



Central Statistical Bureau of Latvia

Devoted to facts and people



STATISTICS IN BRIEF

LATVIA 2019

#STATISTIKA100

LATVIA. STATISTICS IN BRIEF 2019

Central Statistical Bureau of Latvia

Lāčplēša iela 1, Rīga, LV-1301, Latvia

Phone: +371 67366850, fax: +371 67830137

E-mail: csb@csb.gov.lv

<https://www.csb.gov.lv>

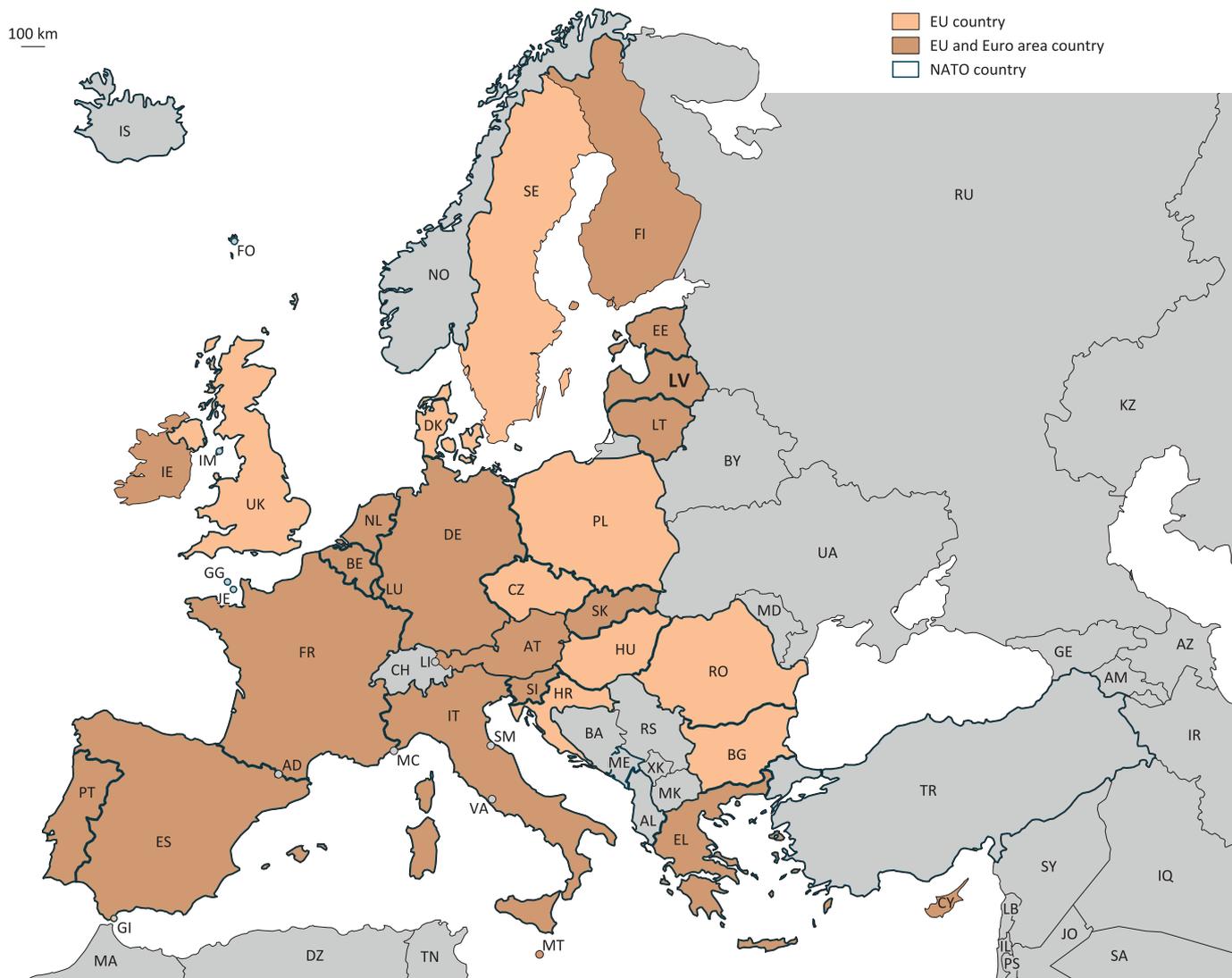
© Central Statistical Bureau of Latvia, 2019

Reproductions and quotations are permitted on condition that the source is stated.

ISBN 978-9984-06-531-1 (printed)
ISBN 978-9984-06-534-2 (pdf)

ISSN 1407-0634 (printed)
ISSN 2501-0026 (pdf)

19-003-000



28 Member States of the European Union: Austria (AT), Belgium (BE), Bulgaria (BG), Croatia (HR), Czechia (CZ), Cyprus (CY), Denmark (DK), Estonia (EE), Finland (FI), France (FR), Germany (DE), Greece (EL/GR), Hungary (HU), Ireland (IE), Italy (IT), Latvia (LV), Lithuania (LT), Luxembourg (LU), Malta (MT), Netherlands (NL), Poland (PL), Portugal (PT), Romania (RO), Slovakia (SK), Slovenia (SI), Spain (ES), Sweden (SE), United Kingdom (UK).

Territory of Latvia (64.6 thousand km²) is ten times smaller than that of France, the largest country of the European Union, slightly smaller than the territory of neighbouring Lithuania, but 1.4 times larger than the territory of Estonia.

Other European countries: Andorra (AD); Albania (AL); Bosnia and Herzegovina (BA); Belarus (BY); Switzerland (CH); Faroe Islands (FO); Guernsey (GG); Gibraltar (GI); Isle of Man (IM); Iceland (IS); Liechtenstein (LI); Monaco (MC); Moldova (MD); Montenegro (ME); North Macedonia (MK); Norway (NO); Serbia (RS); Russia (RU); Svalbard and Jan Mayen (SJ); San Marino (SM); Turkey (TR); Ukraine (UA); Vatican (Holy See) (VA); Kosovo (XK).

Brochure "Latvia. Statistics in Brief 2019" is devoted to the centenary of Latvia and shows development trends observed over the past 100 years. Data on a longer period are not comparable and are informative only.

The informative publication of the CSB gives field specialists, business partners, foreign visitors and other interested parties statistics for socio-economic processes taken place over the period. The latest statistics as well as that on a longer period is available on the CSB website www.csb.gov.lv. The statistics is compiled based on the information of the Ministry of Culture, State Land Service, State Revenue Service, Latvian Centre for Disease Prevention and Control, as well as Latvian Environment, Geology and Meteorology Centre.

Explanation of Symbols

-	magnitude zero
...	data are not available or too uncertain for presentation
°C	degree Celsius
CIS	Commonwealth of Independent States: Armenia (AM), Azerbaijan (AZ), Belarus (BY), Kazakhstan (KZ), Kyrgyzstan (KG), Moldova (MD), Russia (RU), Tajikistan (TJ), Turkmenistan (TM), Uzbekistan (UZ). Turkmenistan (TM) as associate members
EUR/ €	the official currency used in 19 Member States of the European Union. Since 1 January 2015, EUR is used in Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, and Spain.
Eurostat	Statistical Office of the European Union
ha	hectare
GDP	Gross Domestic Product
IT	information technologies
km	kilometre
km ²	square kilometre
m ³	cubic metre
NACE	Statistical Classification of Economic Activities in the European Community (Rev. 2)
PJ	peta joule
quintile	one fifth (20 %) of the number of surveyed households grouped in increasing sequence according to the disposable income per one household member
t	tonne
TJ	tera joule

Contents

Key Indicators.....	4
Territory.....	5
Population	7
Household Income, Income Inequality, Monetary Poverty.....	18
Social Security	20
Crime	23
Health Care	26
Education	29
Culture.....	33
Labour Market.....	36
Earnings.....	40
Gross Domestic Product	43
Government Finances	45
Price Statistics	47
Non-Financial Investment.....	49
Foreign Trade in Goods	51
Agriculture	56
Business Statistics.....	59
Construction and Industry	60
Retail Trade.....	64
Tourism	65
Research and Experimental Development	67
Information Technologies in Enterprises	69
Access to and Use of the Internet in Households	71
Environment and Environmental Protection.....	73
Energy.....	76
Transport	79

Key Indicators

Population at the beginning of the year	1 596 131 (1920)	2 665 770 (1989)
	1 905 936 (1935)	1 934 379 (2018)
Share of Latvians in total population	72.8 % (1920)	52.0 % (1989)
	77.0 % (1935)	62.2 % (2018)
Single	51 % (1935)	42 % (2018)
Married	40 % (1935)	37 % (2018)
Widowed	8 % (1935)	9 % (2018)
Divorced	1 % (1935)	12 % (2018)
Share of urban population	24 % (1920)	68 % (2018)
Natural increase per 1 000 inhabitants	7.2 (1925)	-4.1 (2017)
Average births per 1 000 inhabitants	22.3 (1925)	10.7 (2017)
Most popular girl names	Anna (1920)	Sofija (2018)
Most popular boy names	Jānis (1920)	Roberts (2018)
Infant mortality during their first year of live per 1 000 live births	128.4 (1920)	4.1 (2017)
Share of employed population	60.9 % (1925)	70.1 (2017)
Number of students per 10 000 inhabitants	30 (1925)	430 (2017)
Share of illiterates among males	11 % (1925)	0.1 % (2011)
Share of illiterates among females	18 % (1925)	0.1 % (2011)
Population per one car	956 (1925)	3 (2017)
Length of railway lines	3 350 km (1938)	1 860 km (2017)
Number of passengers in rail traffic	5.7 million (1920)	17.5 million (2017)
Forest area, million ha	1.747 (1935)	3.383 (2018)
Area of potato plantations, thousand ha	49.2 (1920)	23.3 (2018)
Sown area of wheat (winter and spring), thousand ha	196.7 (1920)	419.9 (2018)
Number of pigs, thousand	535 (1927)	305 (2018)
Number of dairy cows, thousand	426 (1920)	144 (2018)
Number of horses, thousand	261 (1920)	8 (2018)
Volume of produced butter, thousand t	11.2 (1927)	4.7 (2017)
Timber exports, million kg	166.3 (1921)	10 175.8 (2018)
Number of published magazines	220 (1927)	242 (2017)
Number of published newspapers	140 (1927)	186 (2017)
Highest air temperature	+37.8°C (2014)	+33.6°C (2018)
Lowest air temperature	-43.2°C (1956)	-27.4°C (2018)

Territory

Administrative territories and statistical regions of Latvia at the beginning of 2019



Latvia is a Northern European country located in Eastern coast of the Baltic Sea. It is one of the three Baltic states and a member of the European Union since 1 May 2004.

Latvia has six **statistical regions**: Rīga, Pierīga, Vidzeme, Kurzeme, Zemgale and Latgale.

Administrative division: 119 administrative territories – 9 cities and 110 municipalities.

Cities. There are 76 cities and towns in Latvia, nine of which have official city status: Rīga (the capital and the largest city) Daugavpils, Jēkabpils, Jelgava, Jūrmala, Liepāja, Rēzekne, Valmiera and Ventspils.

Cities, municipality towns and municipality rural territories at the beginning of 2019



Adr	Audriņi	Cds	Code	Inč	Inčukalns	KRS/Krs	KRĀSLAVA/Krāslava	Mzl	Mazozoli	SKR/Skr	SKRUNDA/Skrunda	Upm	Upmala
Ags	Augstkalne	Csv	Cesvaine	Ivn	Ivande	Krš	Krišjāņi	Mžt	Mežotne	Sks	Sakstagals	Vcs	Vecauce
Akl	Aizkalne	Črn	Čornaja	Jbr	Jaunbērze	Kzd	Kazdanga	Mžv	Mežvidi	SLD/Slid	SALDUS/Saldus	Vdk	Vadadakste
AKR/Akr	AIZKRAUKLE/Aizkraukle	DBL/Dbli	DOBELE/Dobeļe	Jgl	Jaungulbene	KGM	KEGUMS	Ndt	Naudīte	SLS/Slis	SALASPILS/Salaspils	VLD	VALDEMĀRPILS
And	Andrupene	Dbn	Dubna	JJL/Jjl	JĀUNIELGAVA/Jaunielgava	LGs	Lielauce	Ngr	Nigrande	SM/Smil	SMILTENE/Smiltene	VLM	VALMIERA
Ann	Annenieki	DGD/Dgd	DAGDA/Dagda	JKB	JĒKABPILS	Ldm	Lēdmane	Nvd	Novadnieki	Snp	Sņepēle	VĻN/Vļn	VILĀNI/Vilāņi
APT/Apt	AIZPUTE/Aizpute	Dgl	Degole	Jlc	Jaunlaicene	LJZ	LUZDA	Ogr	Ogrsгалs	Srn	Srēne	VNG	VANGAŽI
Asn	Asīne	Dgm	Daugmale	JLG	JELGAVA	Ll	Lazduleja	Omž	Ozolmuiža	Ssv	Sesava	Vpl	Vecpils
Bbr	Bebrene	Dgn	Dignāja	Jlt	Jaunlutriņi	Lmp	Leimani	Onk	Ozolnieki	Stb	Staburags	Vrc	Vircava
Bgl	Bērzgale	DGV	DAUGAVPILS	Jmp	Jaunprava	Lpl	Lielplatone	PLV	PLAVINAS	Stl	Stelpe	VRK/Vrk	VARAKĻI/Varakļāni
Bkl	Bērzkalne	Dks	Dekšāre	Jpb	Jaunpiebalga	LVN	Līvāni	Prnk	Penkule	Stj	Stoļerova	Vsl	Veselava
Bks	Bukaiši	DRB/Drb	DURBE/Durbe	Jst	Jaunsāti	LVR/Lvr	LIELVĀRDE/Lielvārde	PRK/Prk	PRIEKULE/Priekule	Strm	Strameriena	Vtn	Vitīni
Bkr	Biķernieki	Drv	Druviena	Jsv	Jaunsvirslauka	Lzd	Lazdona	PRL/Prļ	PRIEĻI/Priēļi	Stp	Stopiņi m.	Zbr	Zebrene
BLD	BALDONE	Glg	Galgauka	KLD	KULDIGA	MDN	MADONA	Pšm	Pušuucova	Str	Strazde	Zik	Zilaiskalns
BLŽ	BALOŽI	Gln	Galēni	Klk	Kalkūne	Mln	Malnava	Rmb	Rembate	Svt	Svarīni	Zlt	Zeltiņi
BRC	BROCĒNI	Gļš	Gailiši	Kln	Kalnecmpiji	Mjn	Malinova	Rnc	Rencēni	Svr	Svitene	Zln	Zalienieki
Brn	Brenģuli	GRB/Grb	GROBINA/Grobiņa	Kmb	Kombuļi	Mņg	Mēngēle	Rnd	Rundāle	Škl	Šķeltova	Zvr	Zvirgzdene
Brs	Braslava	Grš	Griškāni	KND/Knd	KANDAVA/Kandava	Mrc	Mārciena	RZK	RĒZEKNE	Tdķ	Tadaiķi		
Brv	Brīvzemnieki	Grv	Grāveri	Kns	Konstantinova	Mrd	Mērdzene	Rzk	Rožkalni	TKM	TUKUMS		
Brz	Bērzaine	IKš	IKŠKILE	Knt	Kantīnieki	Mrp	Mārupe m.	SGL/Sgl	SIGULDA/Sigulda	Tnž	Tinūži		
BSK	BAUSKA	ILK	ILŪKSTE	Kpr	Kuprava	Mrs	Mārsnēni	Skļ	Sokolki	Trk	Trikači		
Ccr	Ciecere	Ilz	Ilzeskalns	Krm	Krimūnas	MSL/Msl	MAZSALACA/Mazsalaca	Skņ	Skapkalne	Trv	Tērvete		

Population

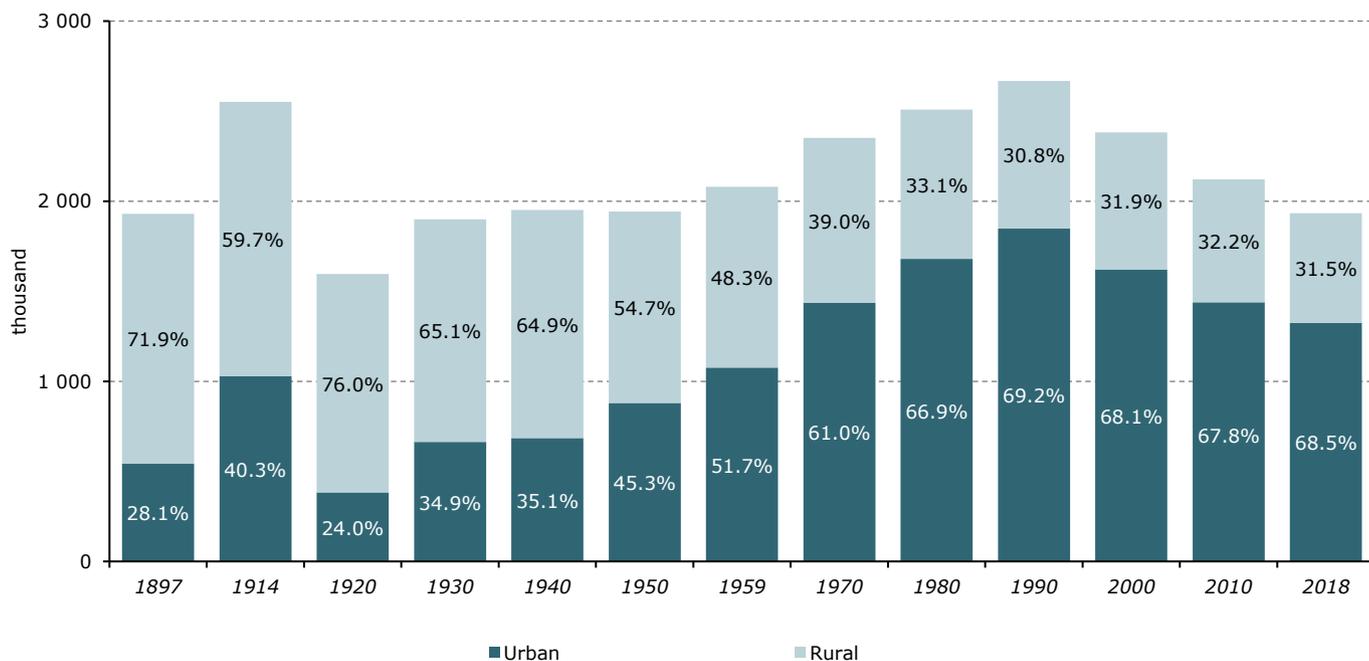
Population and population change

Population of Latvia keeps reducing. Since the beginning of 2010, it has dropped by 200 thousand, provisionally reaching 1 million 920 thousand at the beginning of 2019. In 2018, population decrease rate comprised 0.7 %, compared to 2.2 % in 2010. Latvian population density accounts for only 30 people per 1 km².

In 2018, as the number of deaths exceeded the number of births (natural increase), country population reduced by 9.4 thousand people and long-term migration resulted in a drop of 4.9 thousand people. Since 1991, natural increase of Latvia population is negative.

In 1959, urban population of Latvia constituted 52 % and exceeded rural population of the country for the first time. Urban population kept prevailing over the rural one and in 1990 it constituted already 69 %, of which approximately one third of the total population or half of the urban population – 910 thousand – lived in Riga. In 2018, the share of urban population exceeded rural population slightly and constituted 68 %.

Usually resident population and share of urban and rural population

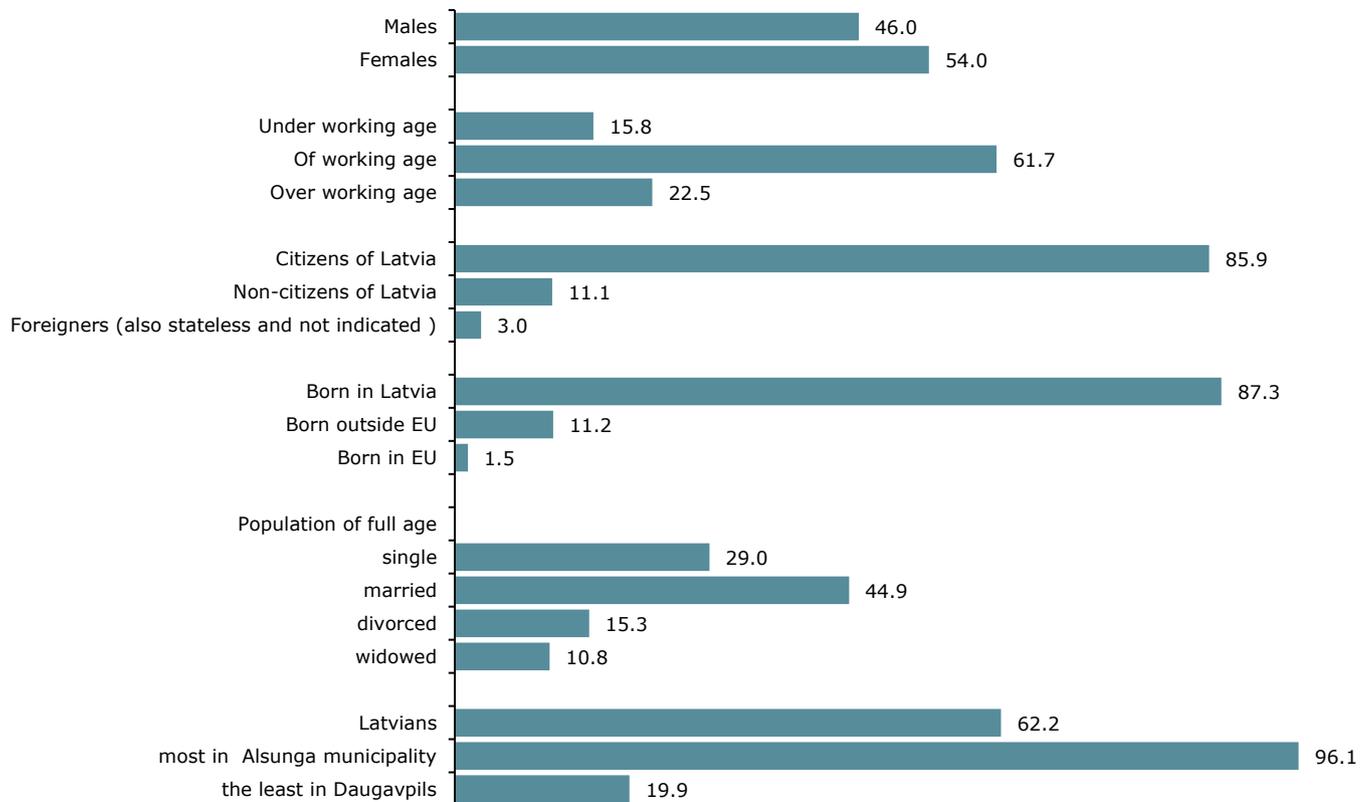


Key vital statistics

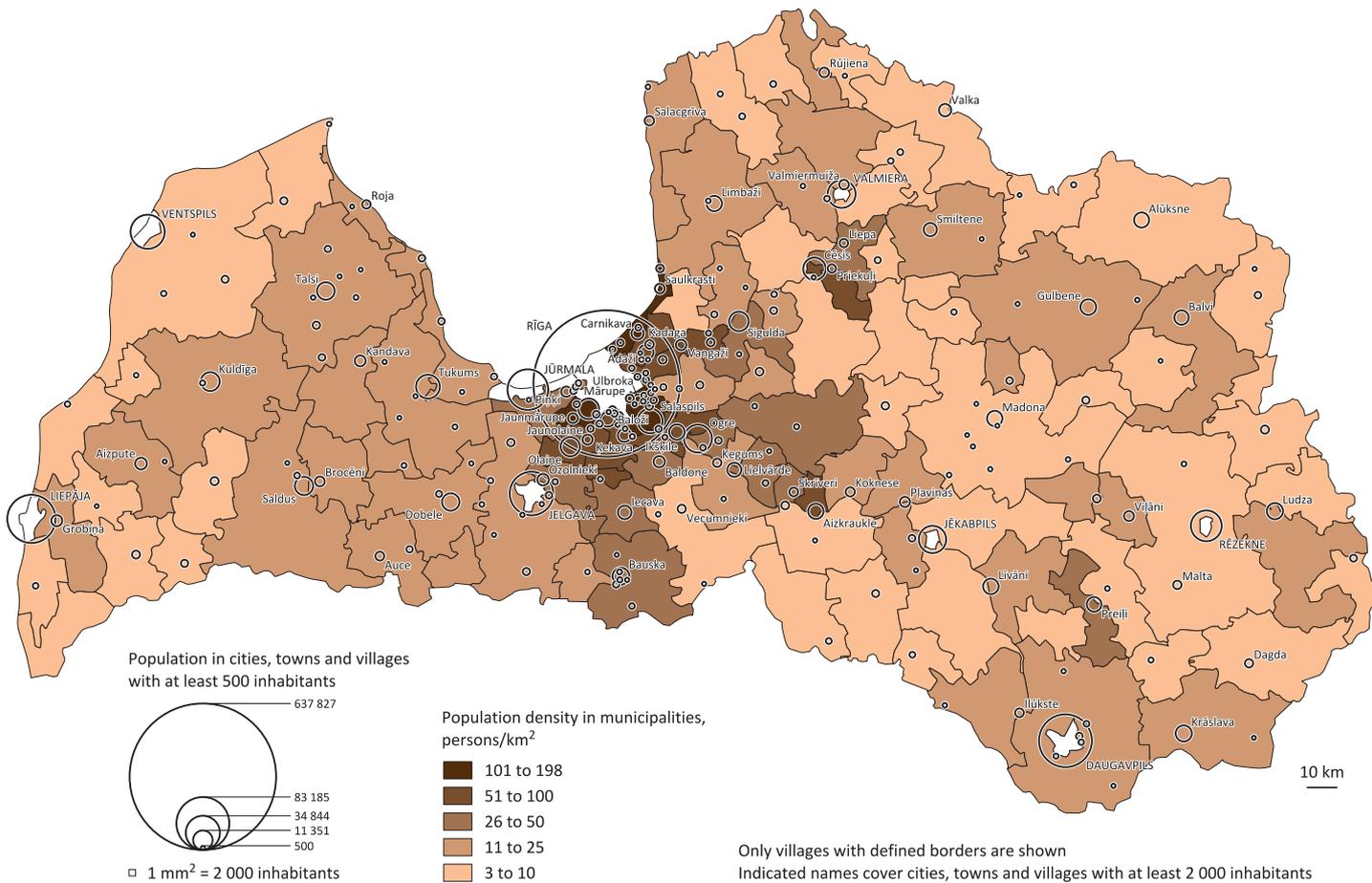
	1920	1930	1940	1950	1960	1970	1980	1990	2000	2010	2016	2017
Marriages	...	17 127	20 861	19 280	23 365	23 983	24 611	23 619	9 211	9 290	13 002	13 150
Divorces	...	1 450	2 116	1 496	5 080	10 867	12 650	10 783	6 134	4 930	6 061	5 943
Live births	29 434	37 835	37 493	33 137	35 468	34 333	35 534	37 918	20 302	19 781	21 968	20 828
Deaths	33 891	27 110	30 355	24 250	21 314	26 546	32 100	34 812	32 205	30 040	28 580	28 757
Population change	...	...	...	5 897	33 702	14 521	5 879	-9 979	-28 331	-45 899	-18 841	-15 737
Natural increase	-4 457	10 725	7 138	8 887	14 154	7 787	3 434	3 106	-11 903	-10 259	-6 612	-7 929
Net migration	...	...	...	-2 990	19 548	6 734	2 445	-13 085	-16 428	-35 640	-12 229	-7 808

