Keeping Close to Investors – Supported by Foreign Ministry Resources
Main Activities of LIAA
• Investment Promotion Agency
• Export Promotion Agency
• EU Structural Funds Administrator

Representative offices in 10 countries:
DE, DK, FR, GB, JP, NL, NO, PL, RU, SE
LIAA’s Role within Latvian Economy

- To bring long term sustainable investments to Latvia
- Creation of long term quality work places by attracting new Foreign Direct Investment projects
- Attraction of export-oriented FDI projects
Structure of Investment and Trade Promotion Department

Biggest department at LIAA - 4 divisions, 56 employees

- Enterprise Europe Network (EEN)
- Investment Promotion Division
- Export Promotion Division
- Investment and trade promotion department
- 10 foreign representative offices
Investment Promotion Services for Foreign Companies

- Information on economic and market situation, business opportunities and investment incentives in Latvia
- Contacts with Latvian municipalities and business partners
- Identification of best property options
- Assistance with start-up procedures
- Investment project follow-up

What are the unique selling points of Latvia for foreign companies looking to establish operations in the country?

Tell us more about your project and we will tell you what USPs Latvia has
Export Promotion Services for Entrepreneurs

- Information and consultations on external trade
  - Information on foreign markets, export start-up, specific trading demands
  - Search and selection of business partners, databases
  - Financing of export deals, government support instruments
  - National and EU legislation on different aspects of trading
  - International legislation on starting of enterprise, taxation policy, labor law
  - Information on exhibitions etc.

- Support in finding business partners from abroad, promotion of cooperation.

- Export promotion activities abroad and in Latvia

- Informative and educational seminars

- Information and consultation services for foreign companies on potential partners in Latvia

- Organization of visits and meetings with Latvian enterprises
The portal is an online database of export-oriented information:

- Profiles of Latvian enterprises and business offers
- Business offers of foreign companies
- Information on events in Latvia and abroad
- Information on trade and economy of Latvia
The Enterprise Europe Network (EEN) in Latvia

Main Objective

“To promote competitiveness of Latvian SMEs in the EU market by providing easily accessible services that support these SMEs and their innovation”

Two partner organizations

- LIAA – EEN coordinator [http://www.een.lv](http://www.een.lv)
- Latvian Technological Center (LTC)

Services of EEN in Latvia

- Information on export promotion, promotion of international business cooperation and explaining of EU policy documents
- Transfer of technology and knowledge
- Promotion of Latvian SMEs participation in the European Commission 7th framework projects
Information available in 5 languages:
Latvian, English, Russian, Japanese and Chinese
Investment & Trade Promotion Services Supported by Foreign Ministry Resources

Network
- 46 diplomatic and consular representative offices in foreign countries, of which 35 embassies
- + other foreign embassies in host country
  ✓ e.g. I met with Kazakhstan’s commercial attaché in Paris to discuss mutual Latvian/Kazakh interest in getting French state railway’s support in short sea/rail container shipments to/from central Asian republics
  ✓ easier to obtain top management participation from potential investor if you organize a meeting as a group of foreign commercial attachés instead of individually

Coordination
- regular weekly tri-lateral meetings between LIAA, Ministry of Economy (LIAA’s supervisory ministry) and Ministry of Foreign Affairs

Advantages
- investors will not come to you; you must go to the investors
- prestige («a commercial attaché is nice, but an ambassador is the representative of the chief of state»)
- initial prospecting done in language of target investor
Investment & Trade Promotion Services Supported by Foreign Ministry Resources

Who does what?

**investment promotion:**

- **foreign representative office**
  - «one-stop shopping»
  - local monitoring of potential investors
  - sales
  - account management

- **head office**
  - « product » development
  - monitoring of potential global investors
  - marketing & analysis - (best case practices on internet*)
  - VIP treatment

**export promotion:**

- **foreign representative office**
  - monitoring
  - identification of buyers
  - identification of distribution channels, including sales agents
  - passive/active participation in negotiations
  - account management

- **head office**
  - creating awareness of export markets
  - training in export « readiness »
  - identification of export champions
  - marketing & analysis
  - developing multi-use country exhibit stands

* [http://www.liaa.gov.lv/?object_id=1500&section=2](http://www.liaa.gov.lv/?object_id=1500&section=2)
Database development in host country:

- read religiously local business press

- «advertise» the willingness of you and your ambassador to be invited to meet and address the following key players in host countries because they are usually looking for new «content» for their members/constituencies:
  - chambers of commerce
  - employer confederations
  - economic development agencies
  - Enterprise Europe Network representative offices
  - local/national politicians

- once in the door with one of these organizations, remain on their «radar screen» by actively participating in their events open to non-members
Investment & Trade Promotion Services
Supported by Foreign Ministry Resources

When you are small:
- it’s hard to be on the radar screen
- it’s almost always a long, slow process
- it’s not always successful

- e.g. a large, diversified French group’s subsidiary project to participate in Riga PPP tender
  - project "opened" via an intermediary (business development consultant on retainer by the prospect)
  - top management completely unfamiliar with Latvia (market size, laws, competition, business culture, language, etc.)
  - resources mobilized to prove that small Latvia is attractive compared to “reflex” targets such as old, developed EU, US, Japan or BRIC:
    - Ambassador in Paris (two different ones)
    - Mayor of Riga (two different ones)
    - Minister of Economy
    - Minister of Transport
    - Minister of Justice
    - Minister of Regional Development & Local Government
- nonetheless, top management determined that higher return or lower risk opportunities existed elsewhere
International Recognition

• WAIPA ranked LIAA the best Investment Promotion Agency in CEE and LIAA received the classification:  
  “World Class Agency”

• WAIPA recognized LIAA’s success in fostering cooperation with FICIL (Foreign Investors’ Council in Latvia) by awarding:  
  “IPA’s success in policy advocacy”

• IFC, the World Bank and the Multilateral Investment Guarantee Agency ranked LIAA as  
  7th national investment agency in the world
among 181 agencies in their Global Investment Promotion Benchmarking 2009 report