrace cross-border and cross-sectoral collaboration”

- Ingmārs Pūķis,
VP and Member of the Board of LMT

ICT Industry Testimonials

Foreign companies highly value business ethics & talent quality in Latvia

“

“Riga is central to a number of our industry-leading clients, and a strong source of IT and digital skills talent. It is a good location due to its proximity to Nordics and Central Europe, strong academic community, and the possibility to leverage association with European companies”

- Santosh Thomas, President, Global Growth Markets
Cognizant

“Doing business in Latvia has made it possible for us to find strong developers with a strong sense of responsibility”

- Johan Denning, Growth Manager
Chess24

”

“

“Visma is very satisfied doing business in Latvia. Visma entered the market in 2014 and has since then grown the business in the country. Latvians are hard working, reliable, they adapt easily to different cultures and deliver all tasks in high quality”

- Therese Sletten, Director Strategic Initiatives,
Visma Group

“Latvia is place where bright minds and hardworking culture form a rare set of employee qualities that contribute in achieving outstanding business results!”

- Arvīds Jēgers, Head of Shared Service Centre
Tele2

”



ICT Community in Latvia

Strengthening and supporting the industry and existing key players



Latvian IT Cluster

Latvian IT Cluster and Digital Innovation Centre is an IT community based organization initiating and leading cooperation of Latvian IT industry, educational institutions, public sector, business and industry associations. It supports Latvian IT companies operating in ICT business sector and acts as a guide for other business sectors' SMEs to promote the digital development of Latvia.

www.itbaltic.com

LETERA.

Latvian Electrical Engineering And Electronics Industry Association (LETERA)

Unites companies, research and educational institutions operating in the fields of electrical engineering, electronics, optical equipment, ICT, defense equipment, aviation and space technology.

www.letera.lv



Latvian ICT Association (LIKTA)

Information and Communication Technology association unites leading industry companies and organizations, as well as ICT professionals.

www.likta.lv



Microsoft Innovation Centre

Strengthens the cooperation between ICT industry, science, NGOs and public sector, in the development of export capable IT solutions and digital transformation (in cooperation with the University of Latvia).

www.lumic.lu.lv/cn



ICT Community Testimonials

ICT community urges to seize the opportunity for growth and to strengthen cooperation between all stakeholders



“Latvian IT community has gone far beyond its traditional perception and is aiming to change the industry, transform and make the overall ecosystem stronger, more innovative and digital. We are making bridge between Latvian ICT business sector & other business sectors’ ensuring that SMEs are aware of the digital opportunities, tools and products, thus facilitating the integration of innovation into everyday life & business”

- Gatis Ošs,

Chairman of the Board of Latvian IT Cluster



“Digitalization and ICT is changing our everyday lives and creating new opportunities for both businesses and employees. There are over 37k specialists employed in ICT sector in Latvia. With more than 2b EUR ICT export value, Latvia is the leader amongst Baltic States”

- Andris Melnūdris,

Director of Latvian ICT Association (LIKTA)

ICT Education and Innovation



ICT Education and Innovation

Internationally recognized education to match the demand of the industry

97 higher education ICT programmes

20 000 STEM students (25% of all)