Demographic characteristics of usually resident population at the beginning of 2018

(%)



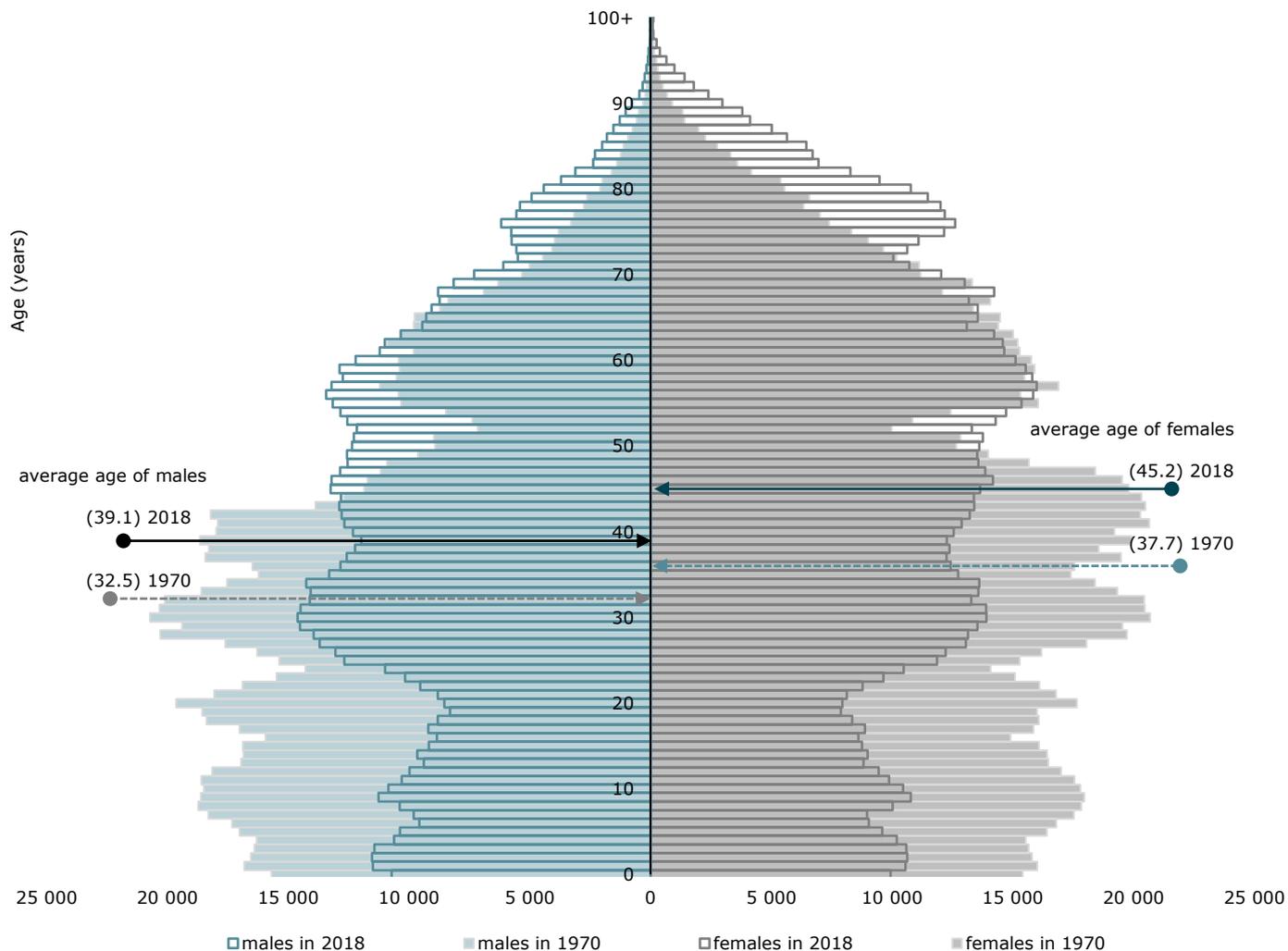
Usually resident population in cities, towns and villages and population density in municipalities at the beginning of 2018



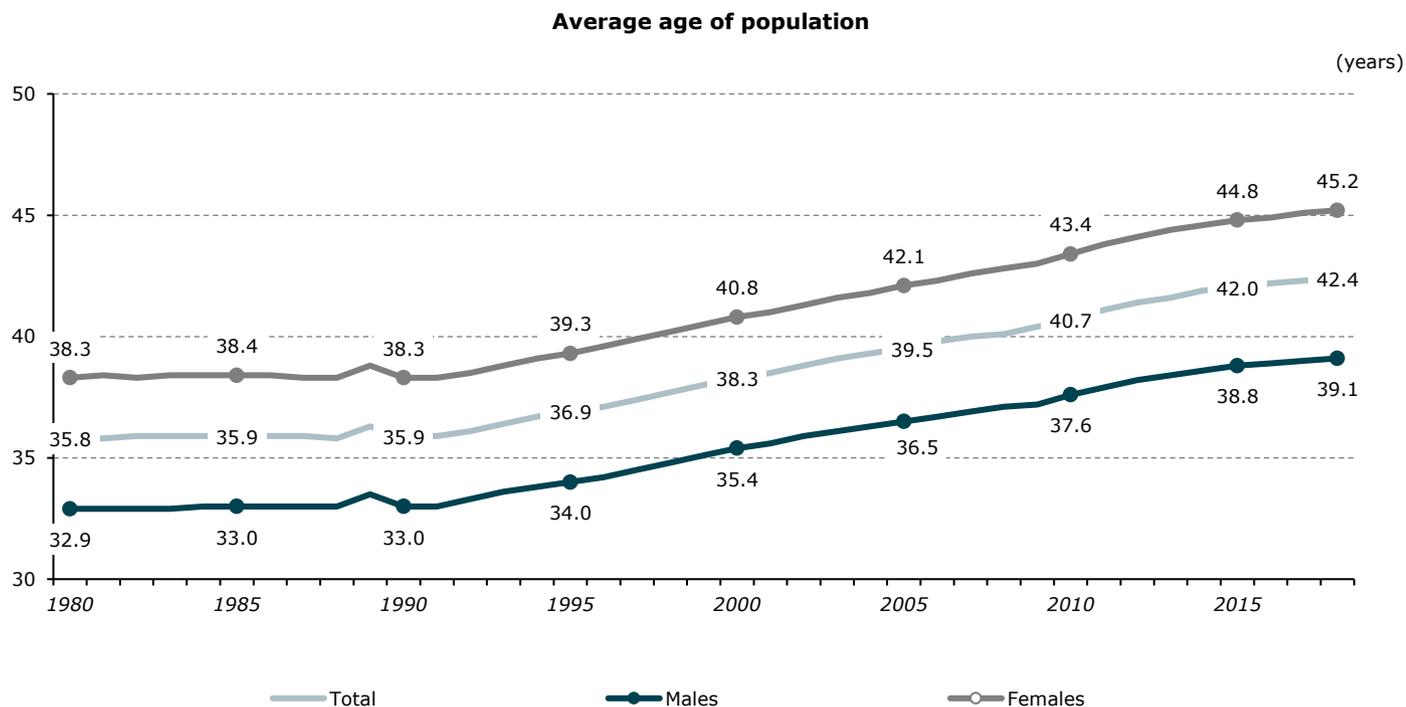
Population age and gender structure

As indicated by age structure statistics, like in the great majority of the European Union countries, Latvia population is ageing. At the beginning of 2018, out of 1.934 million people, children aged under 14 constituted 15.8 %, population of working age accounted for 61.7 %, and people over working age – for 22.5 %. Since the beginning of 2010, the number of children has grown slightly (by 1.7 %), population of working age has dropped by 13.1 %, while the number of people over working age has risen by 2.8 %. At the beginning of 2018, per 1 000 inhabitants at working age there were 365 persons at retirement age and 256 children aged under 14.

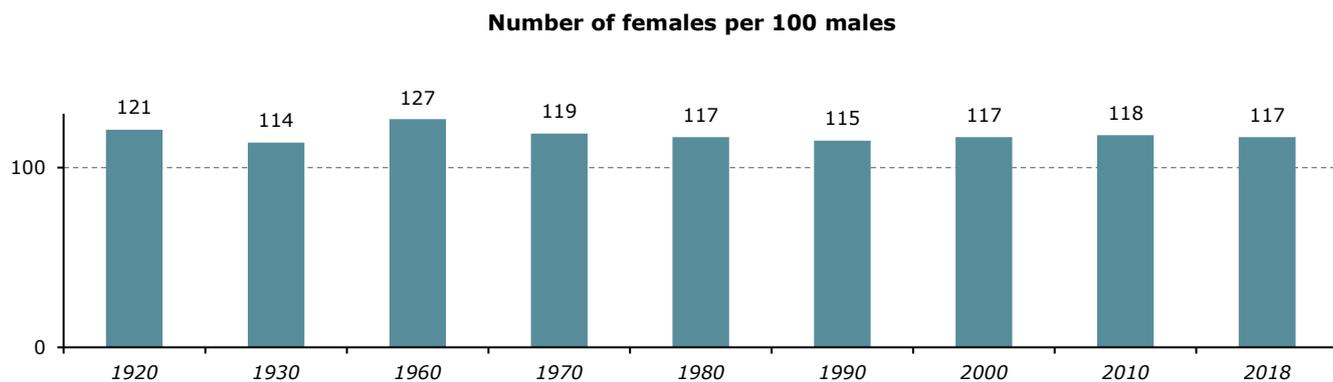
Population age structure at the beginning of 1970 and 2018



Low fertility and longer lives observed over the past years have resulted in the rise in the average age of Latvia population. Since 1980, the of females has gone up by seven years and that of males by six years.



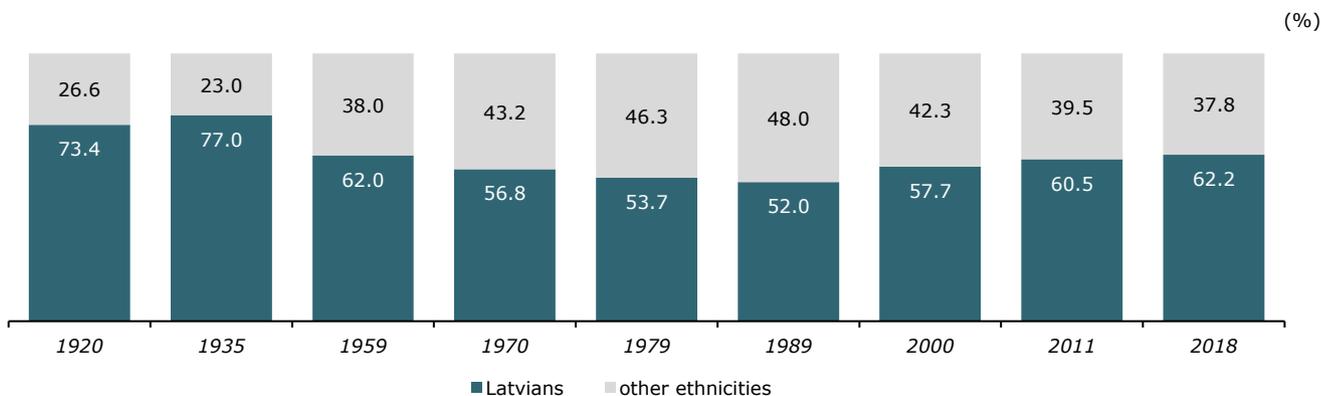
In 1920, females constituted 55 % of the total population and males 45 %. There were 121 females per 100 males. The share of females and males in the population has not changed notably – 54 % and 46 % at the beginning of 2018, respectively.



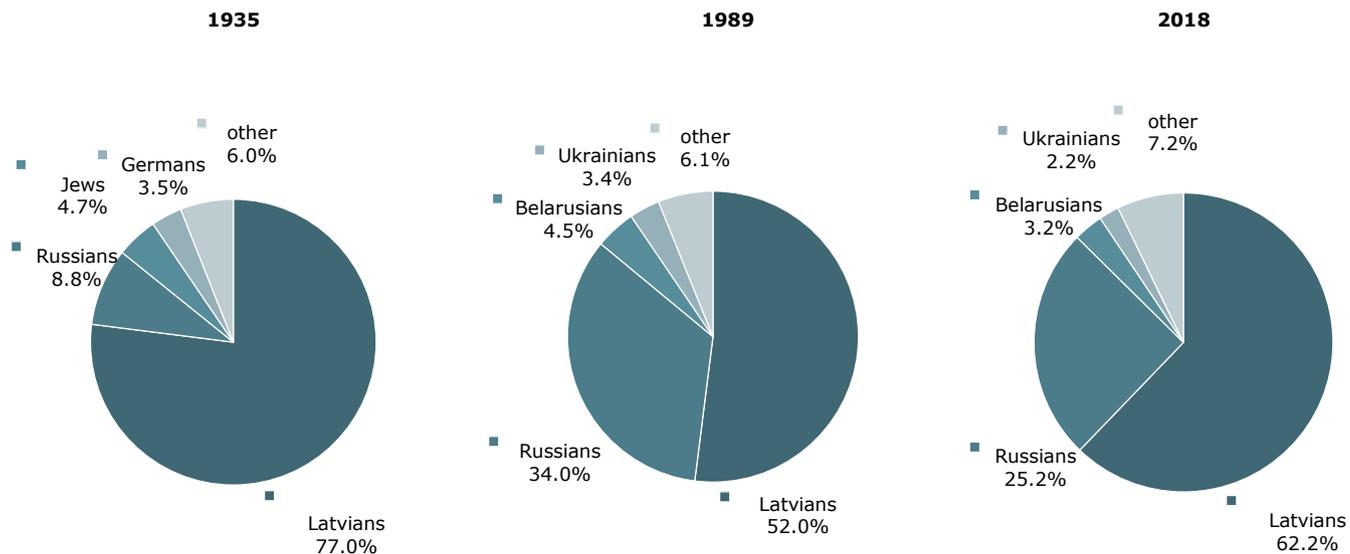
Population ethnic composition

During the recent years, the number of Latvians keeps reducing, meanwhile their share in the total population is increasing. At the beginning of 2018, Latvia was resided by 1 million 203 thousand Latvians – constituting 62 % of the total population. Over the past seven years since 2011, 103.1 thousand Latvians were born and 110.6 thousand Latvians died; due to the natural increase their number diminished by 7.5 thousand.

Share of Latvians in total population



Ethnic composition of usually resident population

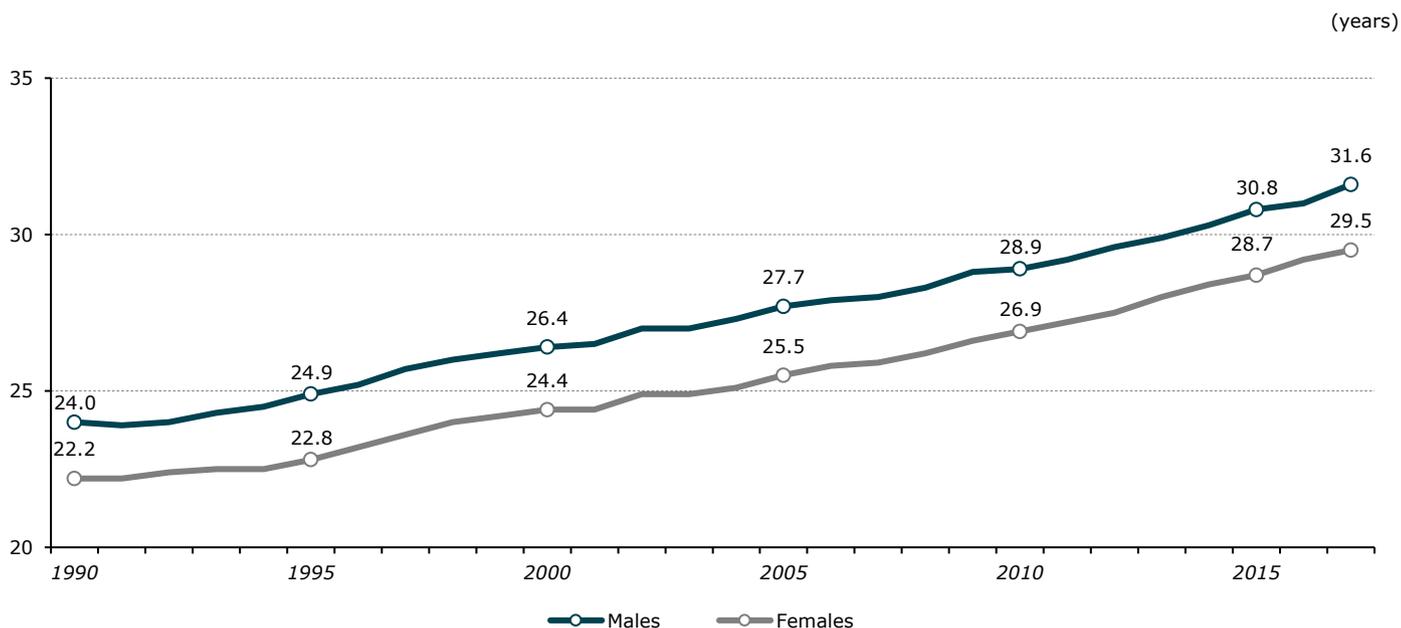


Marriages and divorces

At the beginning of 2018, 41 % of the females of full age (aged 18 and over) and 49 % of the males of full age were married. Out of all respective gender single adults of full age, 66 % of males and 60 % of females were aged under 36. In 2017, 13 150 marriages were concluded in Latvia, which is 1.1 % more than in 2016. The average age at marriage constituted 36 years among males and 34 years among females, and, compared to 2010, it has increased by almost three years.

In 2017, 5 943 marriages were divorced (1.9 % less than in 2016). The average length of marriage has risen from 12.9 years in 2010 to 13.6 years in 2017. Out of all marriages divorced in 2017, almost half (48.4 %) had minor children. In 2017, there were 2 877 children living in divorced families. In 2016, the highest European Union divorce rate per 1 000 inhabitants was recorded in Latvia and Lithuania – 3.1.

Average age at first marriage



In 2017, 5 943 marriages were divorced, which is 21 % more than in 2010 when it was not possible to divorce marriage by a notary. In 2017, there were 45 divorces per 100 marriages.

Birth rates

In 2017, 20.8 thousand children were born, and, compared to 2016, the number has dropped by 1.1 thousand. In 2017, 62 % of children were born to mothers aged 25–34. The average age of mother at childbirth constituted 30.2 years, and since 2000 it has grown by three years. The average age of mother at first childbirth comprised 27.6 years.

Total fertility rate ⁽¹⁾



In 2017, Latvian total fertility rate constituted 1.70 (1.36 in 2010), which still is far behind the desired number of children needed for change of generation (2.1–2.2). The total fertility rate constituting 2.2 in Latvia last time was recorded in 1986–1987 when 42 thousand children were born annually. The European Union total fertility rate comprised 1.60 in 2017 (the indicator varied between 1.26 in Malta and 1.90 in France).

In 2017, 60 % of births were marital (56 % in 2010). The number of second, third and fourth children is rising as well as is their share in the total number of newborn. In 2017, 38 % of the newborn were second children in their families (34 % in 2010), 16 % were third children (11 % in 2010) and 4 % were fourth children (3 % in 2010).

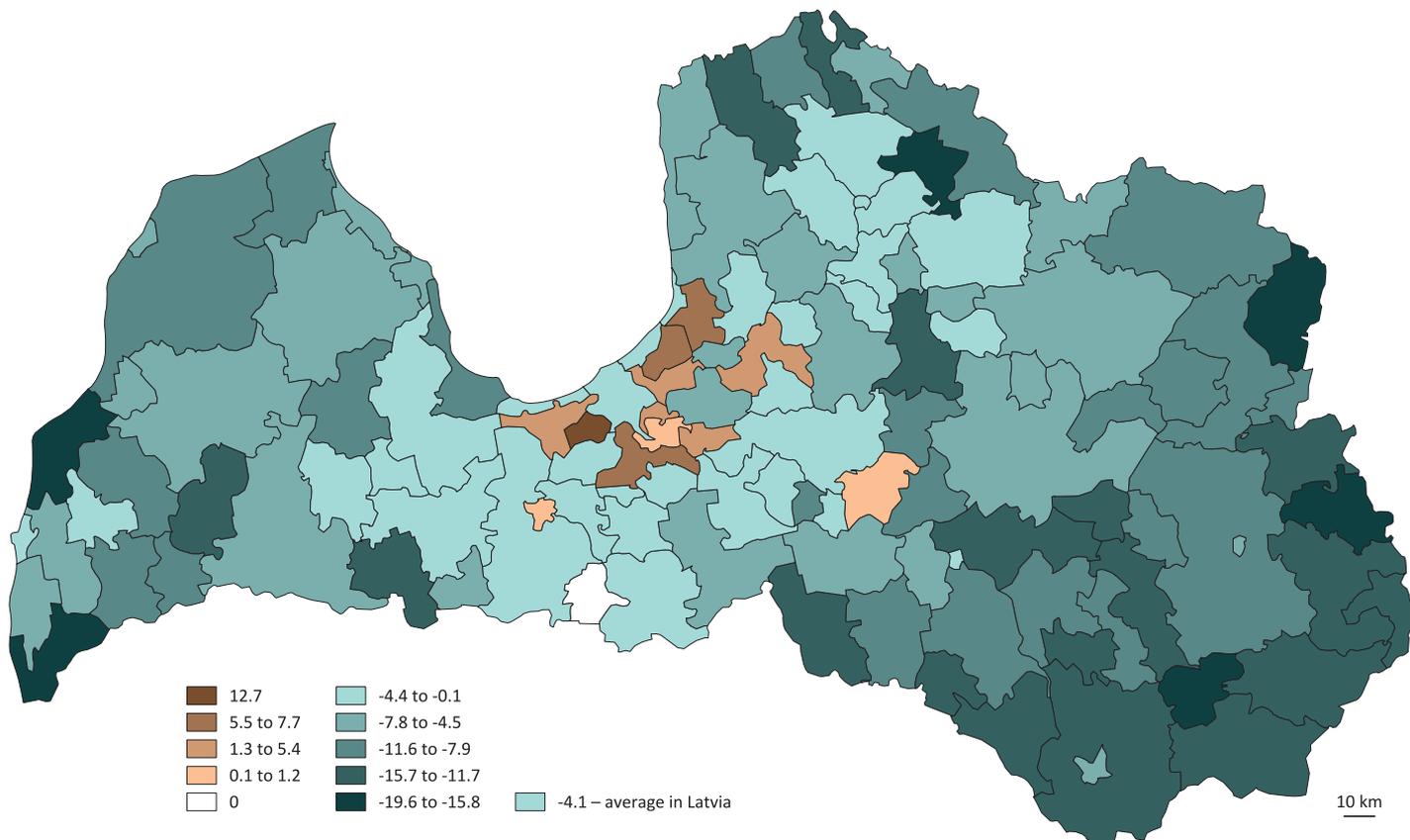
Mortality

In 2017, number of deaths accounted for 28.8 thousand and crude death rate constituted 14.8. The average age of males at death accounted for 69 years and of females for 79 years. Death rates are not declining notably, since elderly population is increasing, e.g., at the beginning of 2018 population aged 75 and over accounted for 193 thousand (10 % of the total population), while at the beginning of 2011 – for 165 thousand (8 %).

⁽¹⁾ The average number of children that would be born to a woman during her lifetime provided the birth rate of the given year remained at the previous level.

