LATVIA

UNITARY COUNTRY

MULTI-LEVEL GOVERNANCE FRAMEWORK

TERRITORIAL ORGANISATION

MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGs
119 119 Local Governments: 110 Districts (*Novads*) and 9 Republican Cities (*Republikas Pilseta*) Average Municipal Size: 16 760 Inhabitants	-	-	119

SUBNATIONAL GOVERNMENTS RESPONSIBILITIES

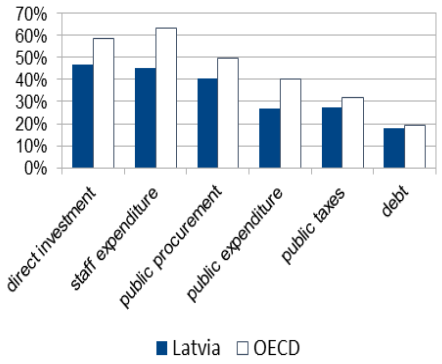
Local governments have three types of competences: mandatory autonomous functions prescribed by laws, autonomous functions performed as voluntary initiatives, and delegated functions on behalf of the State. Each type of task has to match its own funding source. Local government competences include organisation of public utilities, local planning, environment, pre-school, primary and secondary education, housing, etc.

SUBNATIONAL GOVERNMENT FINANCE

Sub-national expenditure is lower in Latvia than the OECD average for most large categories of spending (total expenditure, investments, staff expenditure, public procurement). The share of SNG debt in total public debt is also slightly smaller (Figure 1).

More: OECD/UCLG (2016), *Subnational Governments around the World: Structure and Finance*, Country Profile: Latvia

Figure 1. The role of subnational governments in public finance in Latvia, 2014

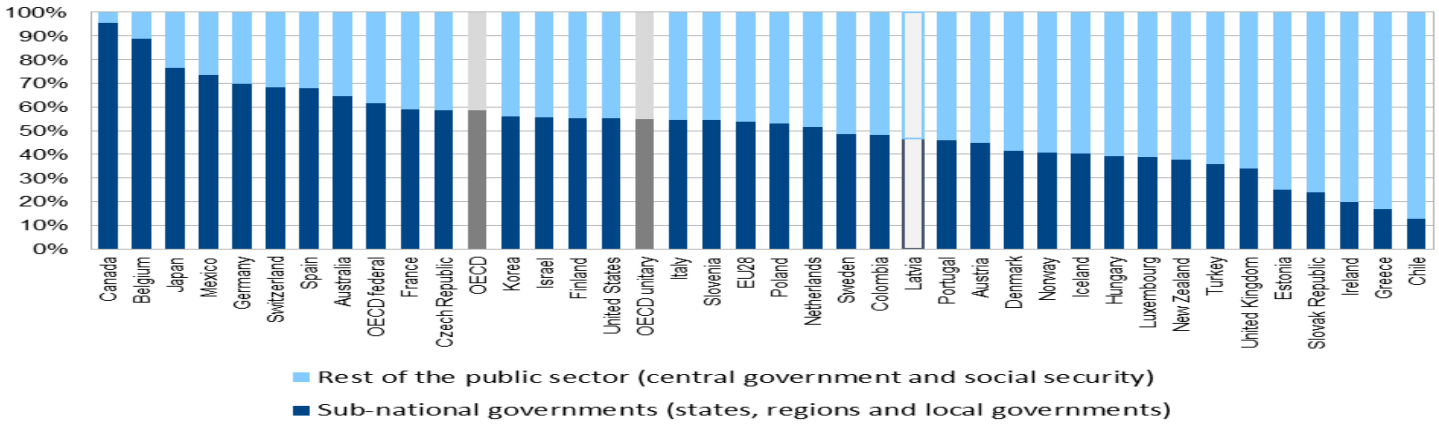


Source: OECD National Accounts.

SUBNATIONAL PUBLIC INVESTMENT

Public investment is a share responsibility across levels of government. Subnational governments (states, provinces, regions and municipalities) undertook 59 % of total public investment across the OECD countries and in particular 54% across the OECD unitary countries in terms of volume in 2014. Variations across countries are important, as the subnational share of public investment ranges from 12 % in Chile to 97% in Canada, and 48% in Latvia (Figure 2).

Figure 2. Subnational public direct investment in OECD countries, 2014 (as a share of public direct investment)



Note: 2013 figures for Mexico, 2012 figures for Chile, 2014 figures for Turkey. *Source:* OECD National Accounts.

More: *Toolkit* provides detailed information on multi-level governance of public investment, Country Profile: Latvia

More Information:

OECD/UCLG (2016), *Subnational Governments around the World: Structure and Finance*, Country Profile Latvia.
OECD (2015), *OECD National Accounts Statistics* (database), http://dx.doi.org/10.1787/na-data-en..