9 000 students in ICT related programmes

1 200 ICT graduates with the goal of 3 000



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

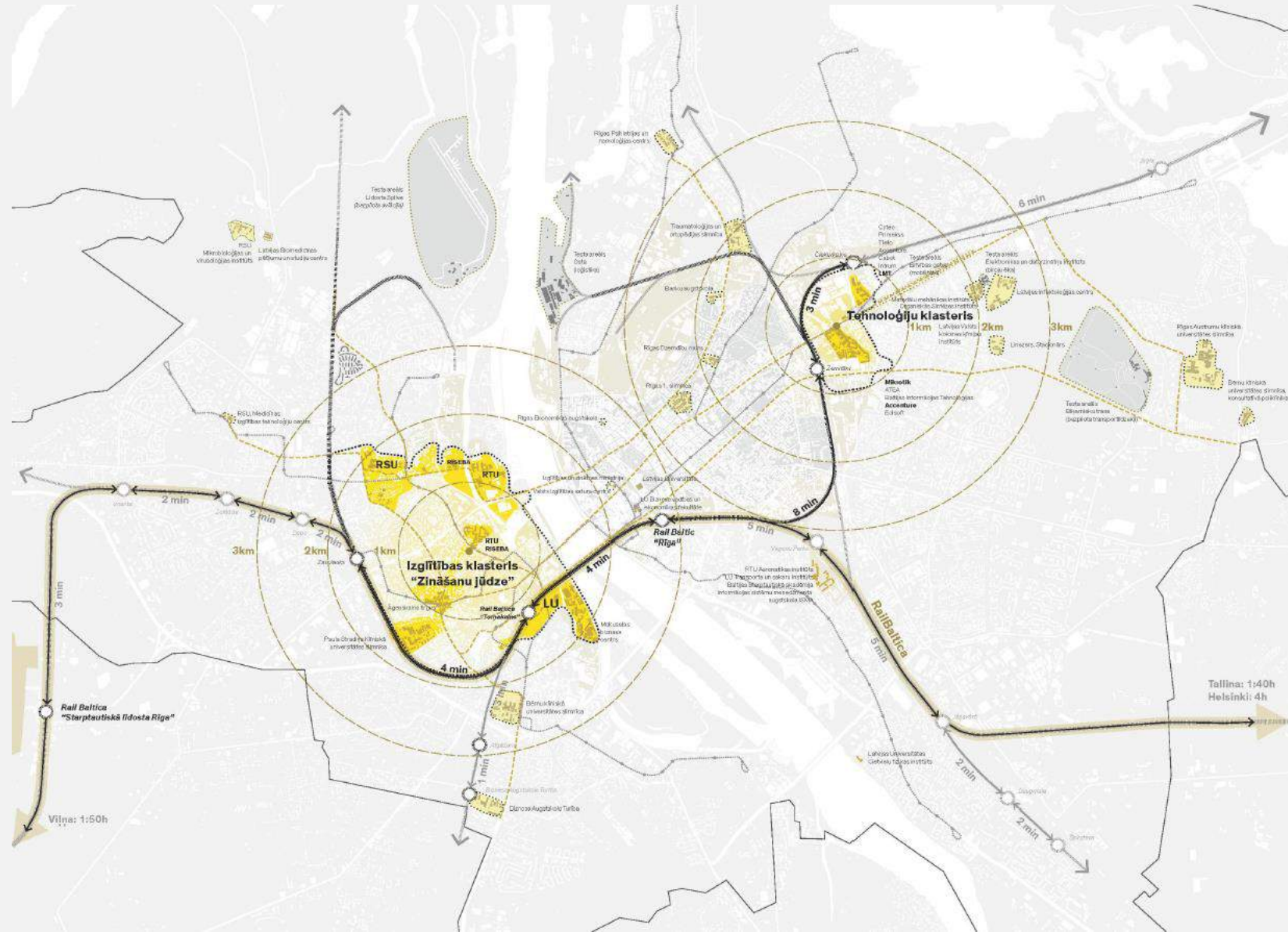
Sources:

Ministry of Education of the Republic of Latvia;

RTU Riga Business School «Bachelor of IT Leadership»



Knowledge mile & Technology cluster in Riga



Evolving ICT Academic Education

Internationally recognized ICT programmes in higher education institutions



Riga Technical University & University of Latvia
Degree awarded: Bachelor of IT Leadership, Computer Science & Organization Technologies
www.bitl.lv



Rezekne Academy of Technologies
Degree awarded: Programming Engineer & Professional Bachelor Degree in Information Technology
www.rta.lv



Riga Technical University
Degree awarded: Bachelor Degree of Engineering Sciences in Computer Control and Computer Science.
www.international.rtu.lv



University of the West of England (UWE) & Transport and Telecommunication Institute (TSI)
Degree awarded: Bachelor of Computer Sciences (Double Degree) in Artificial Intelligence
www.tsi.lv



University of Latvia
Degree awarded: Bachelor of Natural Sciences in Computer Science.
www.lu.lv



Turība University
Degree awarded: Professional Bachelor's Degree in Computer Systems (Software engineer)
www.turiba.lv



Ventspils University of Applied Sciences
Degree awarded: Professional bachelor's degree in business management.
www.businessacademy.lv



Liepāja University
Degree awarded: Professional bachelor degree in Information Technology (Software Engineer)
www.liepu.lv