Natural increase by administrative territory; 2017

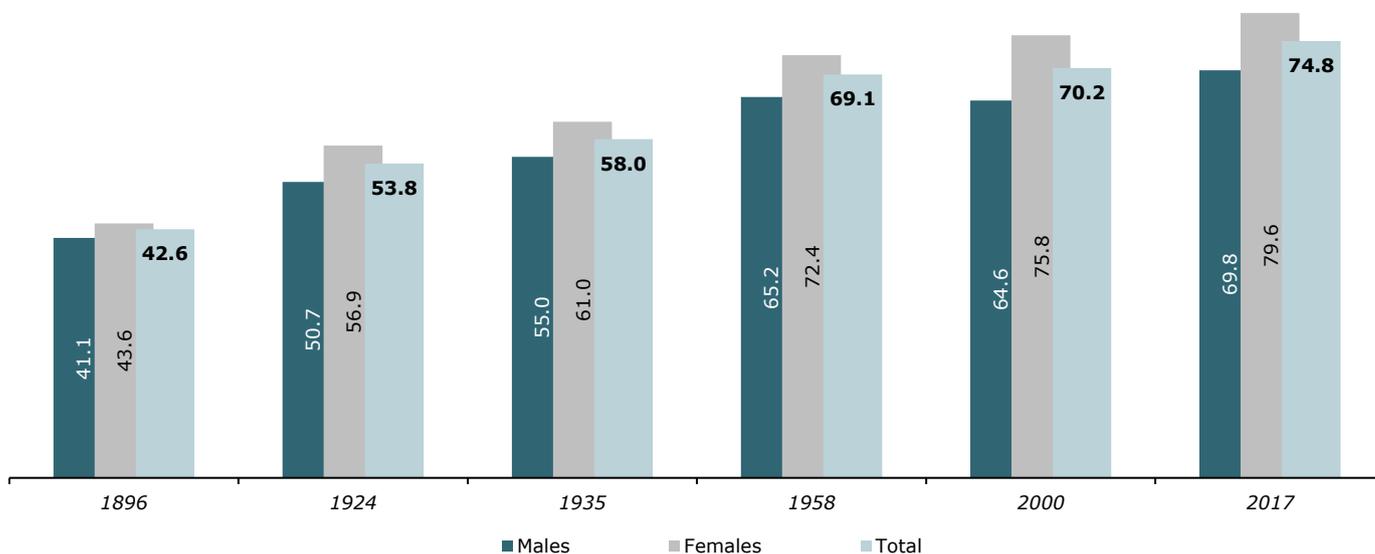
(per 1 000 inhabitants)



Life expectancy

As the living conditions improve, the life expectancy is growing. In 1924, life expectancy in Latvia accounted for 50.7 years among males and for 56.9 years among females, whereas life expectancy of males born in 2017 constitutes 69.8 years and that of females 79.6 years.

Life expectancy at birth

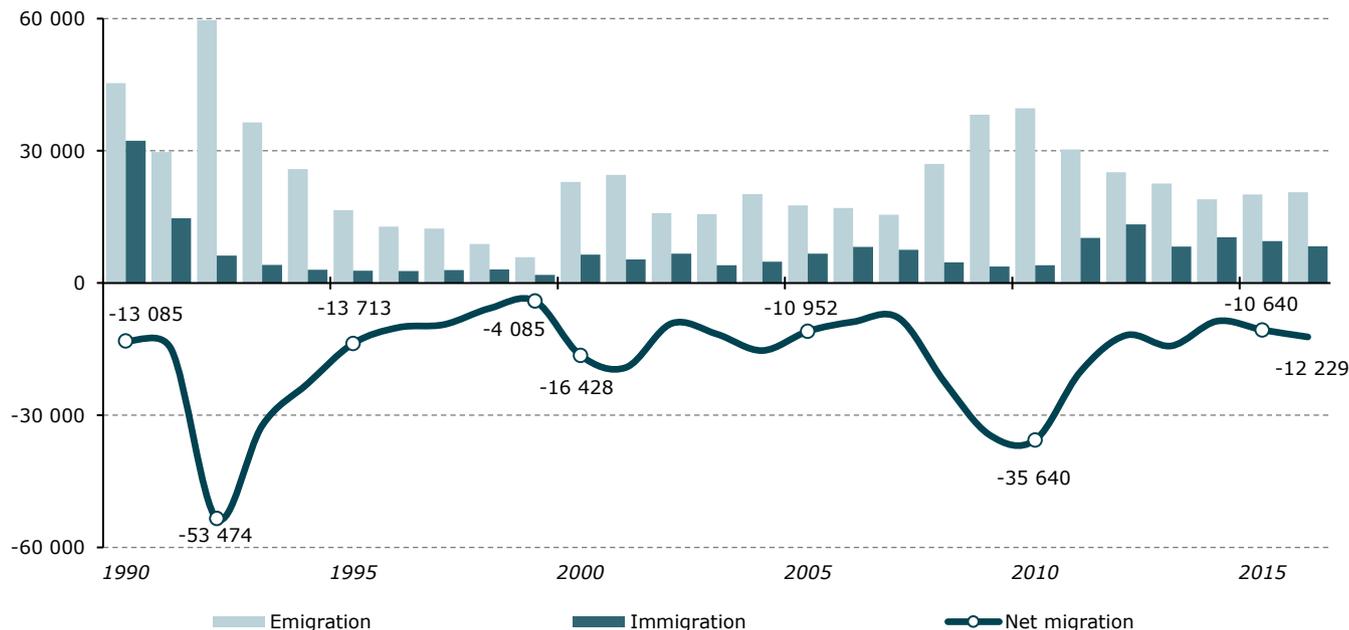


In 2017, Latvian male life expectancy (69.8 years) was the lowest in the EU (Lithuanian indicator constituted 70.7 and Estonian 73.8). Female life expectancy in Latvia and Lithuania (79.6 and 80.5 in 2017, respectively) also is amongst the lowest (82.6 in Estonia). Lower life expectancy is recorded only in Bulgaria and Romania. In 2017, the highest life expectancy among males was registered in Italy and Sweden (80.8) and among females in Spain (86.1).

Migration

In 2017, 9.9 thousand people arrived in Latvia for permanent residence (19 % more than in 2016), while 17.7 thousand people left the country for permanent residence in other countries (14 % less than in 2016). Due to international long-term migration Latvia population dropped by 7.8 thousand people, compared to 12.2 thousand people in 2016. Country was left by a great number of people of working age – 83 % of the emigrants. People aged 20–39 accounted for 9.5 thousand or 53 % of the emigrants.

International long-term migration



In 2017, the shares of males and females in the total emigrant number constituted 54 % and 46 %, respectively. Majority (71 %) of the female emigrants were at fertile age (aged 15–49).

Ethnic composition of immigrants shows that 31 % of the people who arrived in Latvia were Latvians and 23 % were Russians, and 53 % of the people who left the country were Latvians and 27 % were Russians. However, Latvian emigrants accounted for 0.8 % of the total Latvian population and Russian emigrants for 1.0 % of the total Russian population in Latvia at the beginning of 2018.

Out of the people immigrating in Latvia in 2017, 49 % came from the European Union countries. Large part (34 %) consisted of immigrants from CIS countries. Out of the people emigrating the country in 2017, 81 % went to other EU countries and 10 % to CIS countries.

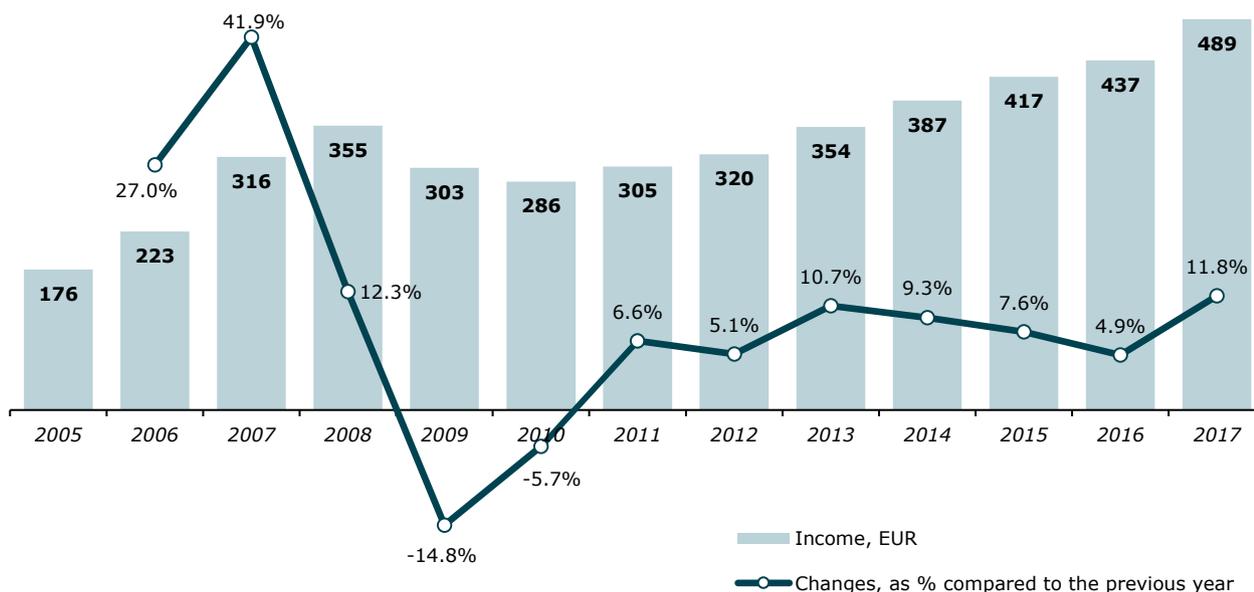
Household Income, Income Inequality, Monetary Poverty

Rise in household disposable income

In 2017, household disposable income reached EUR 489 per household member monthly. Compared to 2016, income rose by 11.8 % showing the highest annual growth since 2008 when an increase of 12.3 % was recorded (4.9 % in 2016, 7.6 % in 2015 and 9.3 % in 2014).

Household disposable income

(average per household member monthly)



Out of the total Latvia population 23.3 % are at risk of poverty

In 2017, 446 thousand people or 23.3 % of the population were at risk of poverty, which is 1.2 percentage points more than in 2016. Disposable income of these people were below the at-risk-of-poverty threshold. In 2017, as disposable income of the population grew, also at-risk-of-poverty threshold went up – to EUR 367 monthly in single person households (EUR 330 monthly in 2016). In 2017, at-risk-of-poverty threshold in households resided by two adults with two children aged 14 and under reached EUR 770 monthly (EUR 694 monthly in 2016).

In 2017, the lowest poverty risk was recorded among people aged 25–49 (13.8 %) and those aged 18–24 (19.6 %). Poverty risk of people aged 50 and over was higher. In 2017, 23.8 % of the population aged 50–64 and 45.7 % of population aged 65 and over were at risk of poverty. The highest risk was observed among elderly (aged 65 and over) living alone. In 2017, almost three fourths (74 %) of single elderly people were at risk of poverty.

Share of population at risk of poverty by age and sex; 2017

(%)

	Total	Males	Females
Total	23.3	20.4	25.8
0-17	17.5	16.9	18.1
18-24	19.6	20.1	19.0
25-49	13.8	14.0	13.6
50-64	23.8	23.7	23.9
65+	45.7	37.5	49.8

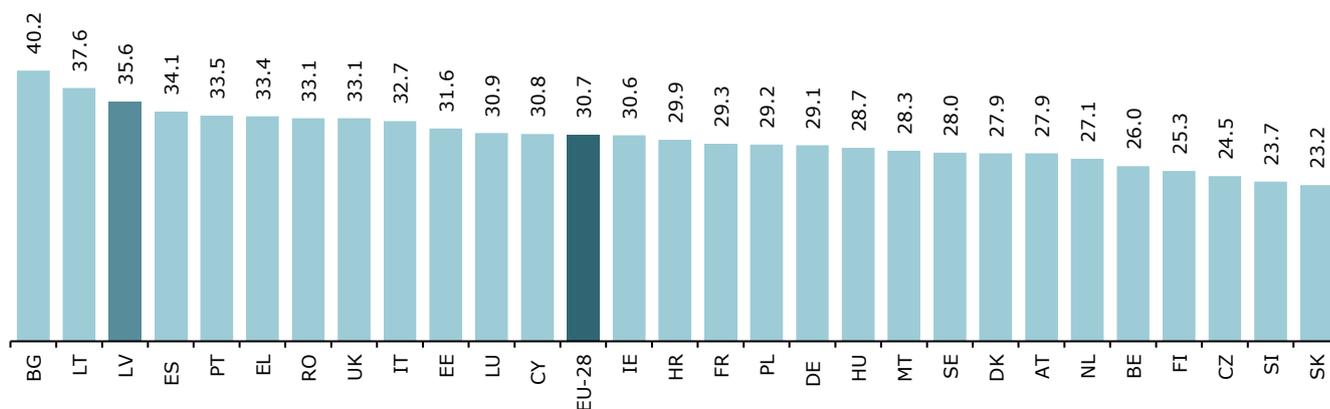
The smallest share of people at risk of poverty was observed among working population (8.1 % in 2017 and 8.8 % in 2016). Higher share of those at risk of poverty was recorded among unemployed persons (59.6 % in 2017 and 56.5 % in 2016) and persons in retirement (48.9 % in 2017 and 43.7 % in 2016).

Income inequality in Latvia still high

Income inequality in Latvia still remains high. The latest data show that Latvian Gini coefficient ⁽¹⁾ was the third highest among the EU Member States.

Gini coefficient in EU Member States; 2015 ⁽²⁾

(%)



Data source: Eurostat [ilc_di12] 15.02.2019.

⁽¹⁾ Gini coefficient characterises inequality of income. It varies from 0 to 100. Gini coefficient is 0, if there is absolute equality of income (i.e., all population has the same income), but the closer it gets to 100, the greater is inequality of income.

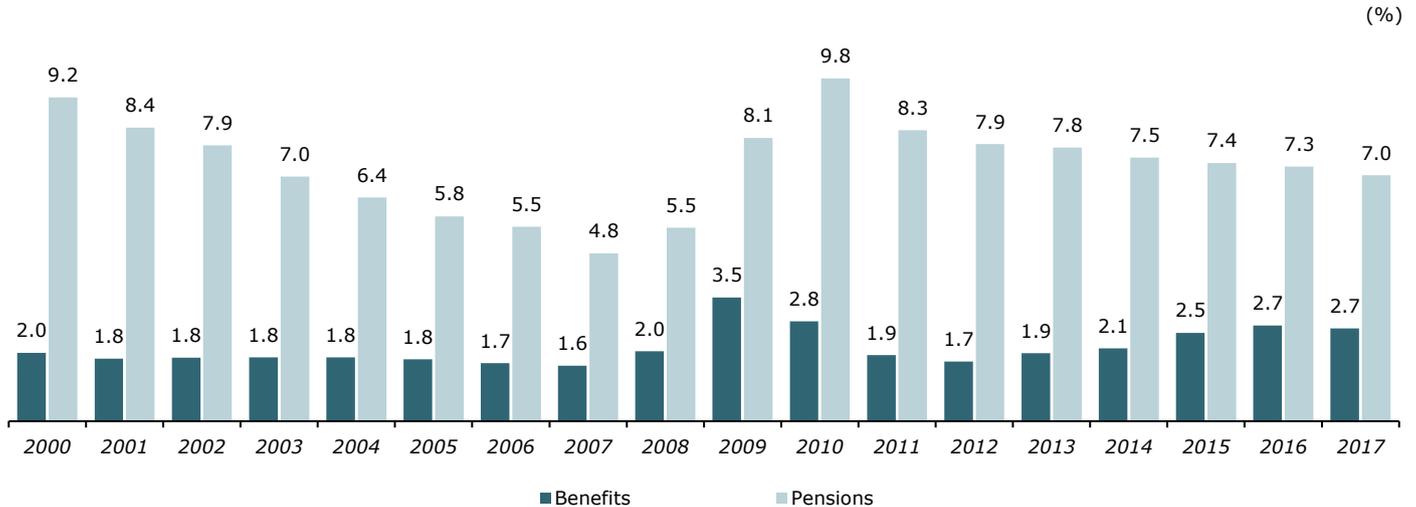
⁽²⁾ Data on separate ES Member States refer to the survey of 2018: Denmark (provisional data), Latvia (data of the survey conducted in 2018 refer to the income reference period of 2017) and Hungary. Eurostat publishes the data with a reference to the survey year, while CSB with a reference to the income reference period. Thus, an annual difference in the data published by Eurostat and CSB arises.

Social Security

Expenditure on pensions and benefits growing gradually

Data of the State Social Insurance Agency show that in 2017 total expenditure on state pensions and social benefits comprised EUR 2 billion 613 million, which is EUR 110.2 million more than in 2016. State pensions accounted for the largest share of the expenditure (72.6 %), and the total expenditure on state pensions constituted EUR 1 billion 896 million in 2017 (EUR 77.0 million more than in 2016).

Proportion of expenditure on benefits and pensions in GDP



In 2017, expenditure on pensions constituted 7.0 % of the GDP, which is 0.3 percentage points less than in 2016 (7.3 % of GDP). Expenditure on state social benefits, in this turn, amounted to EUR 717 million in 2017, exceeding the expenditure of 2016 by 4.9 % or EUR 33.2 million. In 2017, expenditure on state benefits comprised 2.7 % of the GDP, which the same amount spent in 2016.

State social benefits

As of 1 March 2018, family allowance for raising two or more children has been introduced. In 2018, the allowance was granted for 218.5 thousand children ⁽¹⁾. The total number of children for which family state allowance was paid in 2018 accounted for 340.1 thousand.

⁽¹⁾ The Law on State Social Allowances and Regulation No. 1517 of the Cabinet stipulate that family allowance for upbringing of two and more children aged 1–20 constitutes EUR 10 monthly for two children and EUR 66 monthly for three children. The allowance for each next child constitutes additional EUR 50 monthly to the sum paid for the last child.

State pensions

Compared to 2017, in 2018 the number of pension recipients decreased by 0.6 %, while the size of monthly pension increased by 8 %, reaching on average EUR 291.56. In 2018, monthly old-age pensions paid on average were by EUR 24.35 higher than those paid in 2017 and reached on average EUR 313.75.

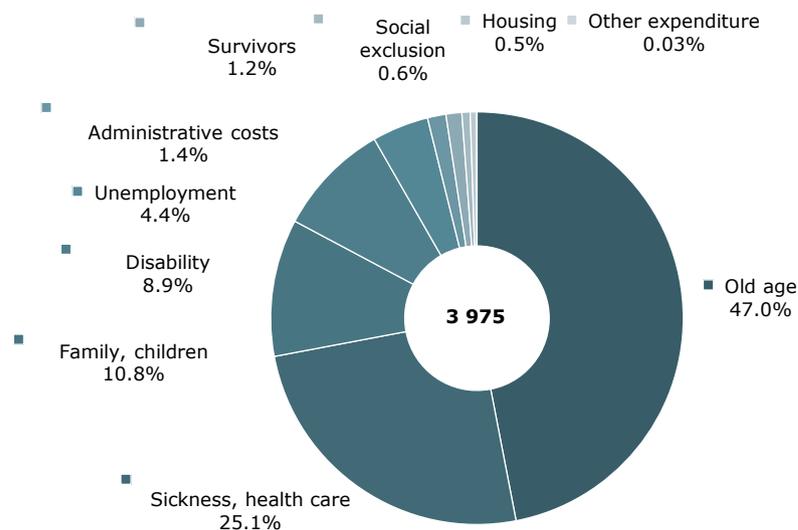
Pension recipients

(thousands)

	2000	2010	2015	2017	2018
Total	638.3	574.4	570.1	560.2	556.7
Old-age pensions	513.7	475.9	466.7	456.7	452.9
Disability pensions	83.2	69.3	73.3	74.4	74.7
Survivor's pensions	36.2	26.9	19.8	18.4	18.5
Service pensions ⁽¹⁾	5.2	2.4	10.3	10.7	10.7
Statutory retirement age, years ⁽²⁾	62.00	62.00	62.50	63.00	63.25

Social protection expenditure by ESSPROS classification; 2017

(million EUR)



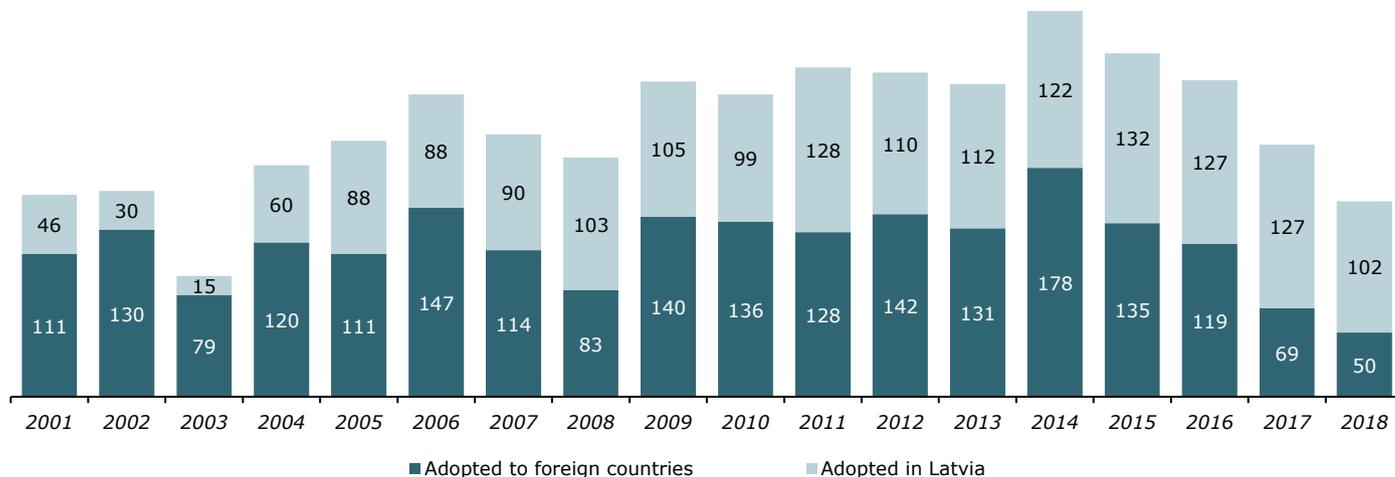
⁽¹⁾ As of 2011, the number of retirement pension recipients includes service pensions paid from the State Social Insurance Agency and State basic budget to the employees of the Ministry of the Interior, diplomats, prosecutors, etc.

⁽²⁾ The right to receive old-age pension is granted to women and men who have reached the age of 65 and whose insurance period accounts for at least 20 years. As of 1 January 2014, regulations on rise of the retirement age from 62 to 65 came into force.

Over the year, decline in number of adopted children

In 2017, the number of people in long-term social care institutions increased (from 12 834 people in 2016 to 13 310 people in 2017) while the number of children under guardianship fell (from 4 548 children in 2016 to 4 459 children in 2017). In 2018, in its turn, drop was registered in the number of adopted children (from 196 children in 2017 to 152 children in 2018).

Number of adopted children



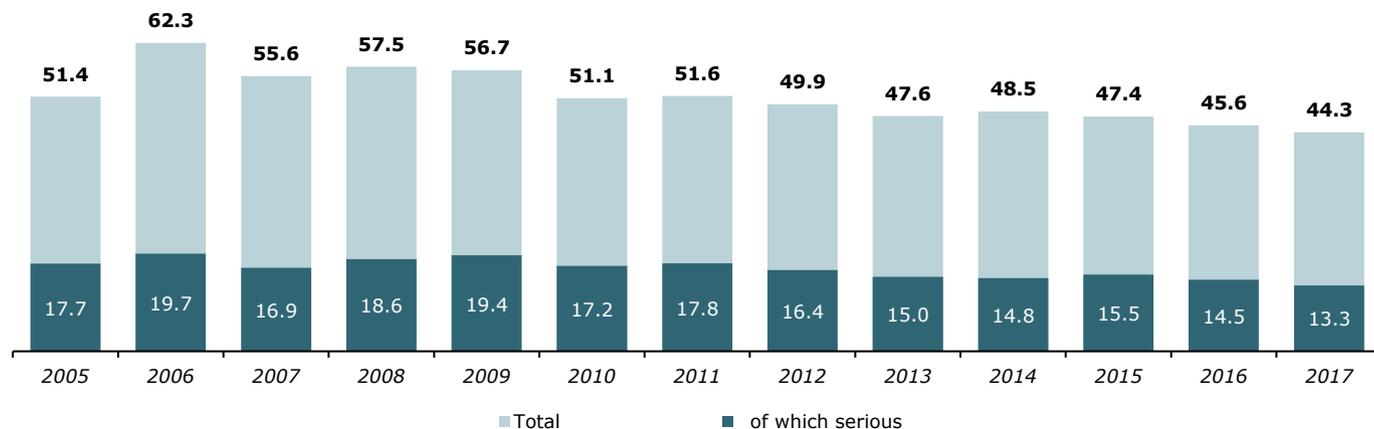
Crime

Decline in recorded crimes

In 2017, 44 250 crimes were registered, which is 3.0 % less, compared to 2016 (45 639).

Number of recorded crimes

(thousands)



Recorded crimes

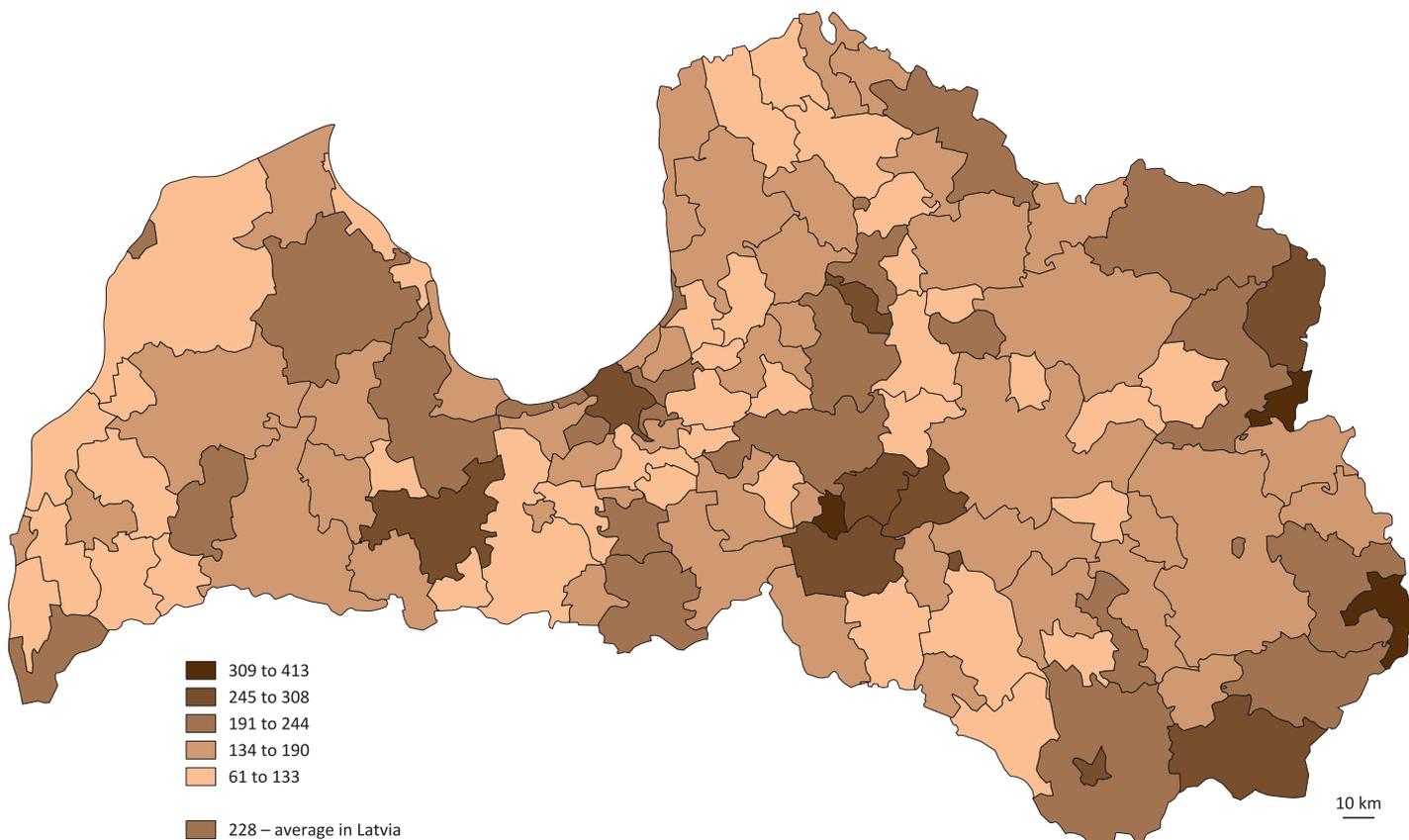
(number)

	1990	2000	2010	2015	2016	2017
Total	34 686	50 199	51 108	47 404	45 639	44 250
Intentional homicide	165	219	82	87	67	73
Aggravated assault	373	424	181	178	195	178
Rape	134	134	79	60	59	65
Robbery	1 649	3 160	1 072	779	651	604
Property theft ⁽¹⁾	22 089	28 737	25 659	21 817	20 817	20 354
Hooliganism	1 208	1 300	429	225	214	188
Violation of traffic regulations resulting in serious injuries	1 665	1 491	603	689	573	583
Illicit preparation, storage, and selling of narcotics	69	655	2 189	3 529	1 195	2 524

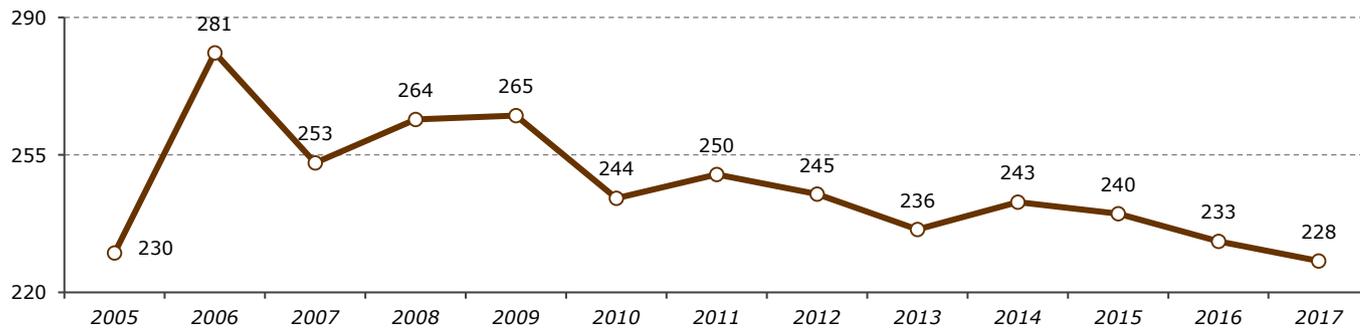
⁽¹⁾ As of 2011, including fraud and misappropriation on a small scale.

Number of recorded crimes (including attempted) by administrative territory; 2017

(per 10 000 inhabitants)



Latvia



Theft still is the most common crime

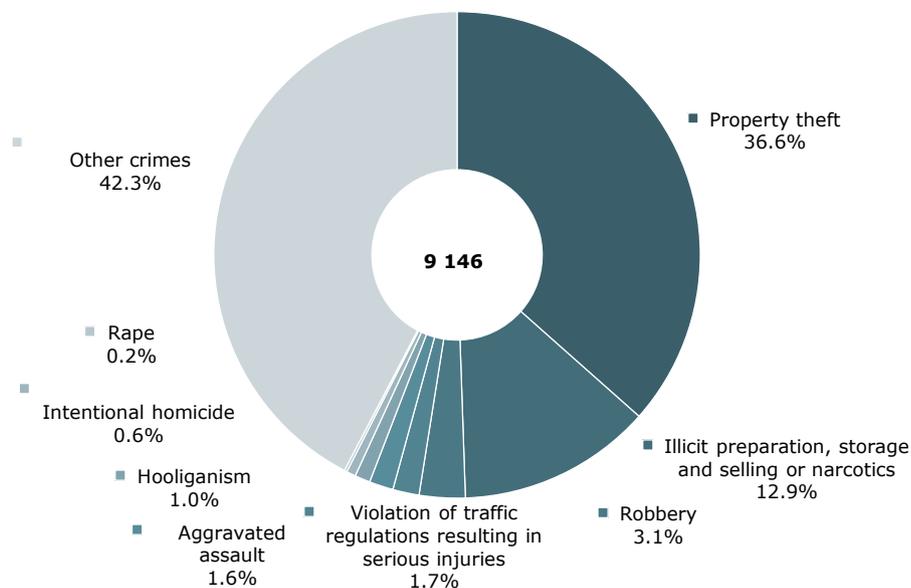
In 2017, 20 354 thefts (including fraud and misappropriation on a small scale) were recorded, comprising 46 % of all the crimes recorded. Over the recent years, the number of thefts is declining, even though slightly – a drop of 2 %, compared to 2016, and of 20.7 %, compared to 2010. Approximately one third of the crimes recorded were classified as serious (30.1 % in 2017 and 31.7 % in 2016). In 2017, the number of intentional homicides went down by 8 % – 73 cases of homicide were recorded (67 in 2016). At the end of 2017, the prison population of Latvia comprised 3.8 thousand people, which is 11.3 % less than in 2016.

The share of juveniles in the total number of offenders is comparatively small: juveniles constituted 5.3 % of the offender number in 2017. The share of female offenders (14.1 %) almost has not changed, compared to 2016 when indicator constituted 13.8 %.

Number of offenders

	1990	2000	2010	2015	2016	2017
Accused persons	12 879	17 807	15 848	10 060	10 478	9 785
As % of total number of offenders:						
females	12.6	10.6	14.6	14.4	13.8	14.1
juveniles	19.4	17.6	6.2	4.9	5.1	5.3

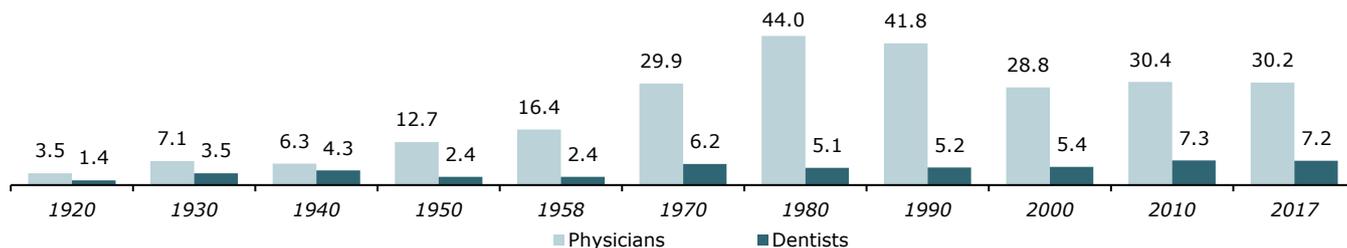
Convicted persons by type of crime; 2017



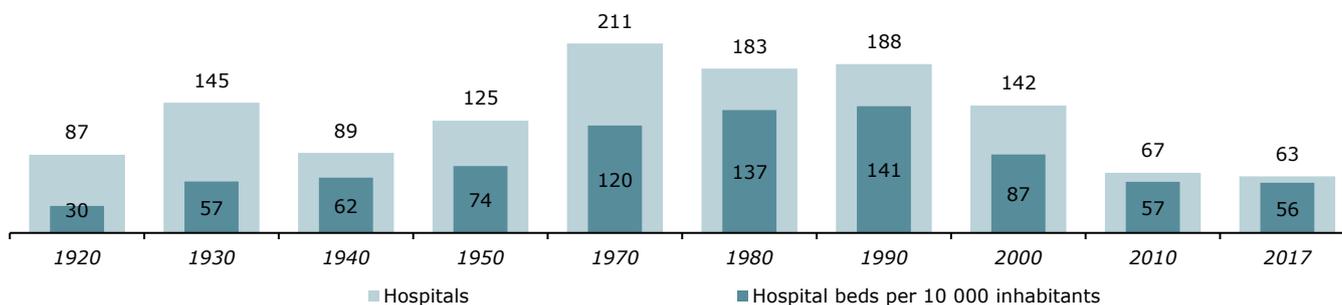
Health Care

Number of physicians and dentists

(per 10 000 inhabitants)



Number of hospitals and hospital beds



Key health care indicators

(at the end of the year)

	1990	1995	2000	2010	2015	2016	2017
Physicians of all specialities (in main job)	12 505	8 326	8 134	7 951	7 626	7 480	7 289
Residents and physicians in service training	...	527	892	463	649	732	805
Specialists with higher medical professional education	...	...	117	519	980	1 038	1 078
Nurses with higher education	...	...	94	1 090	1 987	3 106	3 283
Health care professionals with secondary medical education	28 311	18 270	14 934	13 217	11 625	10 318	9 896
Hospitals	188	166	142	67	67	65	63
Hospital beds (on average annually)	37 485	27 808	20 655	11 920	11 261	11 208	10 812

In 2017, 7 289 physicians had medical practice as the main job thereof, which is 191 persons fewer than in 2016. The total number of physicians in main job has been declining gradually since 2009. Over the past ten years, the sharpest drop was recorded in the

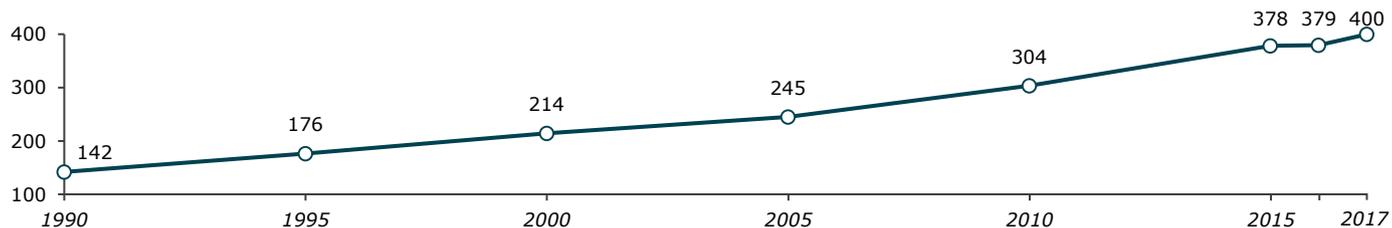
number of oncologists, therapists, paediatricians, otolaryngologists and gynaecologists/ obstetricians, while number of general practitioners rose. In 2017, in-service training in health care institutions was undertaken by 805 residents and physicians in service; during the past five years their number has gone up by 78.1 %.

Rise in incidence of serious illnesses/ diseases

In 2017, 11 762 patients were newly diagnosed with malignant neoplasms (11 118 in 2016). At the end of the year, there were 77.3 thousand people in the register of oncological patients (74.0 thousand at the end of 2016). In 2017, 371 new HIV cases were registered (365 in 2016).

Number of registered oncological patients

(per 1 000 inhabitants, at the end of the year)



In 2018, 16 301 new cases of adult disability were registered, 6 075 persons of which were working. Malignant neoplasms (24.3 %), diseases of musculoskeletal system and connective tissue (23.1 %), and diseases of the circulatory system (15.0 %) were the most common causes of disability among working population. Each fourth working person (26.3 %) with newly registered disability suffered from a disease of the circulatory system.

In 2018, the number of new and repeated cases of children (aged under 18) disability comprised 2 820. Data of the Ministry of Welfare information system LabIs show that in December 2018 in Latvia there were 191 815 disabled persons, including 2 503 persons with hearing disability, 9 660 with vision disability, 32 783 with movement disability, and 26 519 with mental and behavioural disability.

Healthy life expectancy

Healthy life expectancy indicators are acquired from the information on chronic diseases and self-assessed state of health. In 2016, healthy life expectancy in Latvia constituted 52.3 years among males and 54.9 years among females. Latvian indicators are the lowest in the EU; the highest indicators are recorded in Sweden (73.0 years among males and 73.3 years among females). Latvian healthy life years take 75.0 % of male life expectancy and 69.0 % of female life expectancy, indicating that males tend to live greatest part of their lives without serious health problems. In 2016, the difference between male and female healthy life expectancy accounted for 2.6 years.

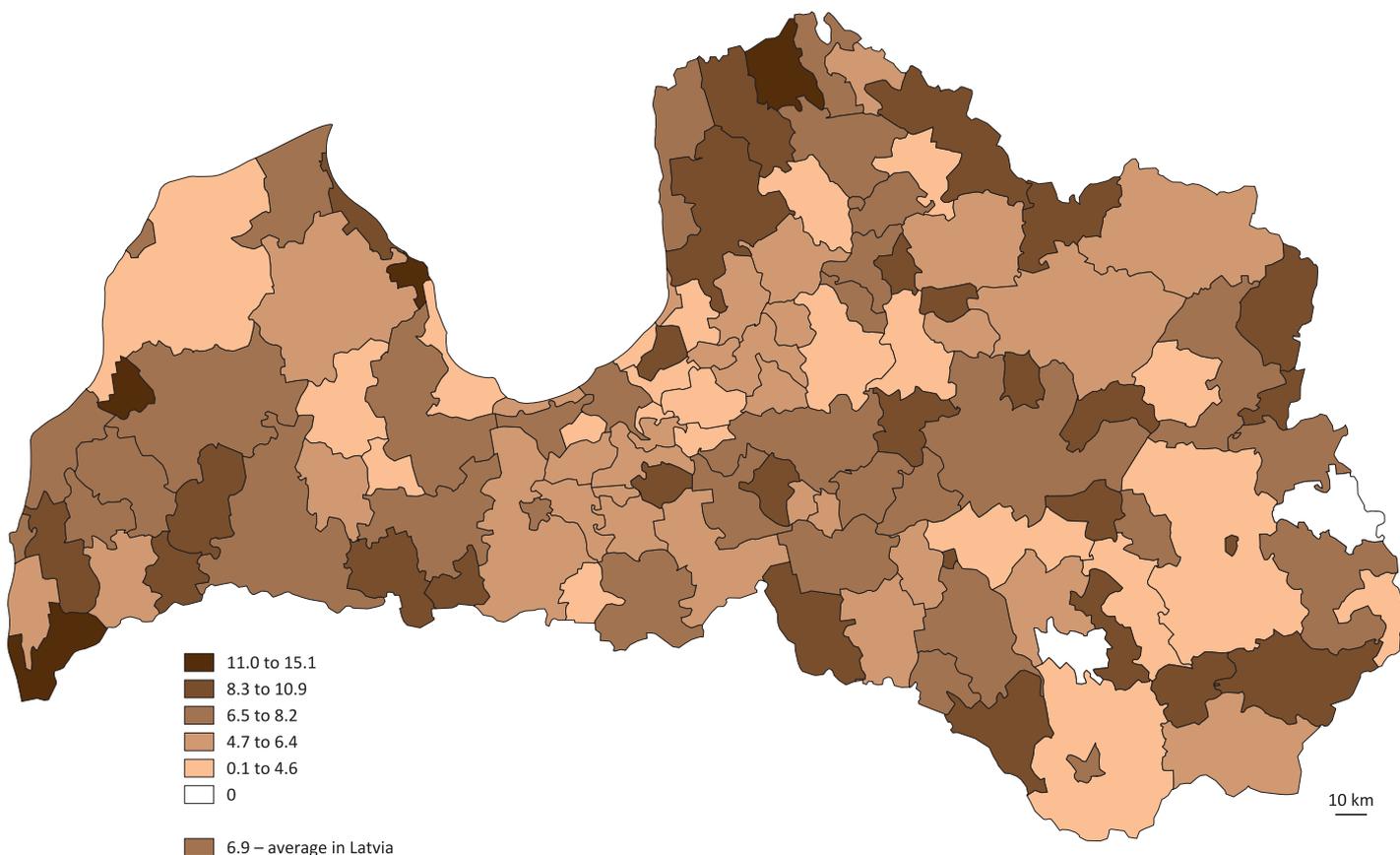
Self-perceived general health

In 2018, 40.2 % of Latvia population aged 16 and over had suffered from a longstanding illness or health problem. Some differences may be observed in breakdown of indicators by gender – 44.3 % of females had longstanding illness, while the proportion of males indicating that have suffered from such health problems was smaller – 34.9 %.

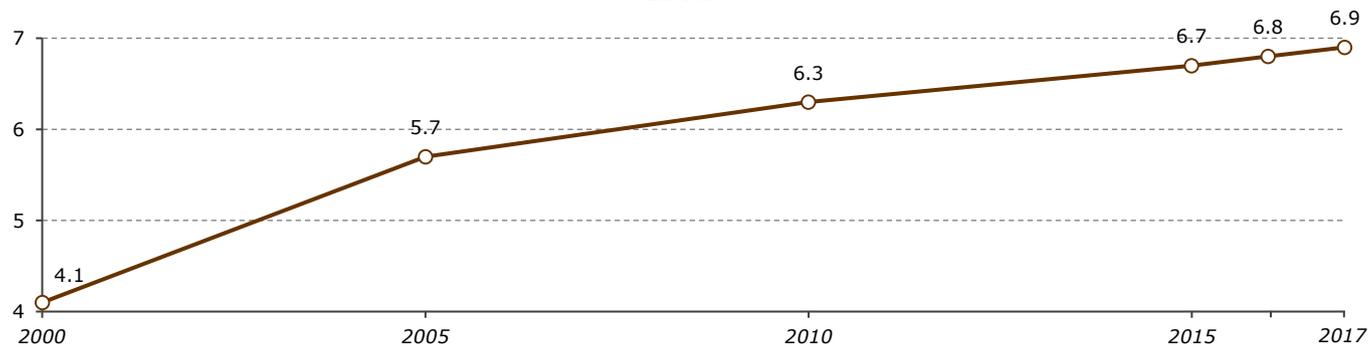
Out of the total population of Latvia, 17.3 % had unmet need for dental care, however the indicator varies among different income groups. Almost every third (29.6 %) person with low income (belonging to the first quintile group) did not visit dentist, compared to only 8.1 % of the population with the highest income (living in households of fifth quintile group).

Number of general practitioners in main job by administrative territory; at the end of 2017

(per 10 000 inhabitants)



Latvia



Education

Regardless the fact that due to the demographic situation enrolments have reduced by one fourth since 2000, in the school year 2017/2018 in total there were 421.8 thousand students in Latvia, which is 0.2 % more than a year before.

In 1919, in Latvia there were 1 265 basic schools, enrolment whereof accounted for 118 192, as well as 68 secondary schools with 7 615 students. At the beginning of school year 2017/2018, there were 775 general schools, including 63 primary schools and 296 basic schools with 49 638 students, as well as 333 secondary schools with 148 247 students. Training was organised also in 27 evening, extramural and distance-learning schools (9 940 students) and 56 special schools (7 228 students). In the school year 2017/2018, total enrolments in grades 1–6 accounted for 121 674, in grades 7–9 for 56 200, while in grades 10–12 for 37 179 students.

Enrolments by level of education (ISCED 2011)

	2000/01	2015/16	2016/17	2017/18
Enrolments (at the beginning of school year)	562 773	417 672	421 078	421 809
Pre-primary education (Level 0)	61 759	92 095	94 249	96 626
children aged 0–2	...	17 667	19 247	19 235
children aged 3–6	...	72 645	73 321	75 784
children aged 7–8	...	1 783	1 681	1 607
First stage of basic education (grades 1–6)	197 415	120 308	121 506	121 674
Second stage of basic education (grades 7–9 and vocational education)	99 911	56 128	56 282	56 501
(Upper) secondary education (grades 10–12 and secondary vocational education)	102 501	60 343	61 078	60 825
Post-secondary non-tertiary education	7 103	4 516	5 049	4 581
First stage of tertiary education (higher education)	101 529	81 972	80 623	79 406
Second stage of tertiary education (doctoral studies)	1 254	2 310	2 291	2 196

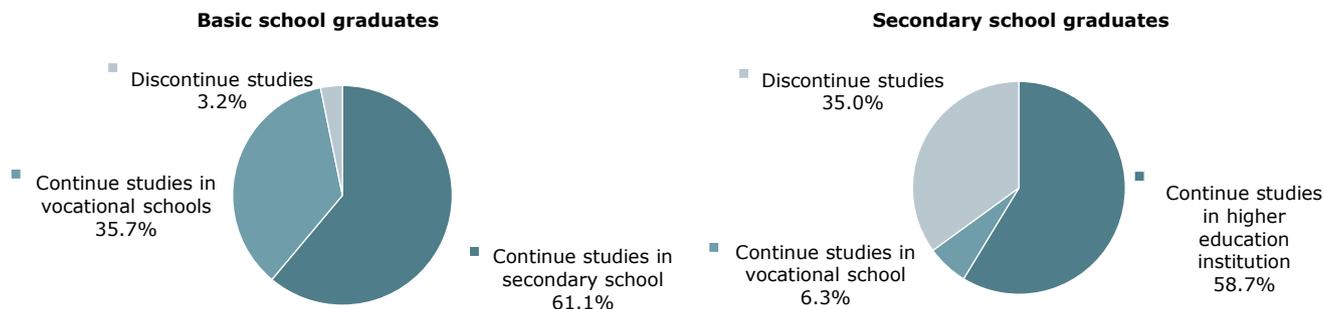
Pre-school education enrolments up by 2.5 %

The number of children aged 3–6 in pre-school education has increased – 93.1 % of children at this age attended pre-school education institutions in 2017 (93.5 % in 2016 and 88.4 % in 2010). In 2017, 96.6 thousand students attended pre-school education institutions, which is the highest indicator recorded during the recent years. In the school year 2017/2018, 78.5 % of children attended schools having Latvian as a language of instruction, while 20.9 % attended schools teaching in Russian. Regardless majority of children attended pre-school education institutions of local governments, the number of children in private pre-school education institutions keeps growing – 8.8 thousand or 9.1 % of pre-school children. Since 2010, the number of private pre-school education institutions has grown twice, and changes mainly have affected Riga.

Further education after basic and secondary school

In 2017, the number of basic school graduates which continue studies in vocational schools has risen by slightly more than one percentage point, and the number of students discontinuing studies also has dropped by one percentage point (3.2 %). Out of the secondary school graduates, 58.7 % continue studies in higher education institutions and colleges, while 35.0 % discontinue studies.

Further education in 2017



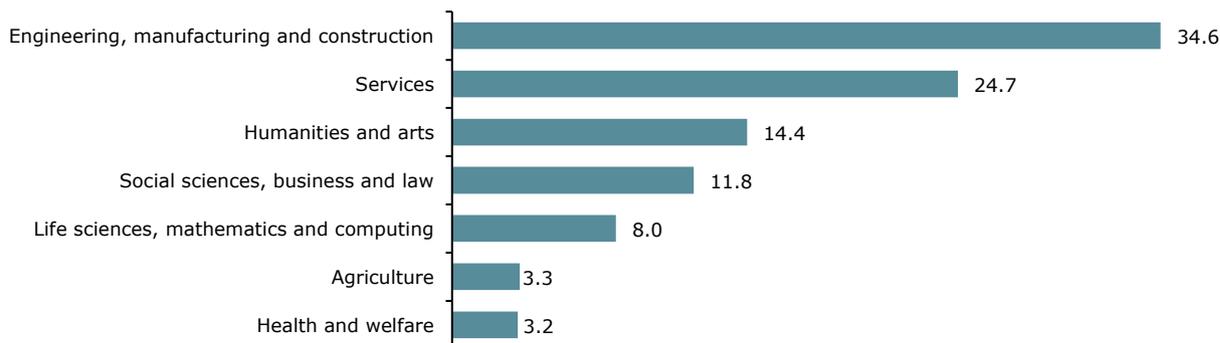
Decline in vocational school enrolments

At the beginning of the school year 2018/2019, 27.2 thousand students entered vocational education institutions, which is 4.8 % less than a year before. Regardless vocational education more commonly is chosen by males, the data show that the share has been reducing over the past years – 60.2 % at the beginning of the school year 2010/2011 and 54.7 % in 2018/2019.

Majority of students choose engineering, manufacturing and construction (34.6 %) as well as services programmes (mainly hotel, restaurant and beauty services – 24.7 %). Compared to the previous period, the number of entrants has not changed notably – constituting 11.7 thousand, moreover, majority of them entered the above fields of education. In 2018, vocational education was acquired by 7.7 thousand students, and more than one third of them studied engineering, manufacturing and construction.