Latvia University of Life Sciences and Technologies
Degree awarded: Professional Bachelor in Information Technologies (Programming Engineer).
www.llu.lv



Vidzeme University of Applied Sciences
Degree awarded: Professional bachelor's degree in information technologies (UX/UI, VR/AR, AI/ML)
www.va.lv



Key Players in ICT R&D

Leading public universities and institutes with ICT focus



EDI – Institute of Electronics and Computer Science

Among the highest rated scientific institutions in Latvia specializing in Smart Embedded Cooperative Systems (SECS) in the fields of health, mobility, space, production, digital life, safety and security. EDI has invested several million euros in state-of-the-art equipment, which is used in joint collaboration with 300+ international EDI partners from both academia and industry. 300+ scientific and industrial partners world-wide.

<https://www.edi.lv/en/>



Riga Technical University

The only polytechnic university in Latvia and the largest university in the country. Its Institute of Telecommunications has the only study programme in the Baltics that provides the high-quality education and prepares qualified professionals with extensive knowledge of next generation wireless communication systems, fiberoptic transmission systems, microwave and satellite communications and basic programming skills.

<https://www.rtu.lv/en>



University of Latvia

The University of Latvia is the national and leading higher education institution in Latvia. Its faculty of Computing study programmes are recognized by the Latvian employers and European education experts, having received the "Euro-Inf Quality Label". It offers specialization in computer science, information technology, software engineering, information systems, computer engineering and didactics of computer science.

<https://www.lu.lv/en/>

Synergy of ICT Industry and Science

Joint research projects and partnerships



Atos



VTT



5G-ROUTES

Partnership aims to validate the latest 5G features and 3GPP specifications of Connected and Automated Mobility (CAM) through robust evidence and under realistic conditions. Partners from Latvia - EDI, LMT, Pasažieru Vilciens.

www.5g-routes.eu

indra



THALES



COMP4DRONES

Particular focus of the project is safe software & hardware drone architectures. Partners from Latvia - EDI, LMT, University of Latvia.

www.comp4drones.eu

INSTA

nexter
A COMPANY OF

K+N
D+S

DIEHL
Defence

Bittium



KMW
A COMPANY OF

K+N
D+S

.Ocean
nautical innovations

Integrated Modular Unmanned Ground System (iMUGS)

The project develops a modular and scalable architecture for hybrid manned-unmanned systems: aerial and ground platforms, command, control and communication equipment, sensors, payloads & algorithms. Latvian company LMT will be responsible communications technologies and equipping the autonomous unmanned ground vehicle with mobile technologies to ensure communications across multiple countries.



ING

ETH zürich

THALES

PHILIPS



HumanE-AI-Net

The challenge is to develop robust, trustworthy AI systems that can 'understand' humans, adapt to complex real-world environments and interact appropriately in complex social settings. HumanE-AI-Net will lay the foundations for designing the principles for a new science that will make AI based on European values & closer to Europeans.

Partner from Latvia – Tilde

www.humane-ai.eu



Successful partnerships with RTU

An example of successful ICT projects with Riga Technical University



Accenture and RTU – Virtual twin

An interdisciplinary team of students in cooperation with the information technology company Accenture and Riga Technical University (RTU) will develop a virtual twin for scientists at the Faculty of Electronics and Telecommunications. Students and faculty work together to develop prototypes and ideas for solutions in the fields of bioenergy, wastewater treatment, low-energy buildings, space, sensor technology and robotics.



AFFOC Solutions and RTU – New information transmission technology

Scientists from the Institute of Telecommunications and their partners have created an innovation in ICT that will allow information to be transmitted faster, more securely and further. A whispering gallery fashion microresonator is a glass bead fused to an optical fibre, where the generation of a frequency comb is initiated. Each carrier signal generated by the frequency comb allows replacing a single laser light source, creating a low-cost, energy-efficient solution for data transmission.



LMT and RTU – Industrial PhD study programme

The launch of unprecedented business and science cooperation initiative "Industrial Doctor" to promote the creation of innovations for the Latvian economy. The first two RTU industrial doctoral students have already started working on unmanned aerial vehicles (UAV) and digital road technology research for LMT.