Vocational school enrolments by field of education

(%, at the beginning of the school year 2018/2019)

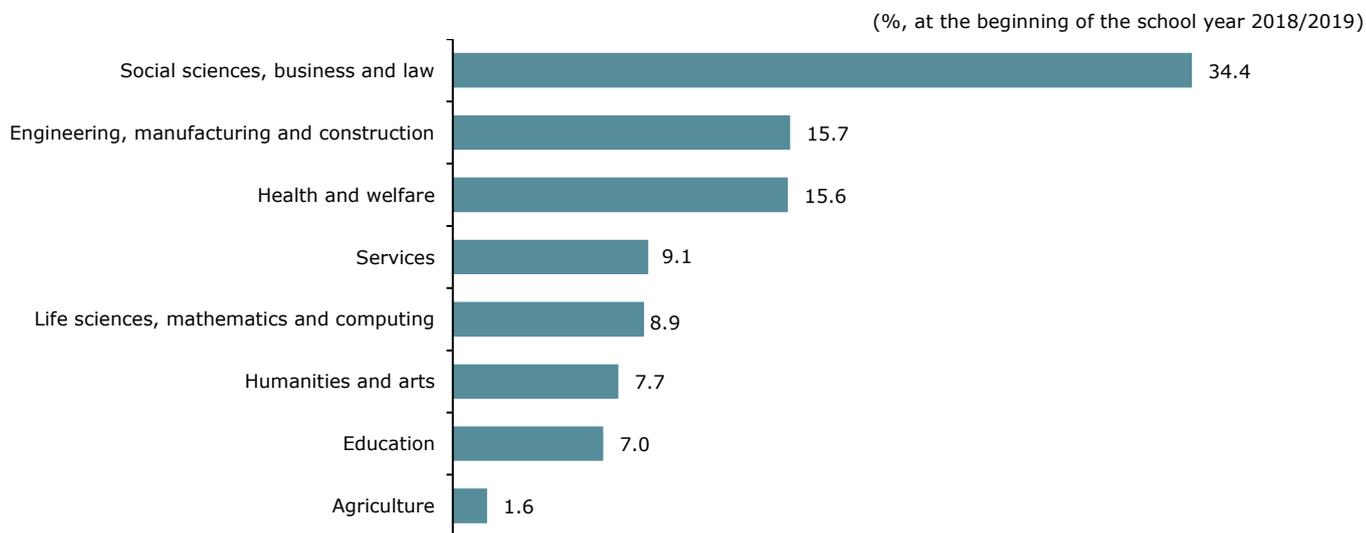


Rise in entrant number

In the academic year 2018/2019, the number of higher education institutions has not changed and constitutes 54 (29 universities and 25 colleges). Higher education was acquired by 80.4 thousand students, which is 1.5 % less than a year ago. In this academic year, 27.7 thousand students entered Latvian higher education institutions, which is 1.9 % more than a year ago and shows slight rise in the entrant number since 2012. Over the years, the trends have not changed notably, and this year females account for 15.4 thousand or 55.8 % of the entrants. More than a half of the first-year students (55 %) were non-subsidised, and studies of 45 % of the students were state-subsidised.

Similarly like in the previous years, also this year majority of the first-year students (42.7 %) entered programmes of social sciences and humanities – 9.6 and 2.2 thousand, respectively. At the same time, 2018 was characteristic with positive trends in the number of engineering and life science programme entrants – rise of 2.6 %, including in IT and construction always being the most demanded professions on the labour market ⁽¹⁾. Higher popularity is also gained by health and welfare programmes indicating an entrant number increase of 5.8 %.

Higher education enrolments by field of education



The number of mobile students (those who acquired previous education abroad and study in Latvia with an aim to acquire degree or qualification) keeps growing significantly. Currently in Latvia there are 8.4 thousand mobile students, which is 10.8 % more than last year and 59.5 % more than in 2014 when such statistics was compiled for the first time. More than and a half (51.4 %) of mobile students have acquired their previous education in India, Uzbekistan and Germany. Unlike the gender shares among Latvian students, majority of mobile students (65.9 %) are males. The largest share of mobile students (2.2 thousand) study in Rīga Stradiņš University.

(¹) <http://www.lddk.lv/notikums/darba-deveju-visbiezak-mineto-profesiju-loka-ari-sogad-ir-it-nozares-specialitates-2/> (in Latvian)

State funding for students gone up by 5 %

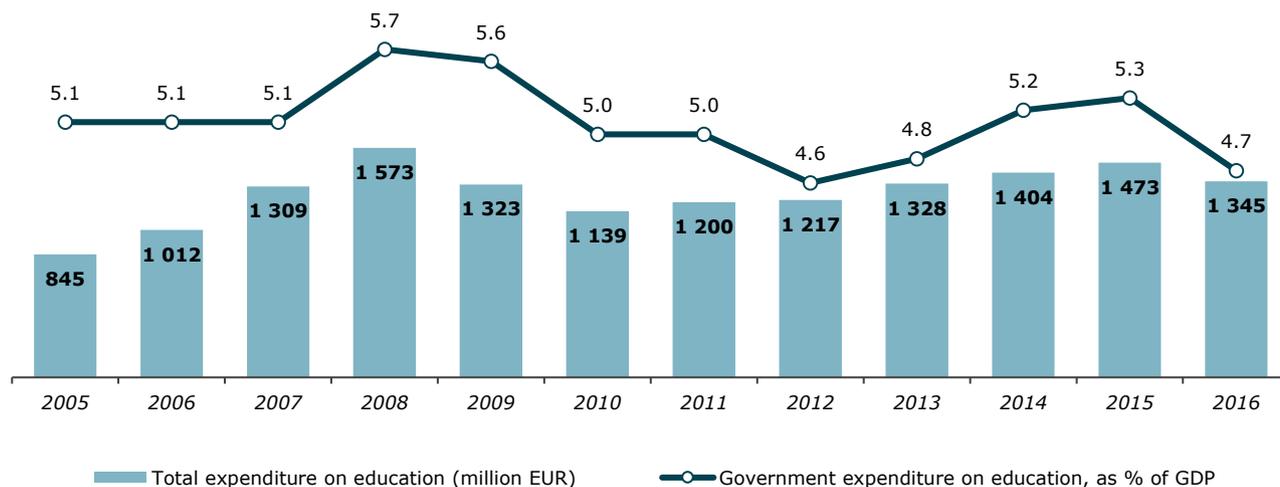
Compared to the year before, state funding for students in higher education institutions and colleges increased by EUR 2 million. As minimum wage of academic staff and state compulsory social security rate increased, the basic costs for one student went up from EUR 1 393.11 in 2017 to EUR 1 458.51 in 2018. ⁽¹⁾

Expenditure on education by source of funds ⁽²⁾

(million EUR)

	1995	2000	2005	2010	2015	2016
Total	284.2	503.4	844.6	1 138.7	1 473.4	1 344.7
government expenditure	225.7	381.4	651.7	911.5	1 298.0	1 181.7
private expenditure	58.5	116.0	179.7	185.2	153.3	149.5
foreign sources of finance	0.0	6.0	13.2	42.0	22.1	13.5

Expenditure on education and government expenditure on education as per cent of GDP ⁽²⁾



⁽¹⁾ <http://www.izm.gov.lv/lv/aktualitates/2756-par-2-miljonem-eiro-pieaudzis-pieejamais-valsts-finansejums-studiju-vietam-izm-augstskolam-un-koledzam> (in Latvian)

⁽²⁾ Data on 2016 are provisional.

Culture

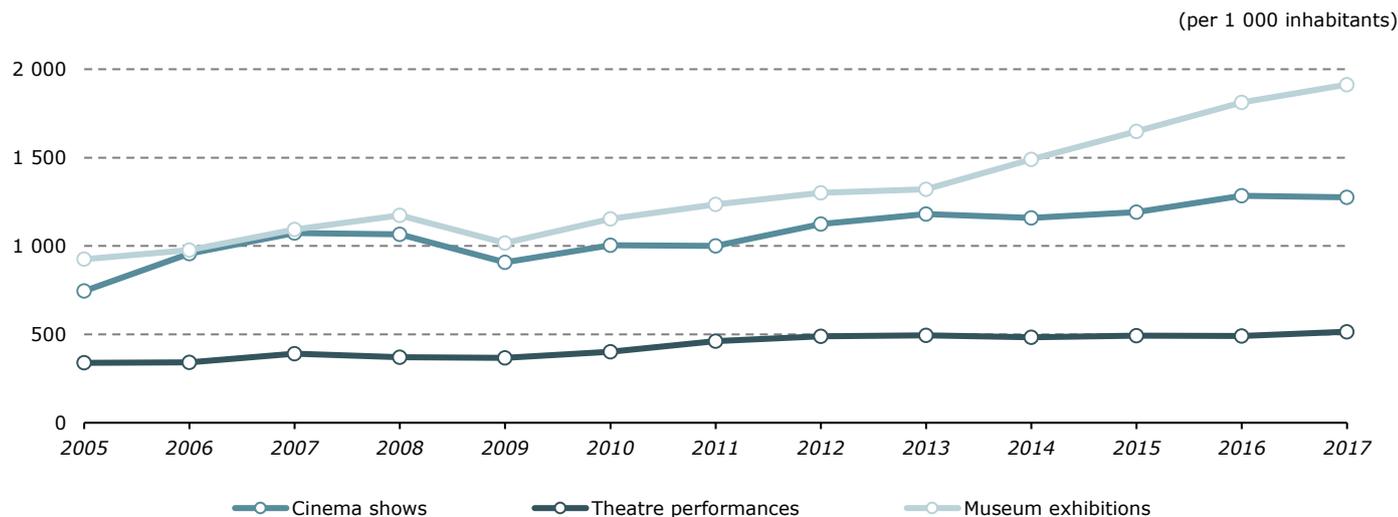
Cultural institutions

In 2017, in Latvia there were seven state theatres and two municipal theatres (in Liepāja). In 2017, 29 documentary, 8 animated cartoon, 6 full-length and 2 short films were completed. Latvian movies in cinemas were seen by 197 thousand people. The most popular full-length movie seen by 76 thousand cinema visitors was "Vectēvs, kas bīstamāks par datoru" (Grandpa More Dangerous than Computer).

Activities of cultural institutions

	1990	2000	2015	2016	2017
Museums, incl. branches; at the end of the year	93	133	113	115	115
Attendance; thousand	3 888	1 480	3 260	3 550	3 715
Attendance per 1 000 inhabitants	1 460	625	1 648	1 812	1 913
Cinemas, at the end of the year	90	30	16	18	18
Attendance in cinemas and cultural centres; thousand	19 748	1 457	2 358	2 516	2 477
Attendance per 1 000 inhabitants	7 416	614	1 192	1 284	1 275
Theatres; at the end of the year	10	9	9	9	9
Theatre performances	3 678	2 435	3 253	3 296	3 342
Attendance; thousand	1 559	757	975	963	999
Attendance per 1 000 inhabitants	585	320	493	491	515

Attendance of museums, theatres and cinemas



Libraries

In 2017, there were 1 649 libraries in Latvia and their number, compared to 2010, has dropped by 182.

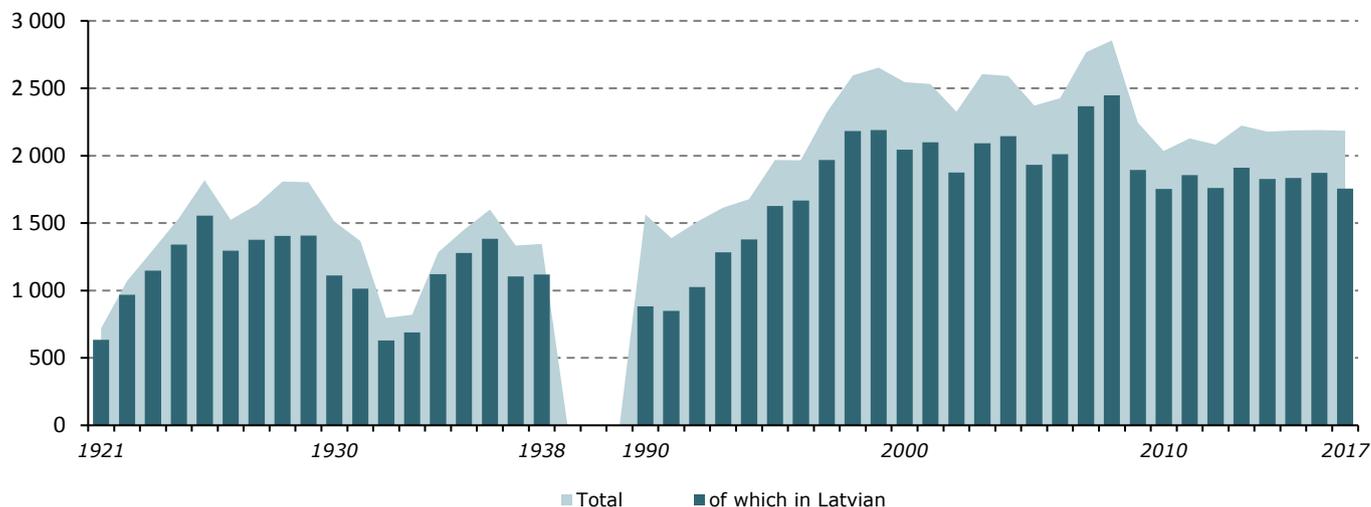
Library activities in 2017

	Number	Active users	Physical attendance	Virtual attendance	Loans, million copies
Total	1 649	795 718	12 271 372	6 444 417	20.4
National Library of Latvia	1	26 556	517 528	1 297 707	0.4
Higher education institution libraries	48	94 464	1 553 008	2 687 124	2.2
Specialised libraries	29	10 582	48 457	115 531	0.2
Public libraries	796	425 104	6 120 617	2 321 775	11.8
General and vocational school libraries	775	239 012	4 031 762	22 280	5.8

Printing and publishing

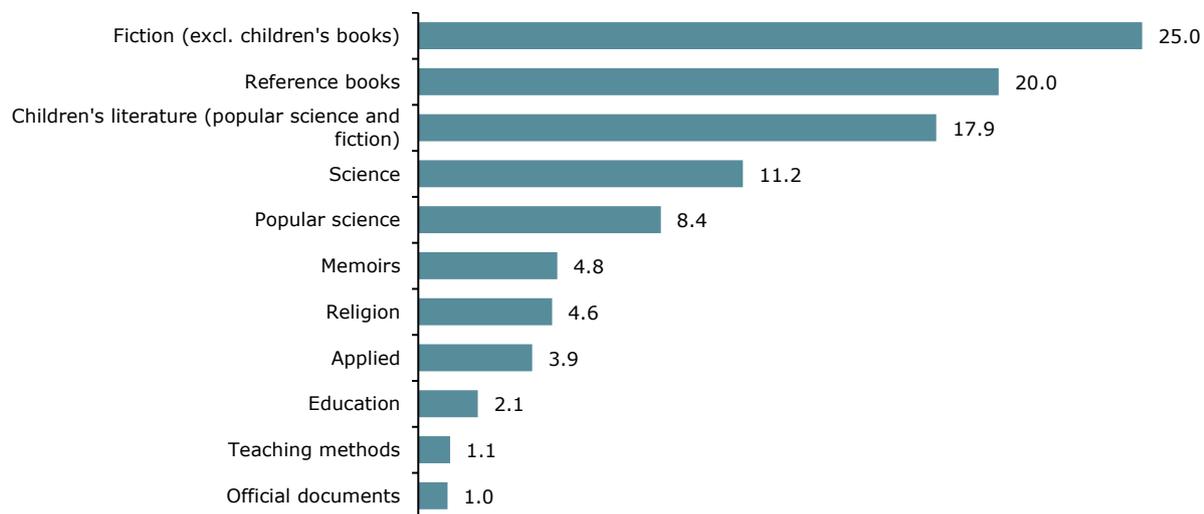
In 2017, out of 2 185 publications there were 1 471 original editions in total circulation of 1 460 thousand copies, 709 translated issues in total circulation of 1 006 thousand copies and 5 dictionaries in total circulation of 2.3 thousand copies.

Number of books and brochures issued

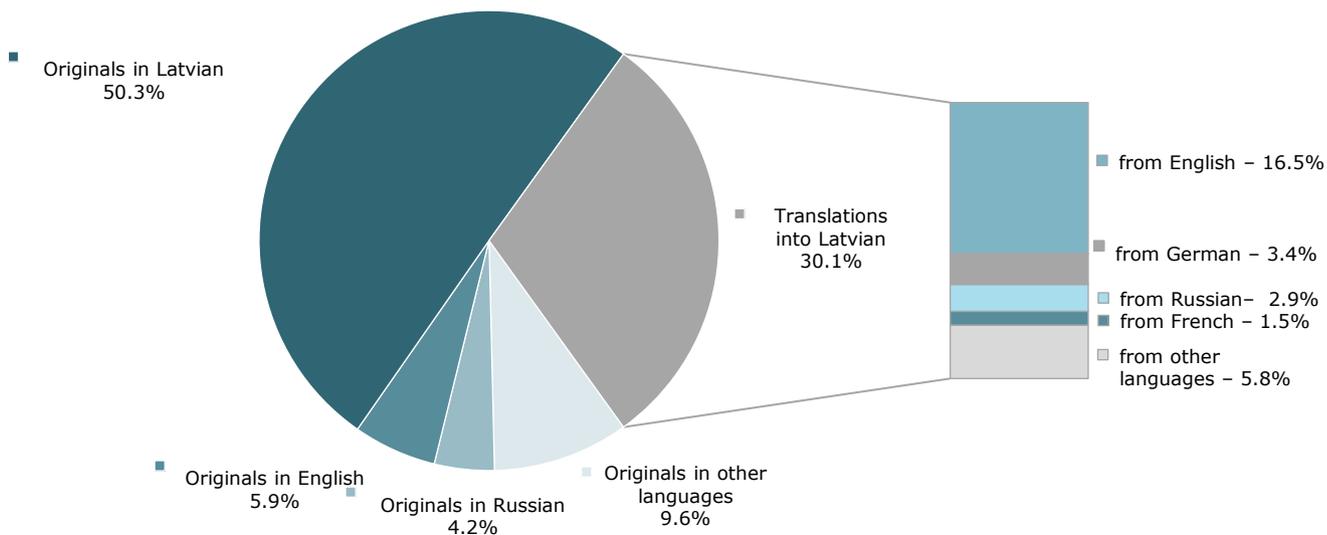


Issued books and brochures by field of literature; 2017

(%)



Books and brochures by language; 2017



Labour Market

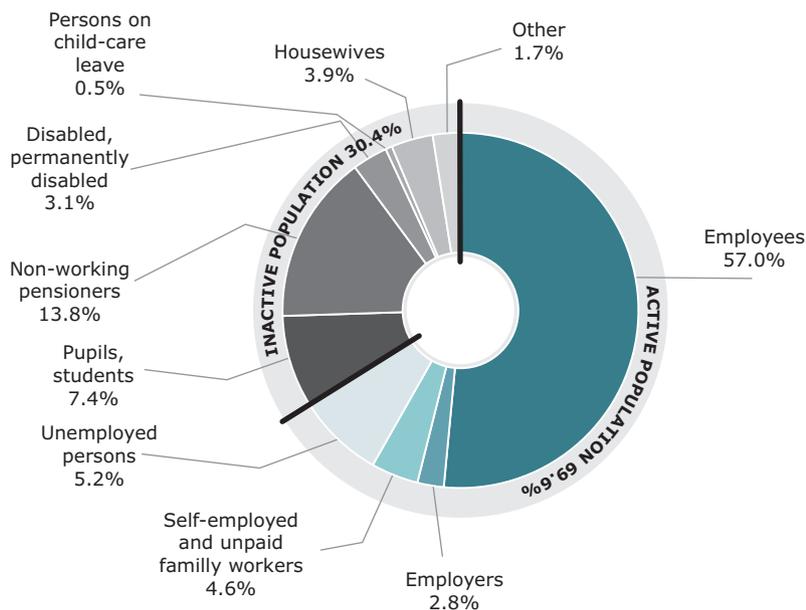
Activity indicators

Based on the activity status population is divided into active population (employed and unemployed persons) and inactive population (pupils, students, non-working pensioners, etc.).

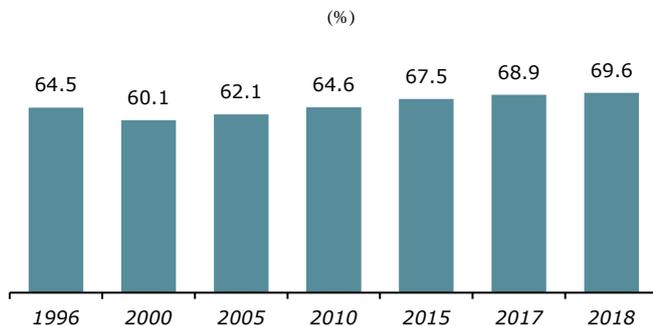
In 2018, 982.2 thousand people or 69.6 % of population aged 15–74 in Latvia were active. In 2018, compared to the year before, active population rose by 1.9 thousand people or 0.2 %, while activity rate by 0.7 percentage points. Activity rate of males is higher than that of females – 73.8 % and 65.9 %, respectively.

During the recent years, approximately one third of the population aged 15–74 consists of people neither employed, nor actively seeking work (30.4 % or 428.7 thousand people in 2018). In 2018, 909.4 thousand people or 64.5 % of population aged 15–74 in Latvia were employed. Compared to the year before, in 2018 employment rate grew by 1.6 percentage points. Young people aged 15–24 constituted 6.3 % of all employed persons, 23.6 % were aged 45–54 and 4.0 % aged 65–74.

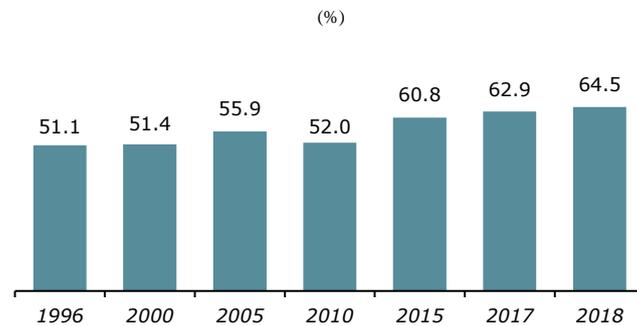
Labour status of population aged 15–74; 2018



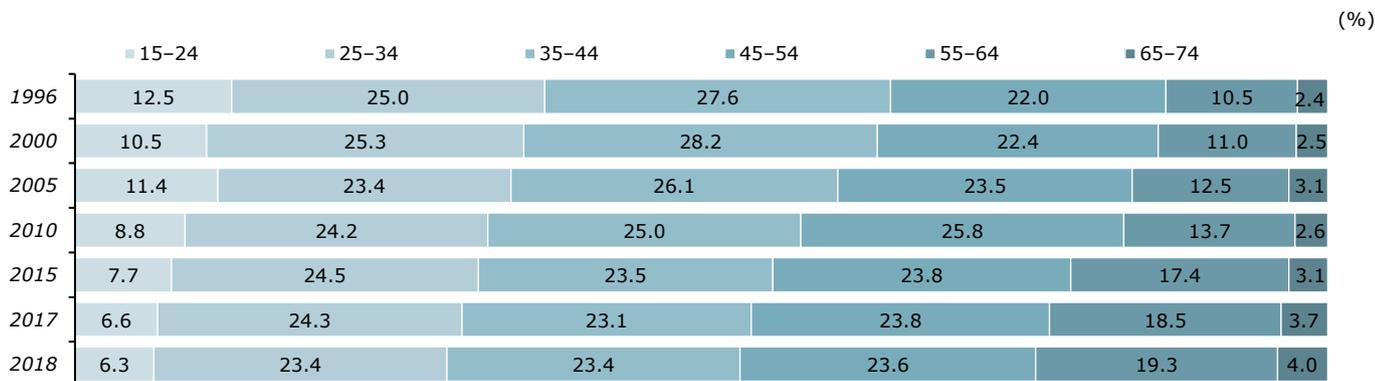
Activity rate of population aged 15–74



Employment rate in age group 15–74



Employed population by age group



In 2018, number of employed people increased in all economic activity sectors, except for other services.

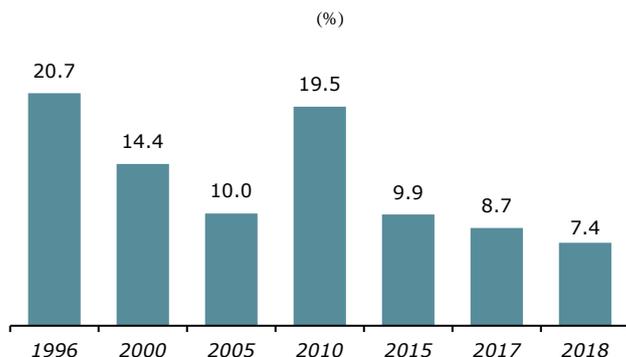
Employed population by main kind of economic activity

(NACE Rev. 2)	2010	2016	2017	2018
Employed persons – total ⁽¹⁾ (thousand)	850.7	893.3	894.8	909.4
Agriculture, forestry and fishing (A)	73.3	68.7	61.4	63.3
Manufacturing, energy, construction (B–F)	196.2	215.3	208.4	214.7
Trade and services (G–N)	347.9	363.9	375.9	386.2
Other services (O–U)	233.1	244.9	248.6	243.3

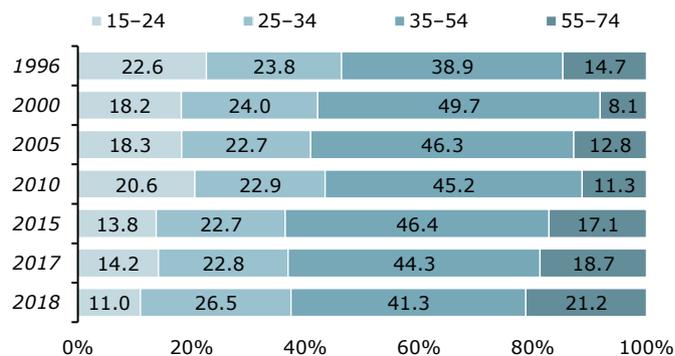
⁽¹⁾ The number of employed persons includes also persons with unspecified economic activity.

Unemployment

Unemployment rate of population aged 15–74



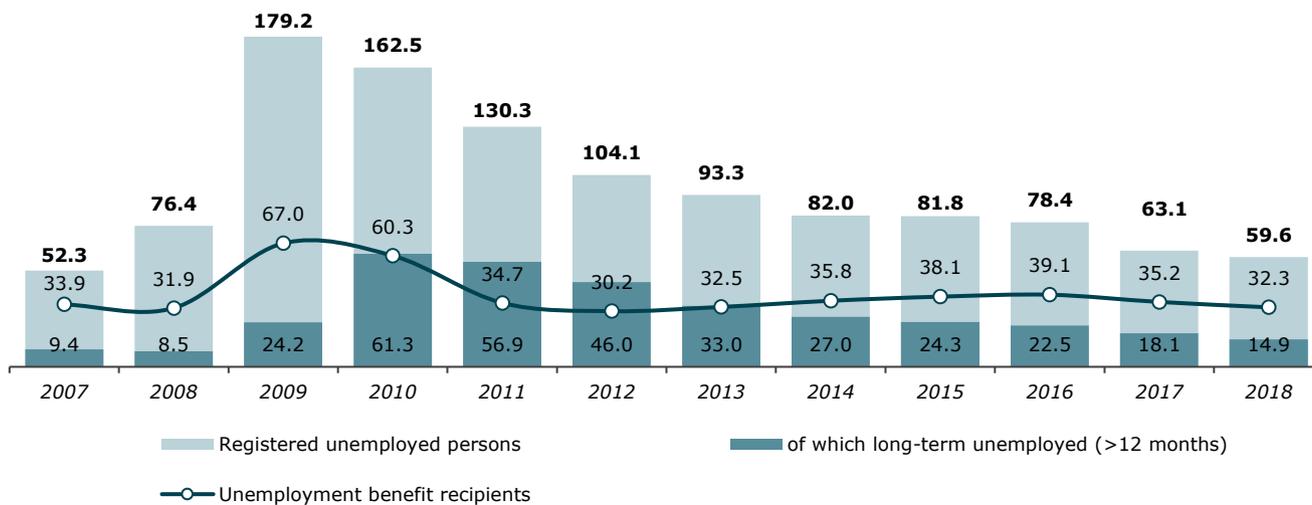
Unemployed persons by age group



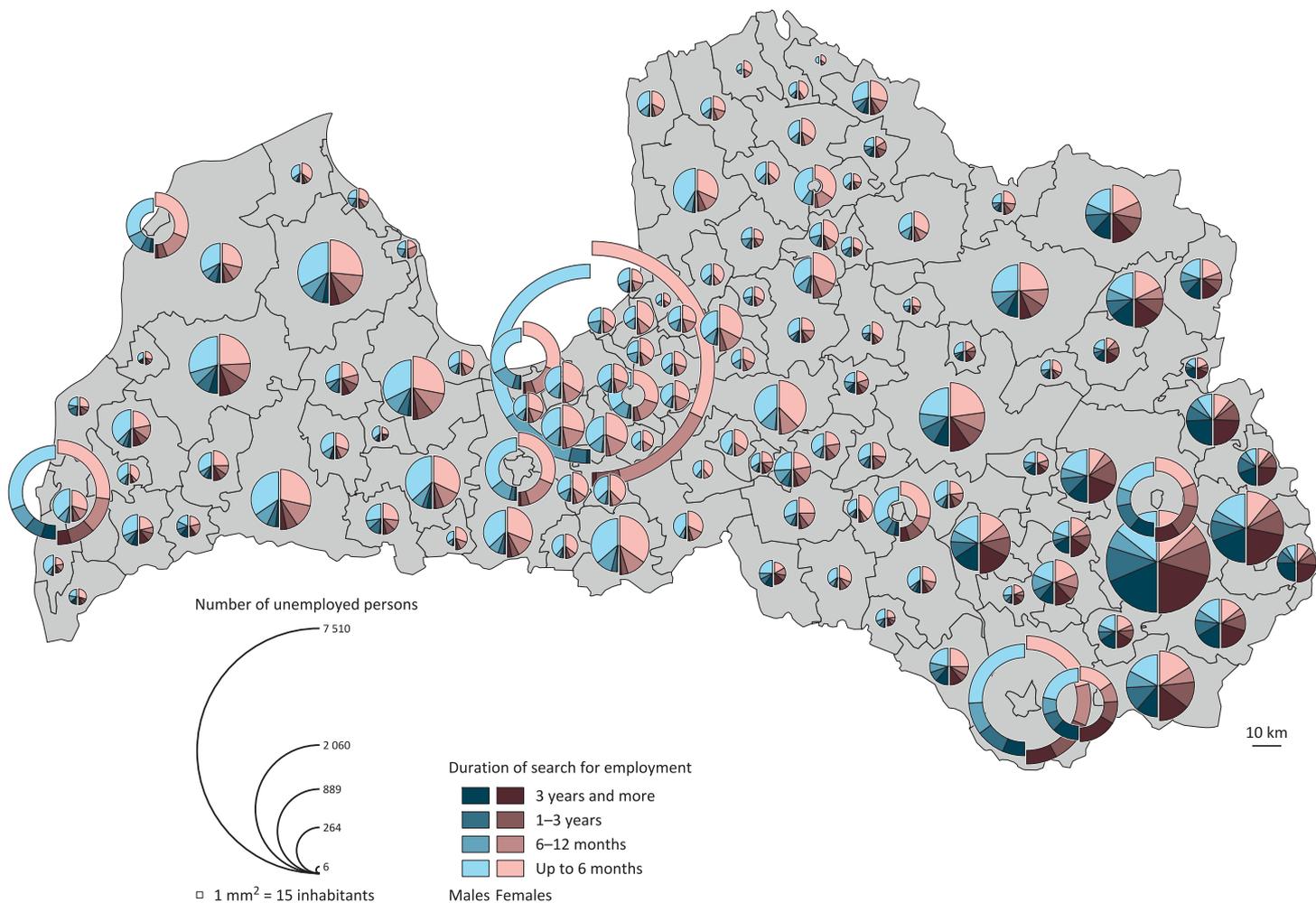
In 2018, there were 72.8 thousand unemployed persons in Latvia. Along with the economic recession, unemployment rate grew sharply in 2009, reaching the peak value (19.5 %) in 2010. Since 2011, unemployment rate has been declining gradually, and it constituted 7.4 % in 2018. Unemployment rate among females still was lower than among males – 6.4 % and 8.4 %, respectively. Unemployment rate of young people (aged 15–24), in turn, constituted 12.2 %. Among the Baltic countries, the lowest youth unemployment was registered in Lithuania (11.1 %), followed by Estonia (11.8 %).

Registered unemployed persons

(thousands)



Registered unemployment by administrative territory; at the end of 2018 ⁽¹⁾



(¹) Data of the State Employment Agency.

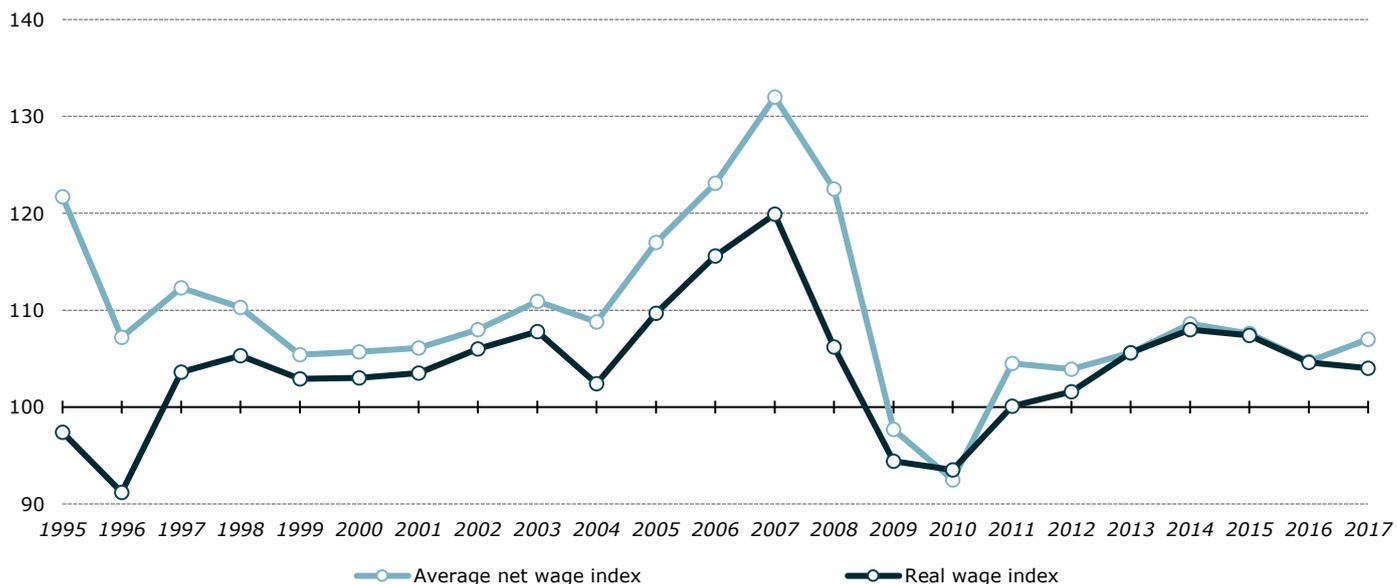
Earnings

Wages and salaries

In 2018, monthly average gross wages and salaries in the country reached EUR 1 004. Over the year, they rose by EUR 78 or 8.4 %. The average net wages and salaries, calculated using labour taxes applicable at workplace, constituted EUR 742 or 73.9 % of the gross earnings and over the year grew 1.5 percentage points faster (by 9.9 %) than wages and salaries before taxes. In 2018, rise in the consumer prices reduced purchasing power of employees by 2.5 % (real increase of net wages and salaries constituted 7.2 %). In 2018, median gross earnings constituted EUR 774 and net earnings EUR 573.

Real wage index ⁽¹⁾

(as %, compared to the previous year)

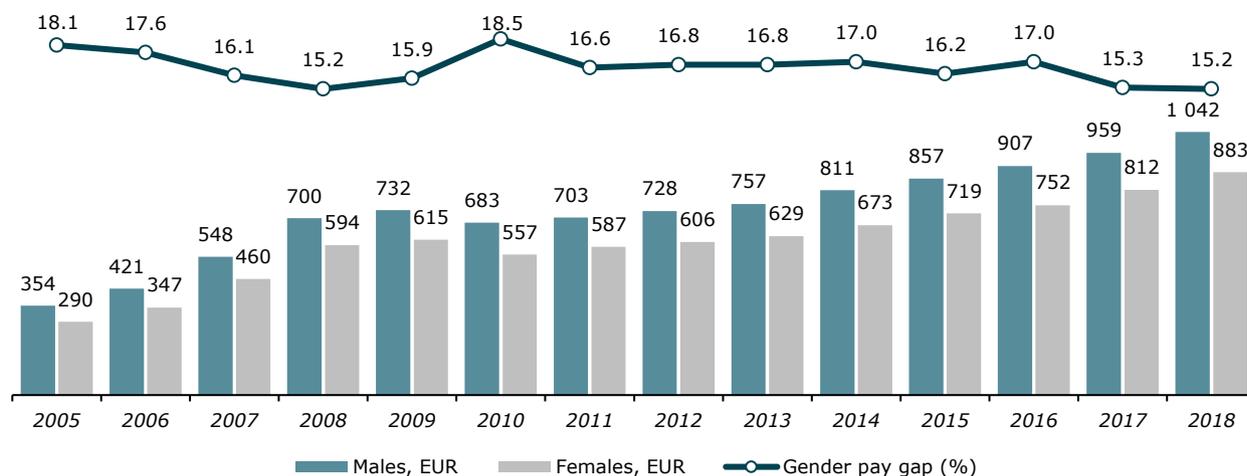


In 2018, the highest wages and salaries were recorded in IT and financial services where average gross earnings amounted to EUR 1 592 and EUR 1 991 monthly, respectively. Average gross wages and salaries in agriculture (EUR 982), manufacturing (EUR 963), construction (EUR 950), as well as transportation and storage (EUR 1 000) were below the national average (EUR 1 004).

Like females in other EU countries, also employed Latvian women earn less than men. In 2018, the difference in average monthly gross earnings of males and females constituted 15.2 %, however it is the lowest indicator recorded over the past ten years. The average gender wage gap is calculated without excluding various factors influencing it, which would allow to explain the reasons behind the gap. They can be objective, for example, women work in sectors and professions having low average wage, or may indicate to discrimination in the labour market.

⁽¹⁾ Real wage index is calculated by attributing index of average net wages to the consumer price index.

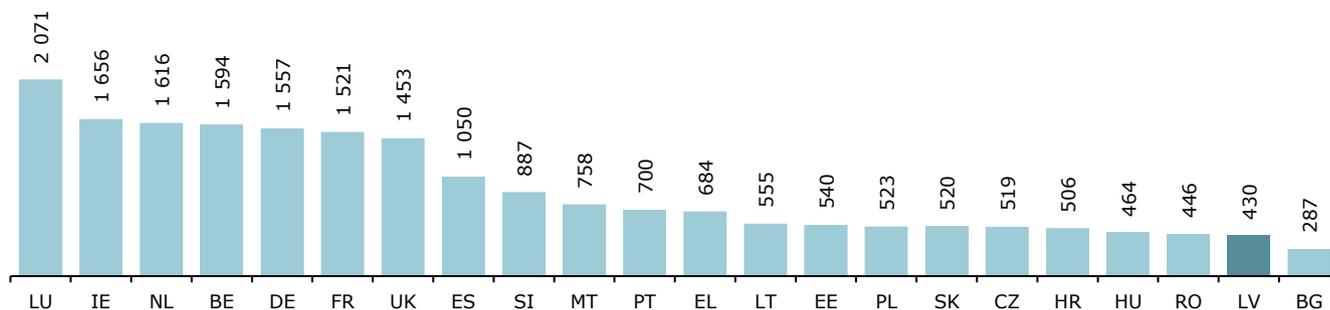
Monthly earnings of males and females in Q1 ⁽¹⁾



Compared to other EU countries having national minimum, minimum wage in Latvia is one of the lowest. At the beginning of 2019, lower minimum was recorded only in Bulgaria. Compared to 2018, at the beginning of 2019 minimum wage rose in all EU Member States, except for Latvia and Greece. The highest rise in the minimum wage in the EU was registered in our neighbouring country Lithuania – 38.8 %, reaching EUR 555 at the beginning of 2019. Minimum wage in Estonia increased up to EUR 540 (by 8.0 %).

Minimum wage on 1 January 2019

(monthly average, EUR)

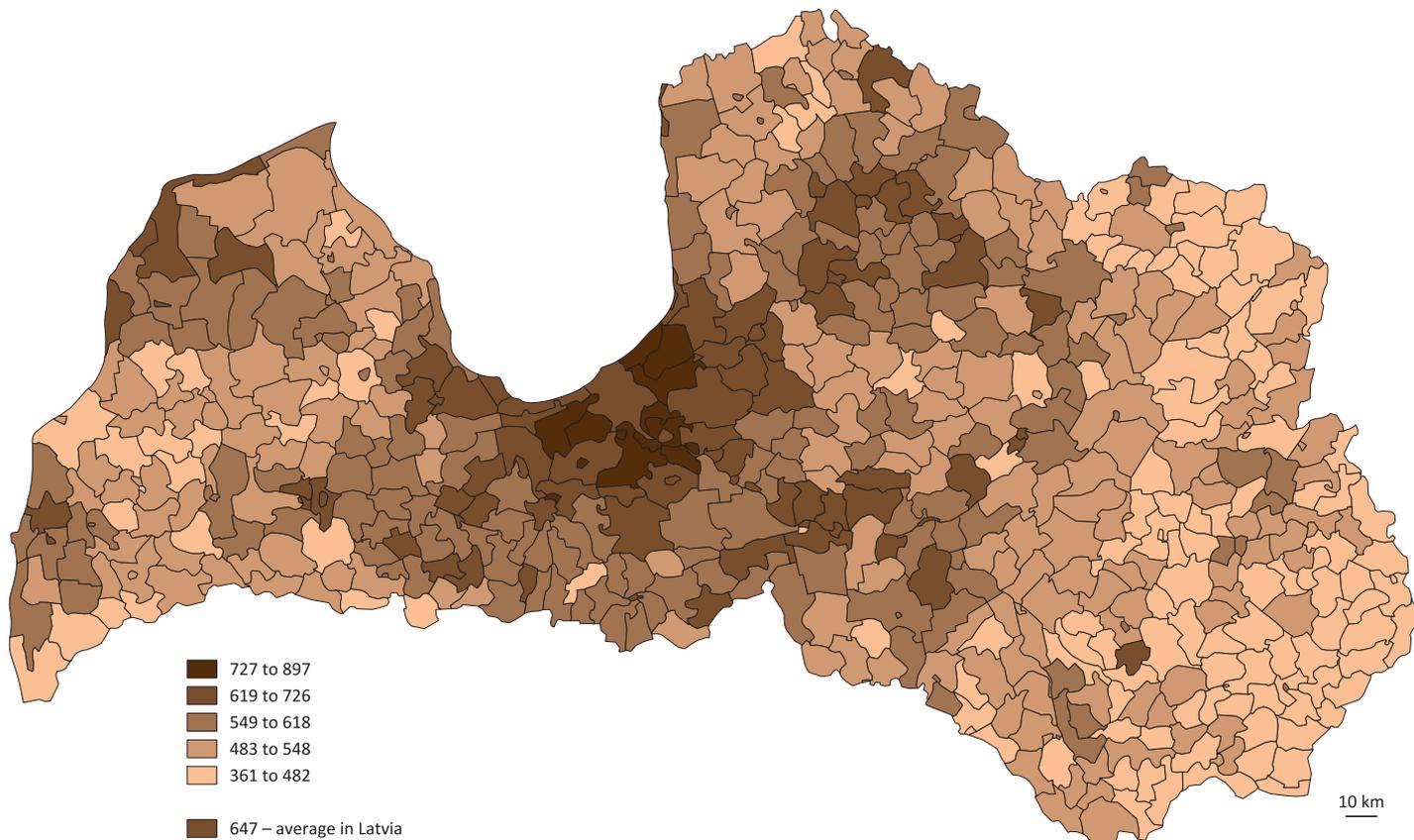


Data source: Eurostat [earn_mw_cur] 04.03.2019.

⁽¹⁾ Gender pay gap is calculated by attributing difference between the earnings of males and females to the earnings of males.

Median monthly average gross earnings by territorial unit; 2017 (EUR) ⁽¹⁾

(Employees are included in the territorial unit based on the actual place of residence. Monthly average earnings constitute at least EUR 49.)



⁽¹⁾ Data of the State Revenue Service. Median average monthly gross earnings is an indicator located in the middle of a labour gross income list arranged in an ascending or descending order.

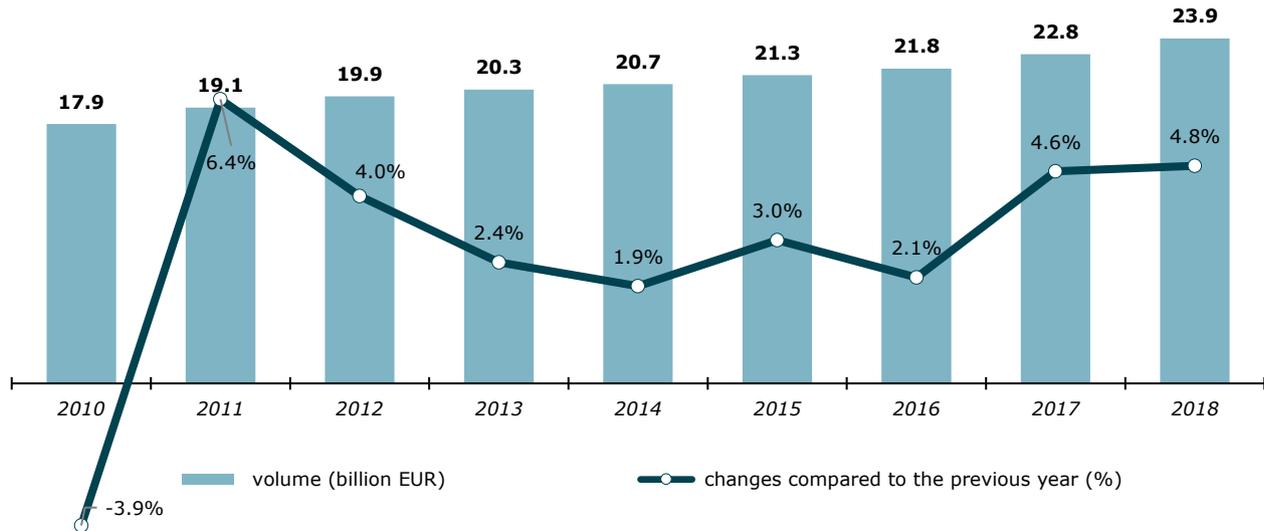
Gross Domestic Product

Economic growth continues

In 2018, GDP at current prices increased to EUR 29.5 billion, while at constant prices of 2010 – EUR 23.9 billion. The growth rate of the economy amounted to 4.8 % in comparison to the previous year.

Gross Domestic Product and its changes

(at constant prices of 2010, compares to the previous year)



Gross Domestic Product at current and constant prices

	2017	2018
Gross Domestic Product, million EUR		
At current prices	27 033	29 524
At constant prices of 2010	22 778	23 864
Per capita, EUR		
At current prices	13 926	15 328
At constant prices of 2010	11 734	12 389

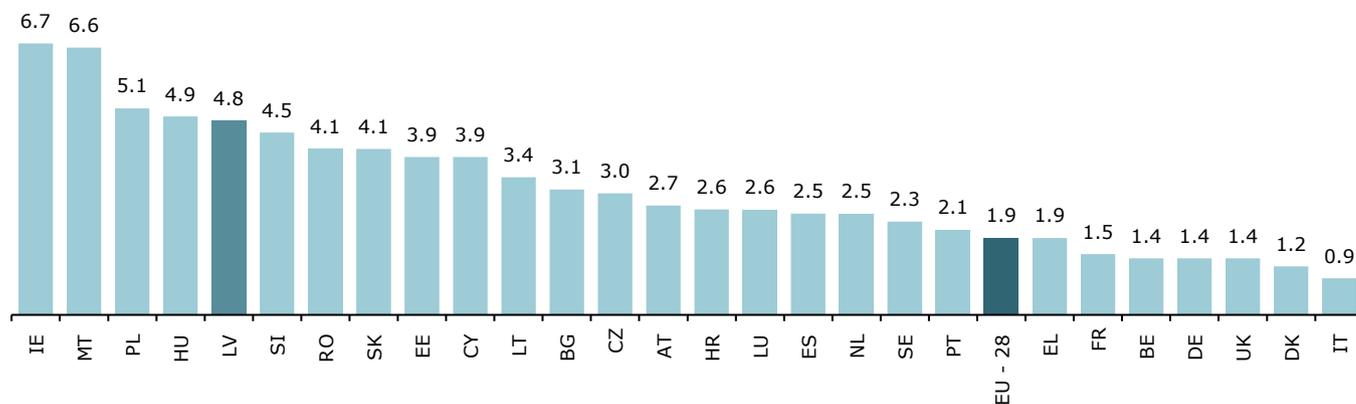
Value added structure and changes by economic activity; 2018

(%)

	2018, at current prices	Changes, compared to 2017, at constant prices
(A-T) Total value added	100	4.2
(A) Agriculture, forestry and fishing	3.7	3.4
(B, C, D, E) Mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; water supply; sewerage, waste management and remediation activities	16.1	1.7
(F) Construction	7.1	21.9
(G, H, I) Wholesale and retail trade; repair of motor vehicles and motorcycles; transportation and storage; accommodation and food service activities	25.4	3.5
(J) Information and communication	5.5	13.0
(K) Financial and insurance activities	3.7	-7.3
(L) Real estate activities	12.0	2.9
(M, N) Professional, scientific and technical services; administrative and support service activities	7.8	3.8
(O, P, Q) Public administration and defence, compulsory social security; education; human health and social work activities	15.7	3.3
(R, S, T) Arts, entertainment and recreation; other service activities; activities of households as employers	3.0	2.3

GDP changes in the EU countries in 2018

(at constant prices, compared to the previous year, %)



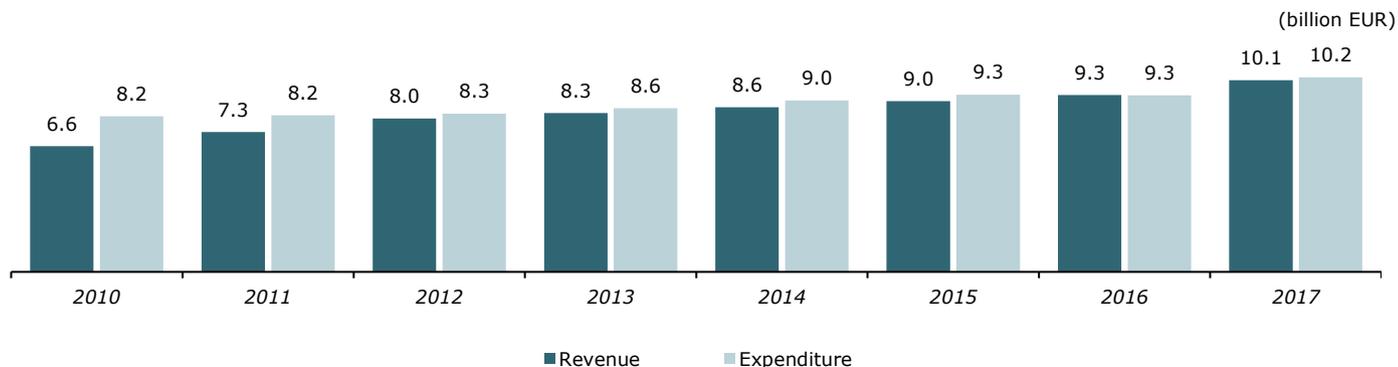
Data source: Eurostat [nama_10_gdp] 25.03.2019.