Tet and RTU – AI-based IT monitoring system

Development of a unified AI IT monitoring solution that will simultaneously be able to analyze various IT infrastructure systems, helping to quickly and efficiently detect anomalies and errors. Algorithms are also able to predict potential incidents in the future, which will significantly reduce downtime risks and facilitate investment planning.

ICT Courses and Upskilling

Private sector provides numerous opportunities for ICT skill development



Accenture IT Bootcamp

Bootcamp is the most extensive free IT training in programming and technology consulting in Latvia.

www.bootcamp.lv



Riga Coding School

A coding school and IT career centre with more than 26 lecturers and 106 partners. Courses in C#, Java, JavaScript, Python, IT project management, Big Data, SQL.

www.rigacoding.lv

CODELEX

Courses for beginners or intermediate level, and those who are planning to start their career in IT. Courses cover HTML, CSS, JavaScript, PHP, C#, Java, Web-development

www.codelex.io



Riga TechGirls & She Goes Tech

A community of female ICT specialists that educate and inspires girls & women about technology

www.rigatechgirls.com and www.shegoestech.lv



Learn IT

Interactive coding club for kids and pupils of grades 1 - 9 that aims to develop logical thinking, problem solving and cooperation skills

www.learnit.lv



ROBO HUB

Robotics school based on Lego Education programme for kids age 3-12. The school uses gamification approach to teach the foundations of technologies.

www.robohub.lv



LMT Drone Centre

Drone piloting school by LMT that provides theoretical foundation about drones, regulations, navigation as well as practice in professional drone control.

www.droni.lmt.lv



Start(it)

Social education project with the aim to increase the knowledge and required skills for the IT industry among Latvian population.

www.startit.lv

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**



Sources: Investment and Development Agency of Latvia



ICT Academia Testimonials

Driving the next generation of ICT talent in Latvia



"Human labor is one of the most expensive resources of today. If a company wants to remain competitive, it has to embrace digital technologies and digitize, optimize, automate and robotize its processes, ultimately replacing humans by digital systems. Scientific innovations are key enablers for this transition"

- Kaspars Ozols, Deputy director of development,
Institute of Electronics & Computer Science (EDI)



"Successful development and implementation of contemporary IT solutions require a broad set of skills. Latvia/USA/Norway double degree Bachelor program "Computer Science and Organizational Technologies" combines information technology (IT) with various aspects of organizational development. The Program's interdisciplinary curriculum is exciting and challenging and prepares students for becoming the new generation of LEADERS for technology-intensive organizations."

- Jānis Grēviņš,
Director of Riga Business School



Thriving Startup Community



Startup Law and Startup Ecosystem

Your best startup hub in the European Union

Latvia is ranked #1 as the most startup-friendly country in the world (Index Ventures, 2021)

Startup visa is a temporary residence permit for up to 5 founders and their family members (up to 3 years)

Startup law benefits 45% co-financing of highly qualified employees; or flat social tax + 0% personal income. Employee stock options.

Other benefits among 40+ incentives (business incubators, accelerators, innovation vouchers, support to promote foreign trade etc.)

Source: Startup Latvia

www.startuplatvia.eu



Startup Community Shapers

A broad range of contributors and stakeholders

GOVERNMENT



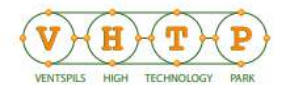
ASSOCIATIONS



FUNDS & ACCELERATORS



HUBS & CLUSTERS



Source: Startup Latvia



Notable Startups and Success Stories

A number of promising and successful startups based in Latvia



Creatively designed 3D printed casts that currently are being piloted in hospitals.

www.castprint.co



An intuitive visualization tool that empowers people and teams to create beautiful content.

Acquired by Prezi www.infogram.com



Cake HR is a cloud solution that simplifies and automates HR tasks, increases productivity and provides great experience.

Acquired by Sage HR www.sage.hr



Top-notch localization solution for translating websites, other software and apps in any language.

www.lokalise.com



A leading global provider of trauma training technologies for military and civilian organizations.

www.exonicus.com



A fintech startup that operates a global P2P marketplace for investments in loans.

www.mintos.com



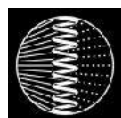
Uses AI to enable university students and alumni to trigger online conversations that increases enrolment or donations.