Government Finances

General government budget: revenue, expenditure, surplus

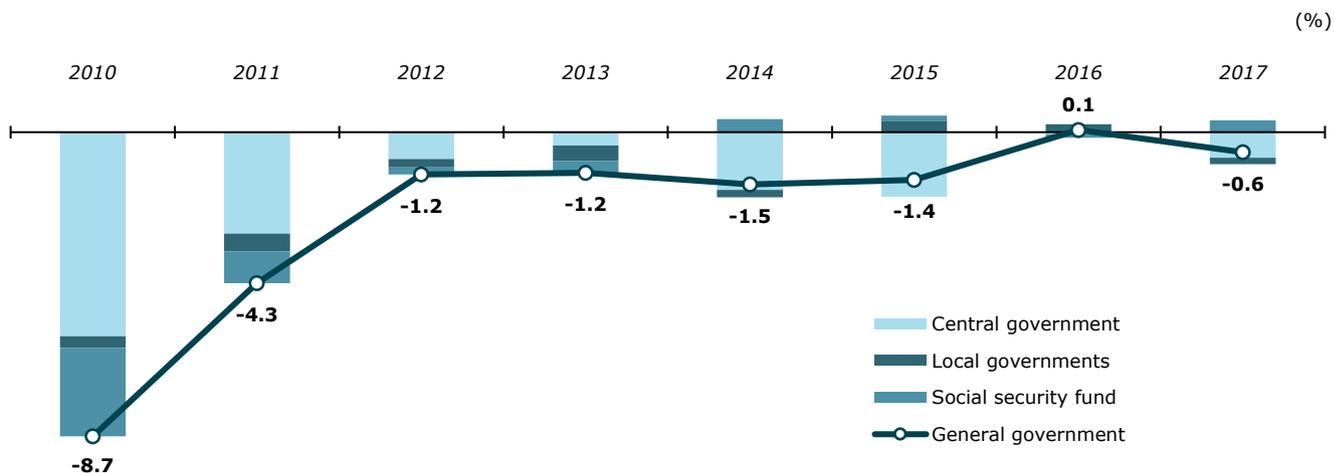
As compared to 2016, in 2017 there was an increase of EUR 789.3 million in the general government sector budget revenue reaching EUR 10 064.3 million. Expenditure in 2017 reached EUR 10 220.1 million, which is EUR 961.3 million more than in 2016. Tax revenue continues to increase every year, in 2017 reaching EUR 8 424.4 million or 31.2 % of GDP, which is more by EUR 609.5 million than in 2016.

General government sector revenue and expenditure



In 2017 general government deficit comprised EUR 155.7 million or 0.6 % of GDP, which is more by EUR 171.9 million than in previous year.

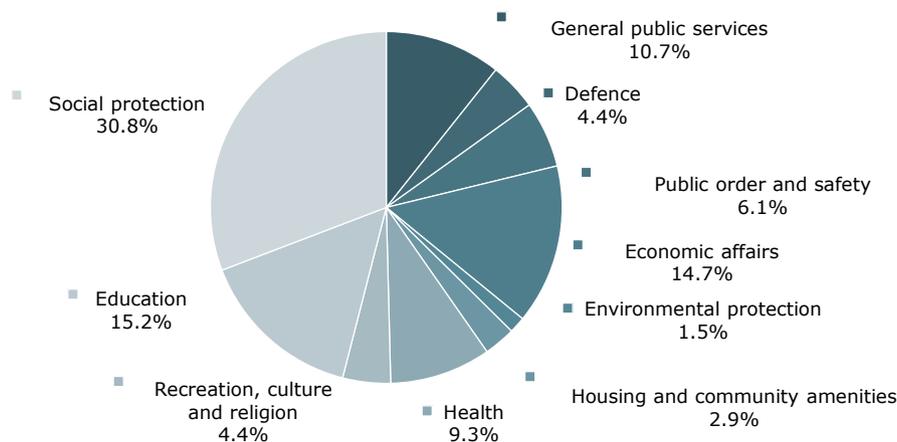
General government deficit, surplus over GDP



Structure of general government expenditure

In 2017, expenditure on social protection (pensions, benefits, and other forms of social support) accounted for almost one third (30.8 %) of the total expenditure of the general government sector – 15.2 % were allocated to education, while 14.7 % – to economic affairs. Expenditure on general public services and the health sector accounted for 10.7 % and 9.3 %, respectively. The remaining share of expenditure (19.3 %) was directed towards public order and safety, defence, recreation, culture and religion, housing and community amenities and environmental protection.

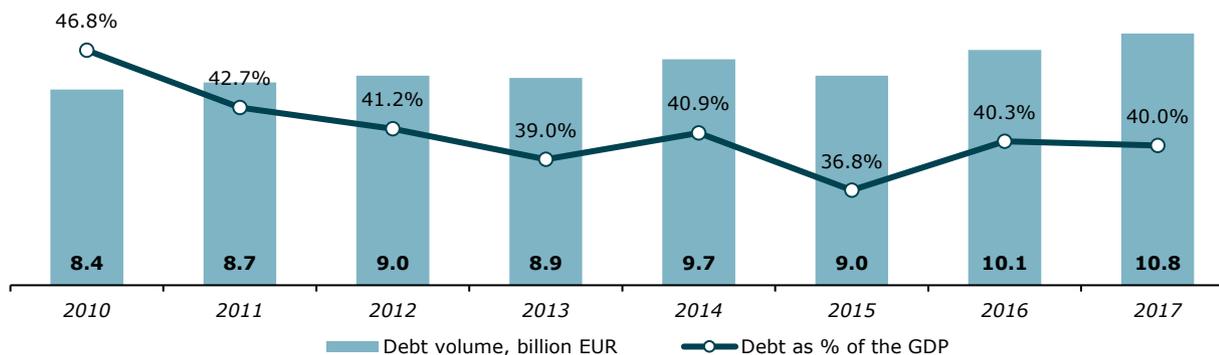
Structure of general government expenditure in 2017



General government debt

In 2017, general government debt in absolute terms increased and reached EUR 10 806.8 million or 40 % of the GDP. As compared to the end of the previous year, the debt has increased by EUR 715.2 million or 7.1 %, mainly due to an increase in long-term debt securities and deposits at short notice, as well as short-term deposits.

General government debt



Price Statistics

Changes of prices

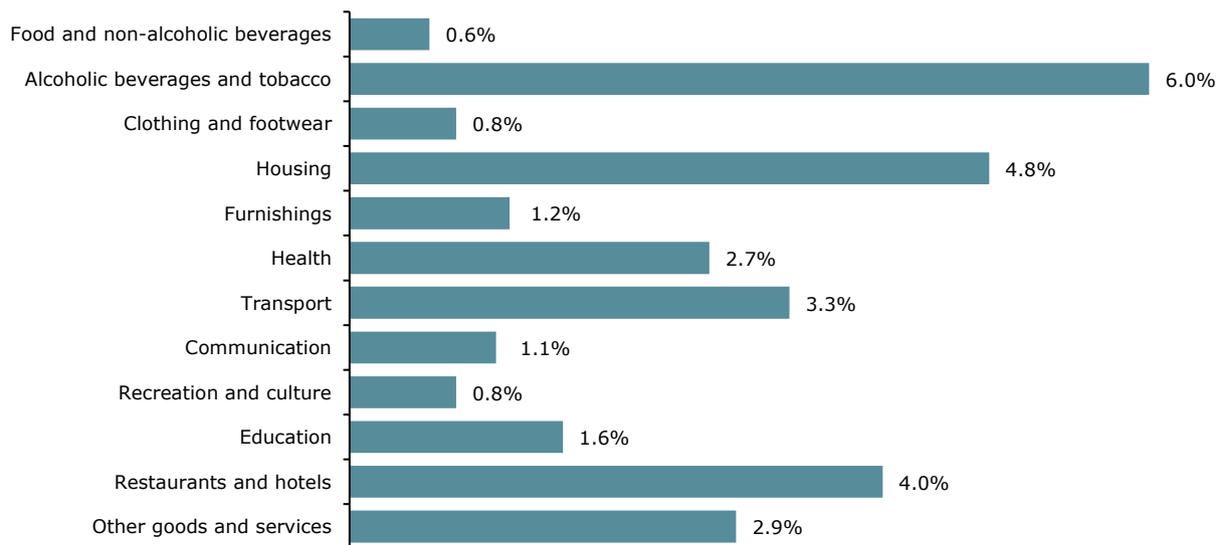
(%, compared to the previous year)

Year	Consumer prices	Producer prices in industry	Construction costs	Housing prices	Export unit value	Import unit value
2015	0.2	-1.0	0.1	-3.4	0.3	-2.0
2016	0.1	-2.4	-0.5	8.5	-2.7	-6.0
2017	2.9	2.6	1.9	8.8	4.2	3.3
2018	2.5	4.5	4.4	...	3.2	1.6

In December 2018, compared to December 2017, consumer prices grew by 2.6 %

In December 2018, compared to December 2017, consumer prices grew by 2,6 %, with prices of goods increasing by 2.3 % and those of services – by 3.1 %.

Consumer price changes in 2018



Compared to December 2017, in December 2018 the average level of consumer prices was mainly influenced by the rise in prices of goods and services related to housing, alcoholic beverages and tobacco products, goods and services related to transport, as well as restaurant and hotel services.

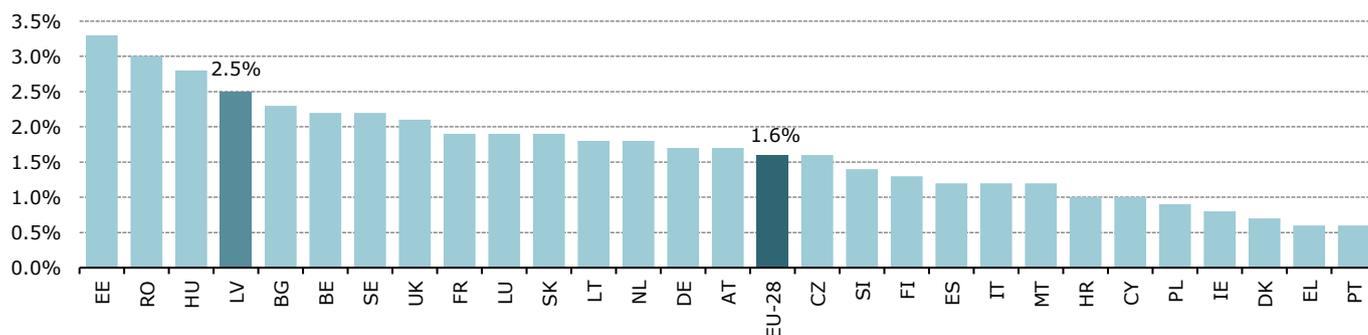
The average level of prices of alcoholic beverages and tobacco products went up by 6.0 %. Over the year, the price rise was influenced by higher excise duty on majority of alcoholic beverages introduced as of 1 March 2018, as well as higher excise duty on cigarettes as of 1 July 2018. Prices of alcoholic beverages grew by 5.9 %, which was mainly influenced by the rise in prices of spirits, beer and wine. Prices of tobacco products grew on average by 6.1 %.

Prices of goods and services related to housing increased by 4.8 %, which was caused by the increase in prices of several utility services as well as firewood over the year. In its turn, the average level of electricity prices fell.

Prices of goods and services related to transport went up by 3.3 %, which was mainly affected by a 8.2 % increase in the prices of fuels for transport.

The average level of restaurant and hotel service prices went up by 4.0 %. The rise was mainly affected by catering services – the average level of prices of restaurant and café services increased by 4.3 %, of canteen services by 3.7 %, and of fast food services by 3.3 %.

Changes of harmonized index of consumer prices in EU-28 countries; 2018



Data source: Eurostat [prc_hicp_manr] 01.03.2019.

In December 2018, compared to December 2017, producer prices grew by 5.4 %.

In December 2018, compared to December 2017, the level of producer prices in Latvian industry increased by 5.4 %. Prices of products sold on the domestic market rose by 7.3 %, while prices of exported products went up by 3.7 %. Prices of products exported both to euro area countries and to non-euro area countries increased by 3.7 %.

Manufacture of wood and of products of wood and cork, except furniture, trade and production of electricity, steam and air conditioning supply, as well as distribution of gaseous fuels through mains had the most significant upward influence on the producer prices. Manufacture of electrical equipment, in turn, had the largest downward influence.

Producer price changes in industry in December 2018

(as per cent, compared to corresponding month of the previous year)

	Industrial production, total	Products sold on the domestic market	Exported products
Total	5.4	7.3	3.7
Mining and quarrying	3.2	2.2	3.7
Manufacturing	4.1	4.9	3.7
Electricity, gas, steam and air conditioning supply	10.9	10.9	...
Water supply, sewerage, waste management and remediation activities	8.4	9.6	2.2

Non-Financial Investment

Volume of non-financial investment increased

Compared to the previous year, in 2017 non-financial investment at constant prices increased by 15.6 %, which was mainly facilitated by a drop in investments in buildings and structures and other fixed assets (transport vehicles, animals, plants and inventories).

In 2017 non-financial investment reached EUR 4.5 billion. It was the largest in real estate sector (EUR 710.4 million or 15.8 %), which was followed by transportation and storage sector (EUR 665.2 million or 14.8 %), public administration and defence; compulsory social security (EUR 628.8 million or 14,0 %) and manufacturing (EUR 458.9 million or 10.2 %).

The largest increase in non-financial investment was recorded in other service activities, where, as compared to 2016, volume of non-financial investment at constant prices rose 2.6 times. Significant increase in non-financial investment was also recorded in education (of 75.9 %), in public administration and defence (of 61,4 %) and in construction (of 29.1 %). The largest decrease in non-financial investment was recorded in accommodation and food service activities (of 18.4 %), mining and quarrying (of 8.6 %), human health and social work activities (of 3,8 %).

Out of the total non-financial investment in 2017, 56.6 % were invested in the Riga region, while 43.4 % were invested in the other regions (19.7 % in Pierīga, 7.2 % in Kurzeme, 6.4 % in Zemgale, 5.7 % in Vidzeme and 4.4 % in Latgale). As compared to the previous year, in 2017 non-financial investment increased in all regions, but the largest growth was in the Pierīga region and Kurzeme region (by 28.5 %).

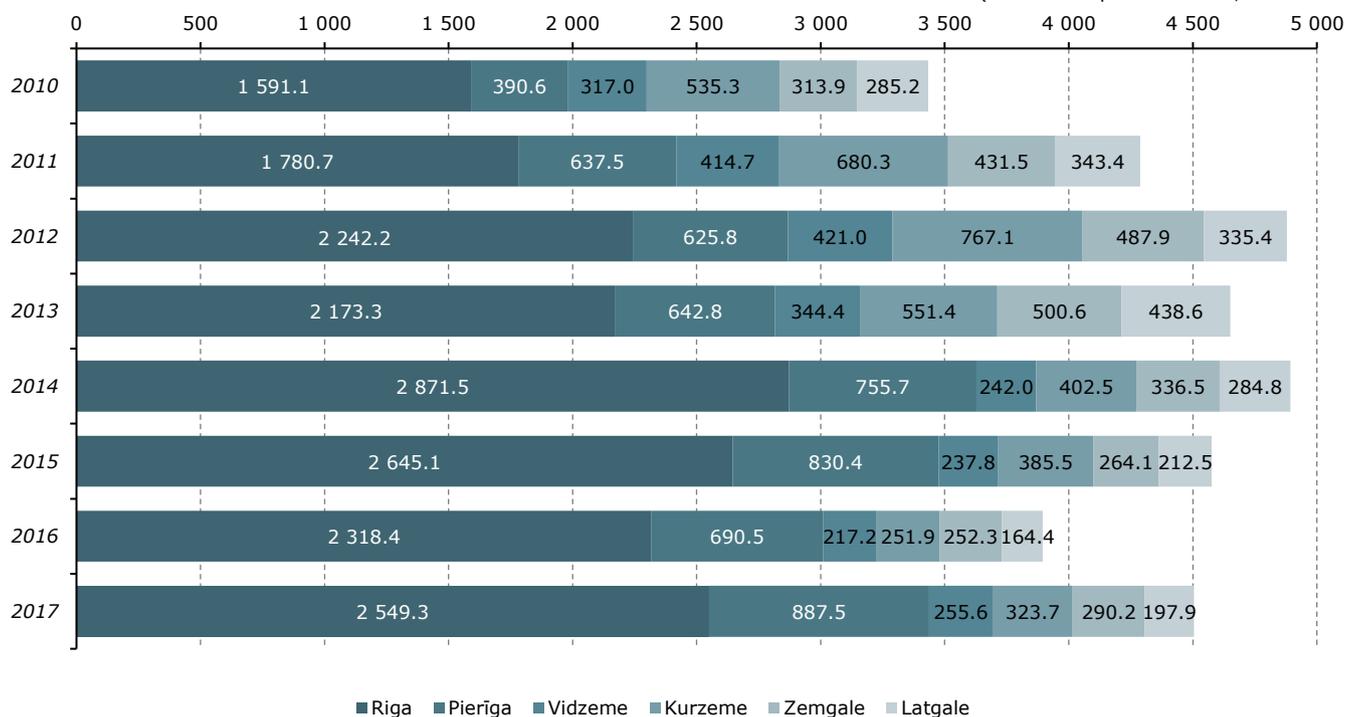
Non-financial investment by economic activity

(at constant prices of 2017, million EUR)

(NACE Rev. 2)	2016	2017
(A-S) Total	3 894.8	4 504.2
(A) Agriculture, forestry and fishing	268.3	319.6
(B) Mining and quarrying	28.1	25.7
(C) Manufacturing	447.4	458.9
(D) Electricity, gas, steam and air conditioning supply	370.4	371.1
(E) Water supply; sewerage, waste management and remediation activities	61.4	71.1
(F) Construction	135.0	174.2
(G) Wholesale and retail trade; repair of motor vehicles and motorcycles	361.4	387.6
(H) Transportation and storage	543.4	665.2
(I) Accommodation and food service activities	71.0	57.9
(J) Information and communication	152.7	154.0
(K) Financial and insurance activities	68.7	68.2
(L) Real estate activities	643.5	710.4
(M) Professional, scientific and technical activities	75.0	77.0
(N) Administrative and support service activities	89.4	106.7
(O) Public administration and defence; compulsory social security	389.5	628.8
(P) Education	34.5	60.7
(Q) Human health and social work activities	97.5	93.8
(R) Arts, entertainment and recreation	51.8	58.3
(S) Other service activities	5.7	15.0

Non-financial investment in statistical regions

(at constant prices of 2017, million EUR)



Foreign Trade in Goods

Turnover of foreign trade in goods

In 2018, the foreign trade turnover of Latvia at current prices comprised EUR 27 802.2 million – EUR 2 254.1 million or 8.8 % more than in 2017. In 2018, both exports and imports volume increased. The exports value constituted EUR 12 340.9 million (an increase of EUR 833.9 million or 7.2 %), whereas the imports value comprised EUR 15 461.2 million (an upturn of EUR 1 420.2 million or 10.1 %).

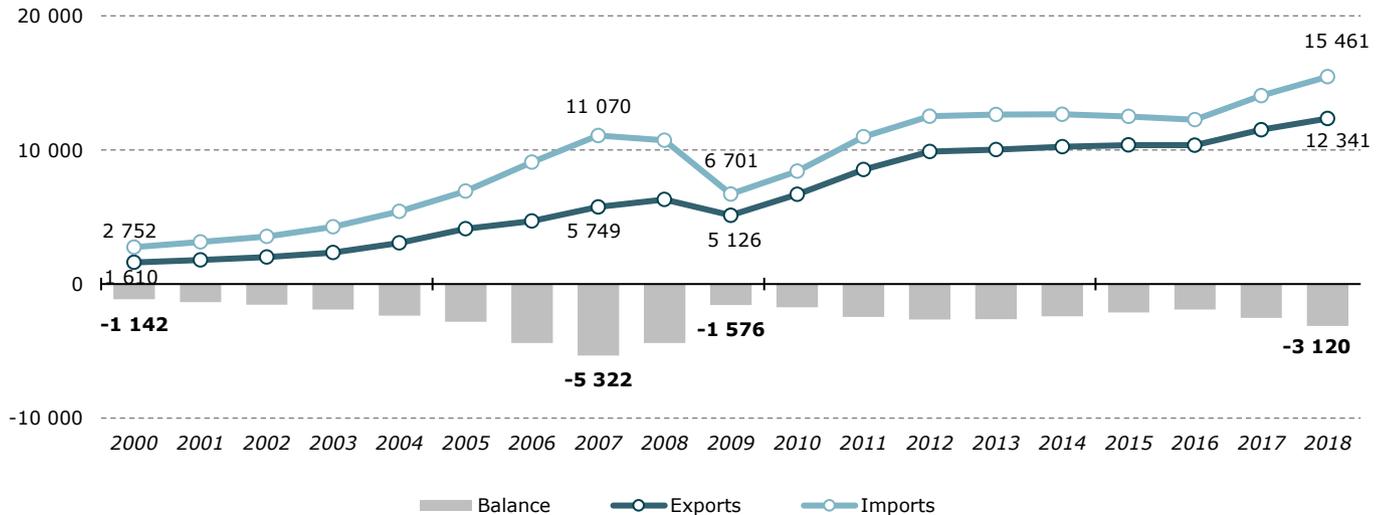
Exports and imports by country group

(million EUR)

Year	Exports				Imports			
	total	EU-28	CIS	other	total	EU-28	CIS	other
2012	9 871.1	6 863.5	1 521.8	1 485.8	12 512.3	9 680.5	1 878.8	953.0
2013	10 021.3	7 121.5	1 603.2	1 296.6	12 635.1	10 074.3	1 553.7	1 007.1
2014	10 248.6	7 449.0	1 522.4	1 277.2	12 654.3	10 096.8	1 503.4	1 054.1
2015	10 363.2	7 533.1	1 234.1	1 596.0	12 492.1	9 831.9	1 505.1	1 155.1
2016	10 357.7	7 615.7	1 182.7	1 559.3	12 249.2	9 761.5	1 278.9	1 208.8
2017	11 507.0	8 136.4	1 501.3	1 869.3	14 041.1	10 893.3	1 478.9	1 668.9
2018	12 340.9	8 797.7	1 602.1	1 941.1	15 461.2	11 389.7	1 769.9	2 301.6

Balance of foreign trade in goods

(difference of exports and imports value, million EUR)



Changes in exports and imports of goods

In 2018, exports of wood and articles of wood grew by EUR 338.6 million or 17.8 %, exports of machinery, mechanical appliances and electrical equipment – by EUR 188.2 million or 9.1 % and exports of base metals and articles of base metals – by EUR 141.2 million or 14 %. The exports value of vegetable products reduced by EUR 87 million or 11.2 %.

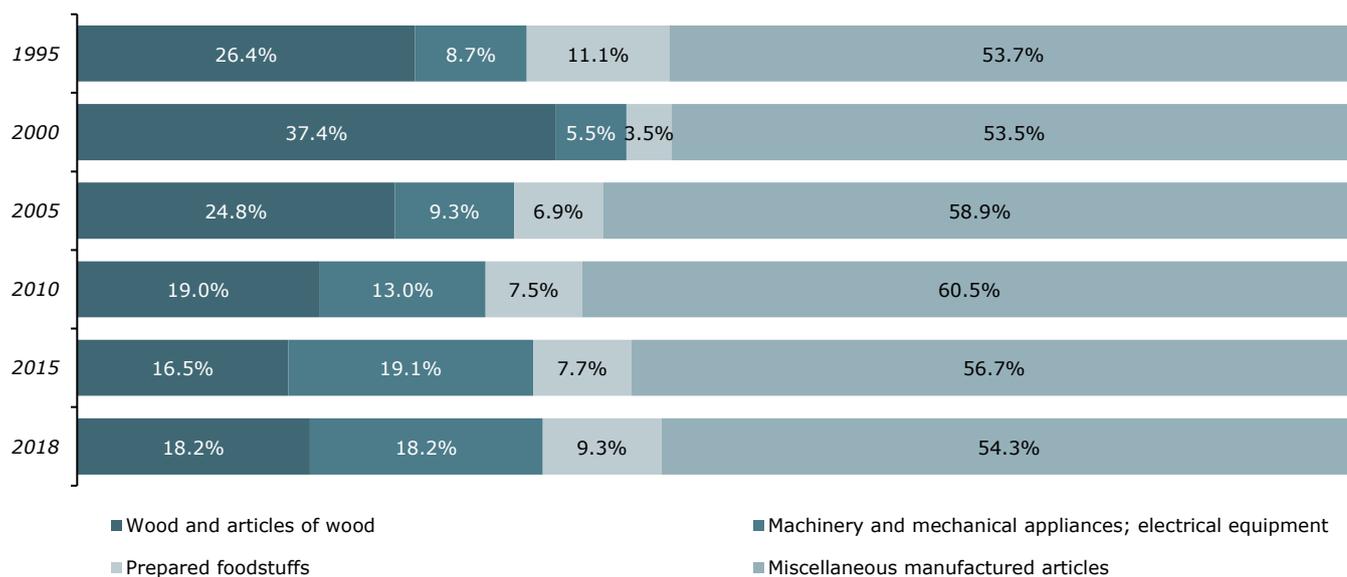
Imports of machinery and mechanical appliances; electrical equipment increased by EUR 379.5 million or 12.7 %, imports of base metals and articles of base metals grew by EUR 216.9 million or 19.3 %, and imports of transport vehicles – by EUR 175.2 million or 10.9 %. In turn, imports of miscellaneous manufactured articles dropped by EUR 5.9 million or 1.6 %.

Principal exports and imports

In 2018, the largest share of Latvian exports was taken by machinery, mechanical appliances and electrical equipment, amounting to 18.2 % of total exports value, also exports of wood and articles of wood (18.2 %), exports of prepared foodstuffs (9.3 %). Prepared foodstuffs comprised 9.3 % of total exports.

The biggest share of imports was also formed by machinery, mechanical appliances and electrical equipment – 21.8 % of the total imports value, transport vehicles and mineral products comprised 11.6 % and 9.5 %, respectively.