Acquired by Ruffalo Noel Levitz www.ruffalonl.com



A fintech startup helping banks and lenders improve the speed and accuracy of their credit decisions to approve more creditworthy customers.

www.nordigen.com



Gamechanger Audio develops unique effects pedals for world class musicians.

www.gamechangeraudio.com



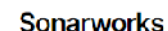
World's leading print-on-demand and drop shipping company that enables online stores to prepare custom designs and sends them directly to their customers.

www.printful.com



Provides market leading technology that captures space for virtual tours, floor plan and wide-angle photography.

www.giraffe360.com



Innovative sound calibration software that provides accurate listening experience for music creators and listeners.

www.sonarworks.com



A Place to Work and Live



VEFRESH Smart City and Innovation District

Leading ICT district that is located in Riga

VEFRESH aims to redevelop VEF district in Riga city as an **innovation sandbox** where corporations, startups and public sector can prototype and test their latest solutions.

4 000 ICT specialists in VEF area in Riga

40% of all Latvia ICT export

630 mEUR annual revenue

Stakeholders: Riga City Council, Ministry of Economics of Latvia, Accenture, LMT, Jaunā Teika, New Hanza Capital, VEF Kultūras pils.



Availability of Office Space in Riga

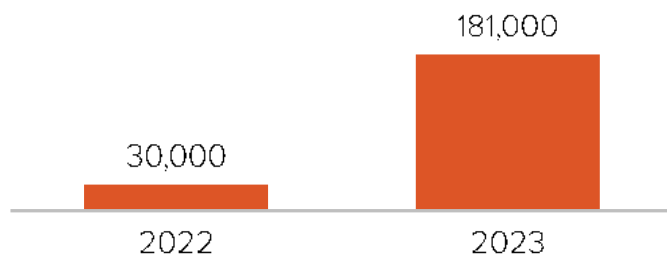
Large-scale A-class office project pipeline for 2022-2023

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)



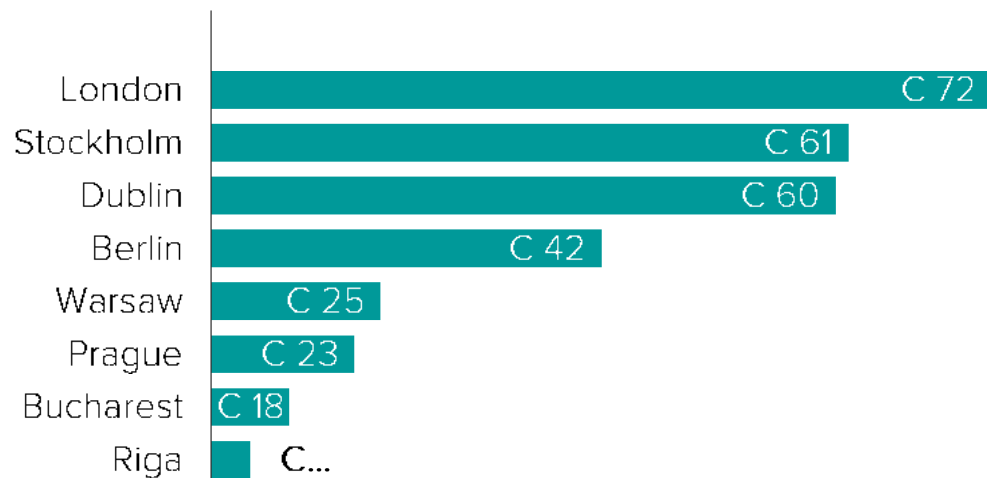
Source: Colliers International (Q3 2021)



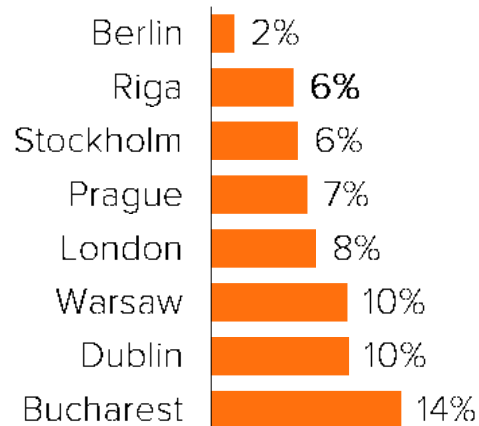
Availability of Office Space in Riga

A-class office space with low rent rates and reasonable vacancy rate

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 12%.

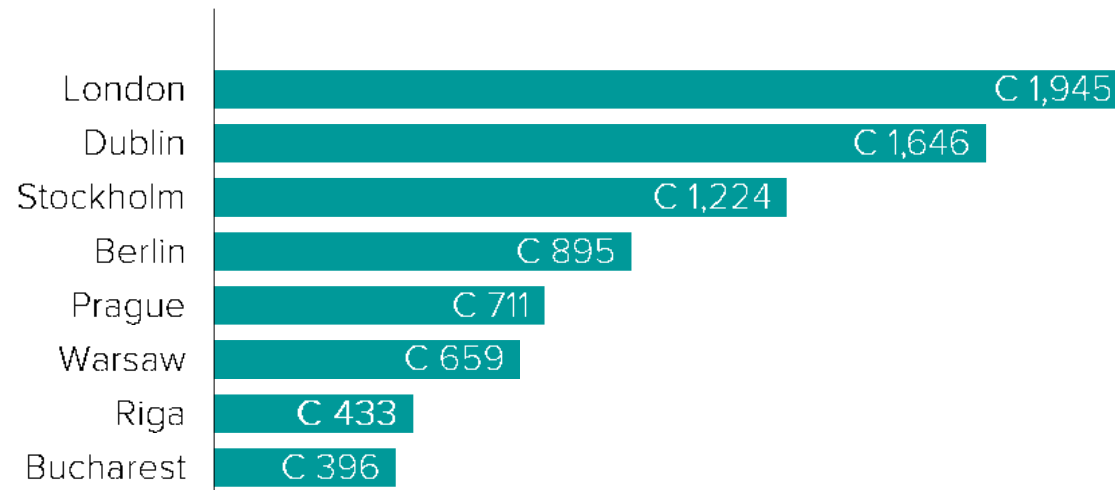
Source: Colliers (February, 2021)



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 (180.9) and with lowest average apartment transaction price in new housing projects (1632 EUR/sqm).

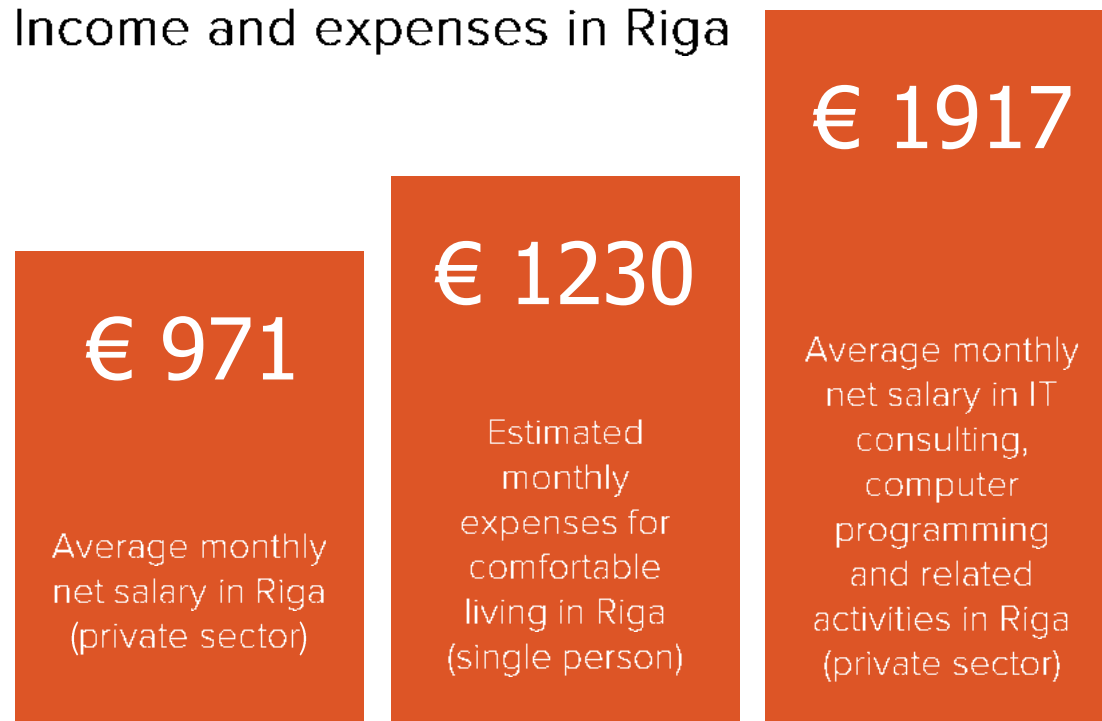
Sources: Numbeo.com, Swedbank Baltic Housing Affordability Index (Q4, 2020)



Excellent Value for Money

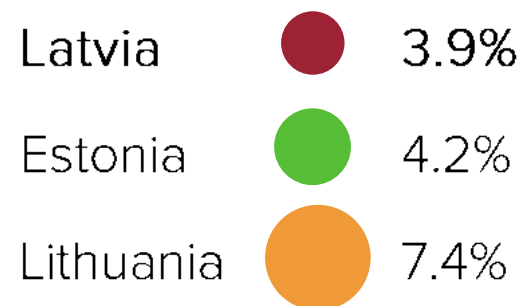
ICT talent will have sufficient means for comfortable living in Latvia

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).

ICT Labour Cost Overview

| Position | Net monthly salary, EUR | | Gross monthly salary, EUR | | Total monthly costs for the employer, EUR | |
|-----------------------|-------------------------|------|---------------------------|------|-------------------------------------------|------|
| IT support specialist | 900 | 1100 | 1257 | 1536 | 1553 | 1899 |
| Systems Engineer | 1400 | 2100 | 1968 | 2988 | 2432 | 3693 |
| Systems administrator | 1700 | 2200 | 2405 | 3134 | 2972 | 3873 |
| Junior Programmer | 1650 | 2100 | 2332 | 2988 | 2882 | 3693 |
| Programmer | 2100 | 2600 | 2988 | 3717 | 3693 | 4594 |
| Senior Programmer | 2700 | 3500 | 3863 | 5029 | 4774 | 6215 |

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)



Vibrant and Diverse Life

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

#2 greenest country in EU 2019

500 km of sandy beaches

45% of Latvia is covered in forests

Opera with 200+ performances every year

Historic centre of Riga is UNESCO World Heritage site

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



Events and Networking

A list of a must-visit ICT and startup events in Latvia



5G TECHRITORY

World's leading annual 5G conference that takes place in Riga, and brings together world's industry leaders and policymakers.
www.5gtechritory.com



Riga Dev Days

A conference for tech journalists and bloggers who participate in tech conversations within two days full of emerging content.
www.rigadevdays.lv



Deep Tech Atelier

A conference and a practical workshop dedicated to deep tech startup creation and further development.
www.deeptechatelier.com



Theory and Practice of Software Testing (TAPOST)

TAPOST is an annual international conference for testing professionals, researchers and students from all over Europe.
www.tapost.org



Digital Freedom Festival

An influential event with 1000+ participants discussing trends in digital technologies, startups, policymaking, and lifestyle.
www.digitalfreedomfestival.com



Tech Industry

The biggest international trade fair in the Baltics for automation, electronics, engineering, industrial supplies, and innovations.
www.techindustry.lv



eCOM360

A conference for eCommerce practitioners from all around the world who share case studies, experience and recent trends.
www.ecom360.io



TechChill

Brings together 2000+ attendees, including startups, innovative corporations, regional investors and talented tech enthusiasts.
www.techchill.co



RIGA COMM

An annual IT and business event for entrepreneurs and professionals of service and manufacturing fields, executives of state institutions and organisations.
www.rigacomm.com



UX Riga

User experience conference that inspires and educates digital product developers, through keynotes, workshops and case studies.
www.uxriga.com



An aerial photograph of Riga, Latvia, taken during the golden hour of sunset. The sun is low on the horizon, casting a warm, golden glow over the city. In the foreground, a large, dark, metallic dome with a rooster finial is visible, partially obscuring the view of the city below. The city is densely packed with buildings, many with red-tiled roofs, and interspersed with green trees. The sky is a mix of orange, yellow, and blue.

RIGA

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

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
+371 6703 9473
www.investinlatvia.org
www.liaa.gov.lv



MAGNETIC
LATVIA

About Us

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



LIAA international presence



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