Share of principal exports



Principal goods in exports

	2017		2018	
	million EUR	%	million EUR	%
Total	11 507.0	100	12 340.9	100
Machinery and mechanical appliances; electrical equipment	2 059.1	17.9	2 247.2	18.2
Wood and articles of wood	1 905.4	16.6	2 244.0	18.2
Base metals and articles of base metals	1 008.7	8.8	1 149.9	9.3
Prepared foodstuffs	1 073.3	9.3	1 145.8	9.3
Products of the chemical and allied industries	871.0	7.6	932.0	7.6
Transport vehicles	718.3	6.2	780.1	6.3
Vegetable products	774.3	6.7	687.3	5.6
Mineral products	528.2	4.6	546.7	4.4
Goods not elsewhere specified	2 568.7	22.3	2 607.9	21.1

Principal goods in imports

	2017		2018	
	million EUR	%	million EUR	%
Total	14 041.1	100	15 461.2	100
Machinery and mechanical appliances; electrical equipment	2 996.8	21.3	3 376.3	21.8
Transport vehicles	1 613.5	11.5	1 788.7	11.6
Mineral products	1 327.8	9.5	1 474.5	9.5
Products of the chemical and allied industries	1 407.7	10.0	1 451.6	9.4
Base metals and articles of base metals	1 124.8	8.0	1 341.7	8.7
Prepared foodstuffs	1 233.1	8.8	1 340.0	8.7
Plastics and articles thereof; rubber and articles thereof	788.2	5.6	825.8	5.3
Vegetable products	605.6	4.3	688.2	4.5
Goods not elsewhere specified	2 943.7	21.0	3 174.4	20.5

Exports of wood and articles of wood

(million tonnes)



Main trade partners in exports and imports

In 2018, exports to countries of the European Union accounted for EUR 8 797.7 million or 71.3 % of the total exports value (an increase of 8.1 %), whereas exports to CIS countries comprised EUR 1 602.1 million or 13 % (a rise of 6.7 %). Exports to other countries amounted to EUR 1 941.1 million or 15.7 % (a growth of 3.8 %). The main exports partners were Lithuania (16 % of total exports), Estonia (11.5 %), Russia (9.1 %), Sweden (7.3 %) and Germany – (7 %).

In 2018, imports from countries of the European Union in total imports of Latvia accounted for EUR 11 389.7 million or 73.7 % (an increase of 4.6 %), and imports from CIS countries comprised EUR 1 769.9 million or 11.4 % (a rise of 19.7 %). Imports from other countries comprised EUR 2 301.6 million or 14.9 % (a growth of 37.9 %). The main imports partners were Lithuania (17.5 % of total imports), Germany (10.6 %), Poland (8.9 %), Russia (8.2 %) and Estonia (7.7 %).

Main partners in exports and imports of Latvia and principal goods in 2018

(million EUR)

Exports		Imports	
Lithuania – total	1 977.1	Lithuania – total	2 703.3
Agricultural and food products	460.9	Agricultural and food products	645.5
Machinery and mechanical appliances; electrical equipment	399.0	Mineral products	572.8
Products of the chemical and allied industries	211.1	Machinery and mechanical appliances; electrical equipment	415.5
Estonia – total	1 418.9	Germany – total	1 634.9
Agricultural and food products	287.0	Transport vehicles	503.3
Wood and articles of wood	225.5	Machinery and mechanical appliances; electrical equipment	360.1
Machinery and mechanical appliances; electrical equipment	211.6	Agricultural and food products	140.1
Russia – total	1 128.5	Poland – total	1 377.3
Agricultural and food products	436.0	Agricultural and food products	259.3
Machinery and mechanical appliances; electrical equipment	274.5	Machinery and mechanical appliances; electrical equipment	231.3
Products of the chemical and allied industries	132.3	Products of the chemical and allied industries	179.8
Sweden – total	896.6	Russia – total	1 263.3
Wood and articles of wood	284.4	Mineral products	453.6
Base metals and articles of base metals	105.9	Base metals and articles of base metals	348.0
Articles of stone, plaster, cement, glassware and ceramic products	87.1	Agricultural and food products	153.5
Germany – total	858.1	Estonia – total	1 183.1
Wood and articles of wood	198.1	Agricultural and food products	266.5
Machinery and mechanical appliances; electrical equipment	147.1	Transport vehicles	218.1
Agricultural and food products	121.8	Machinery and mechanical appliances; electrical equipment	137.9

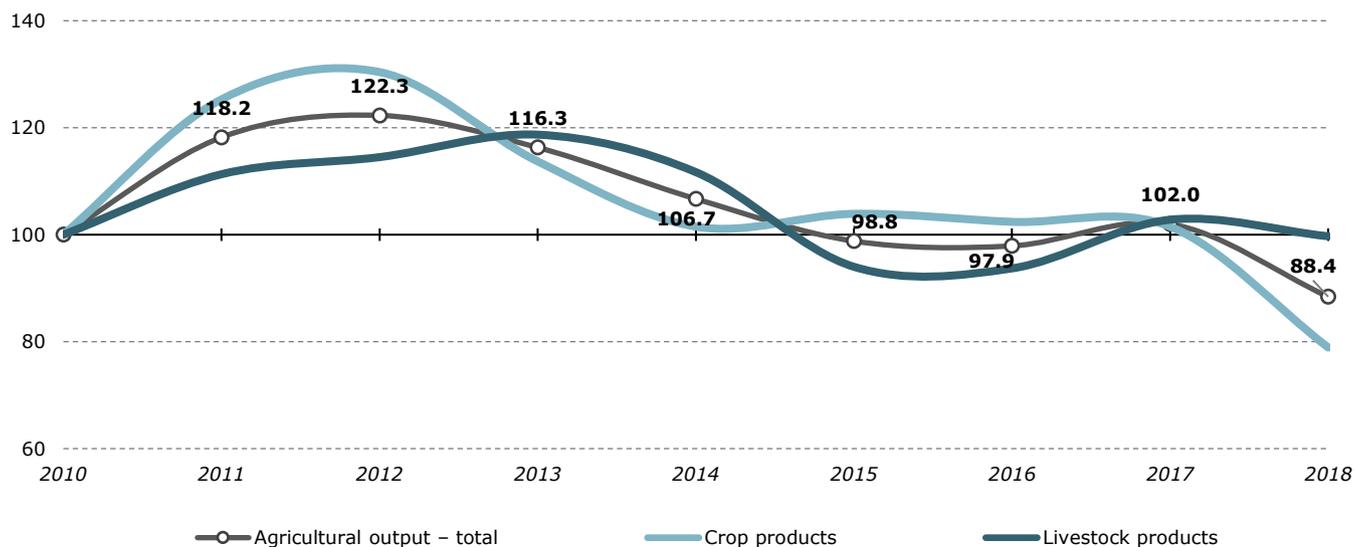
Agriculture

Slight increase in agricultural output

Compared to 2017, in 2018 the total agricultural output at constant prices fell by 11.6 % (crop production by 21.1 % and livestock production by 0.3 %). Decline in the crop production was mainly influenced by the drop in harvested production of grain (of 23.6 %). The average purchase price of grain grew (by 16.0 %), however purchase prices of livestock products fell – prices of milk by 7.4 % and of meat by 4.6 %.

Agricultural output indices

(2010=100)



Agricultural output

(per capita, kg)

	2015	2016	2017	2018
Grain	1 527	1 378	1 388	1 068
Potatoes	251	251	210	222
Vegetables	99	100	81	72
Fruit and berries	6	7	6	9
Meat (slaughter weight)	43	44	47	47
pork	18	19	20	20
Milk	495	503	516	510
Eggs	353	383	413	399

Sown area, harvested production and average yield of agricultural crops

In 2018, harvested production of grain constituted 2.1 million tonnes, which is 635.2 thousand tonnes or 23.6 % less than a year ago and the smallest harvested production recorded over the past five years. The average cereal yield from one hectare constituted only 29.8 quintals (38.3 ql./ha in 2017) being the lowest yield registered over the past seven years. Last year, 690.9 thousand hectares of land were covered with cereals, which is 12.7 thousand hectares or 1.8 % fewer than a year before. The harvested production of cereals was significantly influenced by drought and notable decline in the sown areas of winter cereals – of 131.0 thousand hectares or 34.9 % (of which drop of 116.1 thousand hectares or 35.0 % in winter wheat areas) – resulting from the problems caused by incessant rain of the autumn 2017 and faced when sowing winter cereals. The share of winter cereals in the harvested production of grain fell from 69.6 % in 2017 to 48.7 % in 2018.

Key crop production indicators

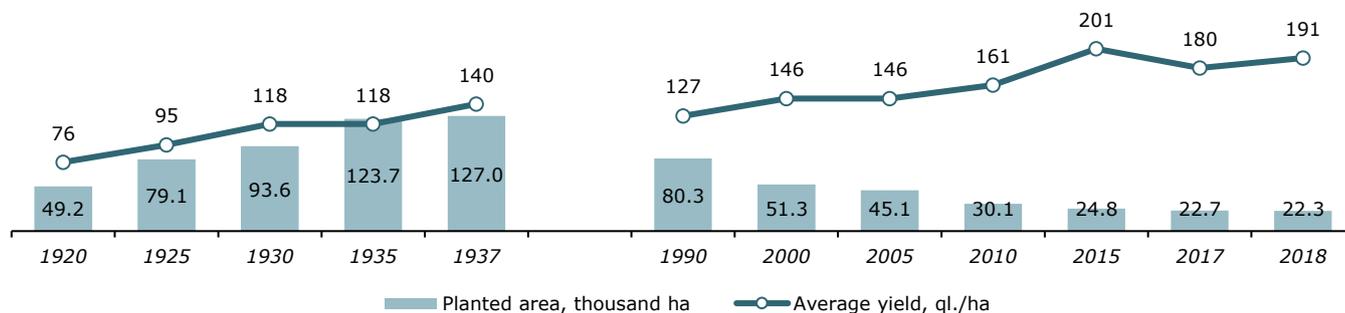
	Sown area, thousand ha		Average yield, ql./ha		Harvested production, thousand t	
	2017	2018	2017	2018	2017	2018
Cereals	703.5	690.9	38.3	29.8	2 693	2 057
Rape	117.4	123.6	27.8	18.6	326	230
Potatoes	22.7	22.3	180	191	408	427
Vegetables	8.0	8.2	182	155	157	139

In 2018, compared to the year before, the sown area of rape increased by 6.2 thousand hectares or 5.3 %. The average yield from one hectare dropped from 27.8 quintals in 2017 to 18.6 quintals in 2018, and the total rape seed yield fell by 96.6 thousand tonnes or 29.6 %. In 2018, sowing of winter rape, just like sowing of winter cereals, was hindered by incessant autumn rain contributing to the reduction of winter rape areas by 15.9 thousand hectares or 17.6 %.

The long-running drought had negative influence on production of vegetables. Last year, 139.1 thousand tonnes of vegetables were produced (including in greenhouses), which is 18.0 thousand tonnes or 11.5 % less than in 2017. Regardless the fact that areas of open-field vegetables grew by 0.2 thousand hectares, the harvested production thereof dropped by 18.0 thousand tonnes or 12.4 %. The average yield of open-field vegetables decreased from 182 ql./ha in 2017 to 154 ql./ha in 2018. Just like the year before, 11.5 thousand tonnes of vegetables were produced in greenhouses.

Compared to 2017, in 2018 potato plantation areas fell by 0.4 thousand hectares or 1.7 %, while harvested production of potatoes rose by 4.6 %, as the average yield from one hectare increased by 11 quintals, reaching 191 quintals in 2018.

Areas and average yield of potatoes



In 2018, totally 1.7 million tonnes of grain were purchased, which is 634.8 thousand tonnes or 26.7 % less than a year ago. In 2018, wheat accounted for 80.9 % of the grain purchased (86.1 % in 2017); 84.0 % of the volume purchased met food quality requirements (67.3 % in 2017). The share of food rye in the total volume of purchased rye fell from 72.8 % in 2017 to 70.0 % in 2018.

Average purchase price of grain rose from 145.17 EUR/t in 2017 to 168.34 EUR/t in 2018 or by 16 %, reaching the highest price recorded since 2014. The sharpest increase was registered in purchase price of rye (of 20.8 %) and barley (27.3 %).

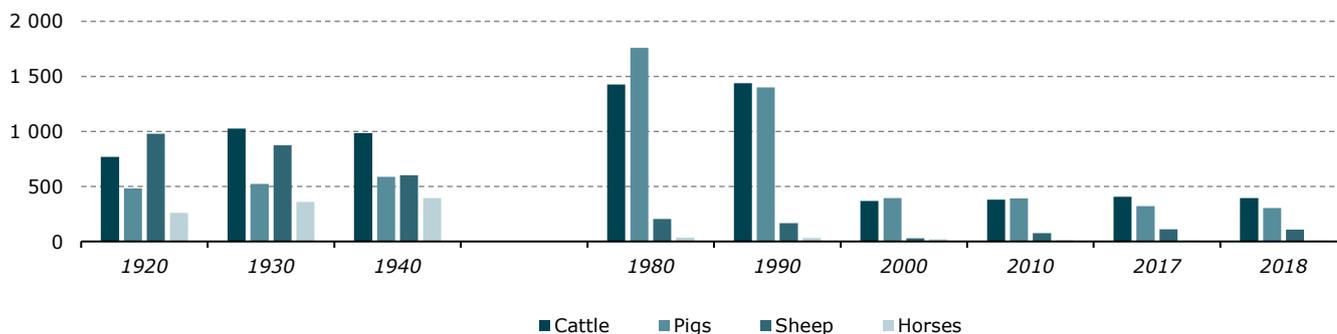
Compared to the year before, prices of vegetables and potatoes grew by 15.4 % and 10.2 %, respectively, while rape price fell slightly – by 2.4 %.

Decline in livestock number

At the end of 2018, agricultural holdings were breeding 395.3 thousand cattle heads, which is 10.5 thousand heads or 2.6 % less than a year ago. Number of dairy cows dropped by 5.9 thousand heads or 3.9 %, of pigs by 15.7 thousand or 4.9 %, of sheep by 4.9 thousand or 4.4 %, of goats by 0.5 thousand or 4.1 %, and of horses by 0.5 thousand or 5.3 %, while poultry number went up by 459.3 thousand or 9.3 %.

Number of livestock

(thousands)



Output of livestock products

In 2018, 91.3 thousand tonnes of meat were produced in Latvia, which is 0.1 thousand tonnes or 0.1 % more than in 2017. The greatest increase was recorded in output of mutton and pork – of 7.6 % and 2.1 %, respectively. Production of beef and veal fell by 5.3 % and production of goat meat by 1.9 %.

The average purchase price of meat fell from 1 529 EUR/t in 2017 to 1 459 EUR/t in 2018 or by 4.6 %. The sharpest increase was recorded in purchase prices of beef and veal (of 8.9 %, reaching 1 940 EUR/t) and sheep meat (from 3 400 EUR/t in 2017 to 3 442 EUR/t in 2018 or by 1.2 %). The average purchase price of pork dropped from 1 504 EUR/t in 2017 to 1 358 EUR/t in 2018 or by 9.7 %.

In 2018, 982.9 thousand tonnes of milk (incl. goat milk) were produced, which is 17.2 thousand tonnes or 1.7 % less than in 2017. The declines in the total volume of milk produces was influenced by the reduction in the number of dairy cows. Average milk yield per dairy cow rose by 89 kg or 1.4 % reaching 6 614 kg annually. The average purchase price of milk reduced by 7.4 % – from 306 EUR/t in 2017 to 283 EUR/t in 2018.

Key business statistics indicators by economic activity; 2017

(at current prices, million EUR)

	Total	Industry	Construction	Wholesale and retail trade; repair of motor vehicles and motorcycles	Services
(NACE)	B-J; L-N; 95	B-E	F	G	H-N; 95 without K
Turnover	55 540.6	11 083.2	3 901.3	27 873.8	12 682.3
Production value	30 927.1	10 358.0	3 900.5	5 903.8	10 764.9
Value added	11 941.0	3 567.6	916.9	2 646.1	4 810.4
Purchase of goods and services	44 537.2	7 862.7	2 991.0	25 404.5	8 278.9
Personnel costs	6 421.0	1 619.4	596.7	1 484.0	2 720.8

Half of the total turnover of goods and services is comprised by trade sector

In 2017, the total turnover of goods and services comprised EUR 55.5 billion; trade sector constituted half of it – EUR 27.9 billion or 50.2 %. In services and industry the respective indicator accounted for EUR 12.7 billion or 22.8 % and EUR 11.1 billion or 20.0 %, respectively, while in construction – for EUR 3.9 billion or 7.0 %. Compared to the previous year, the turnover increased in 2017, which was affected by rise in construction turnover by 28.6 %.

2017 indicates growth in the value of products manufactured

Compared to 2016, the value of goods produced in enterprises increased by 10.2 % in 2017. In 2017, enterprises produced goods with the total value of EUR 30.9 billion (at current prices), the largest share of which was produced by enterprises operating in the services sectors (EUR 10.8 billion or 34.8 % of the total production value) and the industrial sector enterprises (EUR 10.4 billion or 33.5 %). The value of products manufactured by trade and construction enterprises comprised EUR 5.9 billion or 19.1 % and EUR 3.9 billion or 12.6 %, respectively.

Value added grows by 7.8 %

Compared to 2016, in 2017 value added generated by enterprises grew by 7.8 %. Just as in 2016, the highest value added at current prices was generated by enterprises of services sectors – EUR 4.8 billion or 40.3 % of the total value. Lower value was generated by enterprises of the industry and trade sectors – EUR 3.6 billion or 29.9 % and EUR 2.6 billion or 22.2 %, respectively. The value added generated by construction enterprises amounted to EUR 0.9 billion or 7.7 % of the total value. In 2017, the value added generated by one employed person reached EUR 18.6 thousand, and it grew by 6.9 % in comparison to 2016. The highest value added per one employed person was recorded in industry (EUR 25.3 thousand), followed by services sector (EUR 17.5 thousand), trade (EUR 16.8 thousand) and construction (EUR 13.8 thousand). Value added generated by one employed person in construction grew by 18.1%, in industry – by 11.3%, in trade – 5.6 % and in services – by 3.1 %.

Construction and Industry

Rise of 21.9 % in construction

Compared to 2017, in 2018 construction output increased by 21.9 % (according to calendar adjusted data at constant prices). Construction output rise was observed in all sectors – construction of buildings (of 25.6 %), civil engineering (11.6 %), and specialised construction activities (27.8 %). The most significant output increase (2.1 times) was registered in specialised construction activities related to building completion and finishing (plastering, floor and wall covering, painting and glazing, etc.) as well as demolition and site preparation (of 75.6 %).

In civil engineering, an upturn was recorded in construction of roads and railways (of 22.5 %) and construction of utility projects (15.3 %), while downturn (of 35.2 %) in construction of other civil engineering projects (that includes waterways, port and river piers, industrial complexes, open-air sports grounds, etc.).

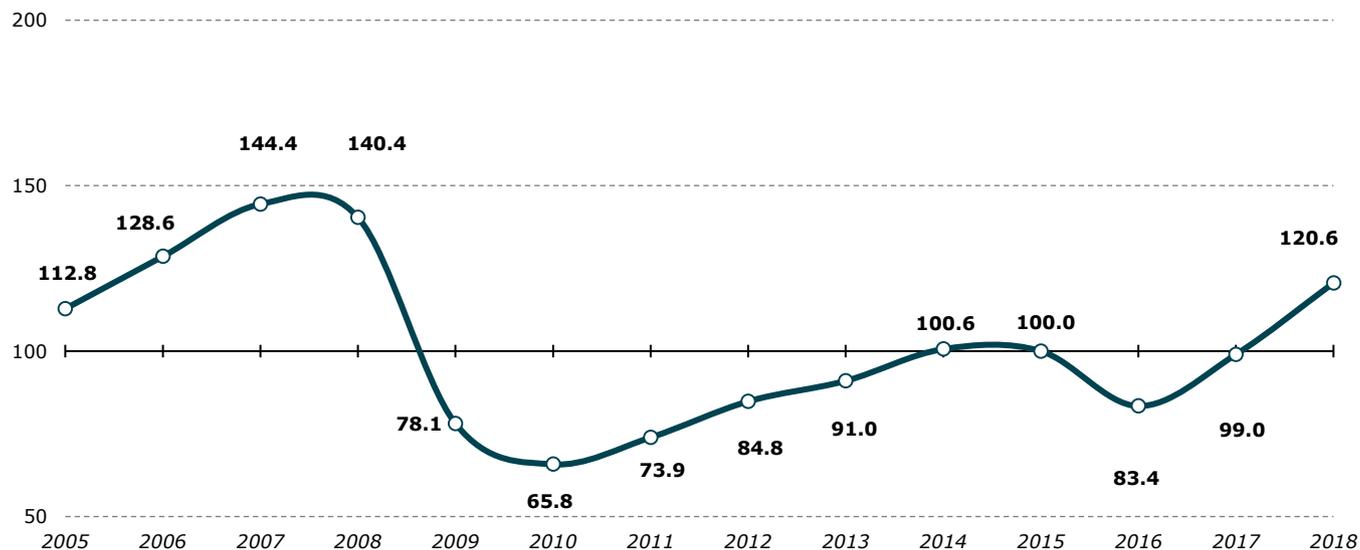
Changes in construction output

(non-adjusted data; compared to the previous year, %)

	2005	2010	2015	2017	2018
Construction – total (F)	14.3	-15.7	-0.6	18.6	21.9
Construction of buildings (F41)	19.3	-14.7	-8.2	22.4	25.6
Civil engineering (F42)	18.5	-13.3	0.4	30.0	11.6
Specialised construction activities (F43)	7.5	-18.8	5.9	3.9	27.8

Indices of production in construction

(at constant prices, non-adjusted data; 2015=100)



The majority of building permits issued for the construction of single dwelling buildings

In 2018, 3 130 building permits ⁽¹⁾ were granted for the construction, capital repairs, reconstruction and restoration of buildings with the total floor space of 877 thousand m² (of which 2 348 permits were issued for construction of new buildings with the intended floor space of 628.9 thousand m²). Out of the total number, 1 925 permits were granted for construction of new single-dwelling buildings with the intended floor space of 405.5 thousand m².

1 273 building permits were granted for the construction, capital repairs, reconstruction and restoration of non-residential buildings with the total floor space of 1 030 thousand m² (833 permits for new buildings with the intended floor space of 563.5 thousand m²). 246 building permits were granted for construction of industrial buildings and warehouses with the total intended floor space of 378.4 thousand m² (160 permits for new buildings with the intended floor space of 245.2 thousand m²).

Building permits granted for construction of new buildings

(number)

	2000	2005	2010	2015	2017	2018
Single-dwelling houses	931	3 810	1 101	1 386	1 948	1 925
Two and more dwelling houses	9	229	38	49	98	132
Hotels and similar buildings	24	136	27	52	15	10
Office buildings	28	38	19	11	20	24
Wholesale and retail trade buildings	210	122	35	36	26	43
Industrial buildings and warehouses	143	188	180	151	113	160

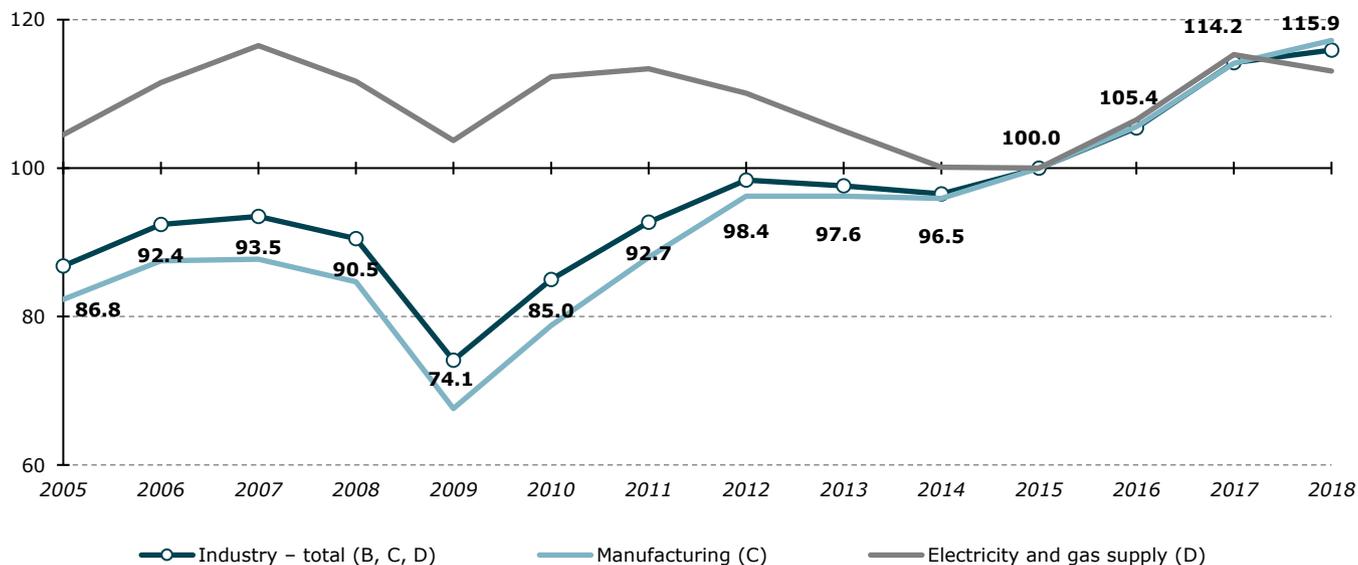
⁽¹⁾ Since the 4th quarter of 2014, the term granted permits in construction statistics characterises construction permit records confirming that conditions for commencement of construction work have been met.

Rise in industrial production output

Compared to 2017, in 2018 industrial production output increased by 2 % (according to calendar adjusted data at constant prices). Production output in mining and quarrying rose by 4.3 % and in manufacturing – by 3.4 %, but in electricity and gas supply – reduced by 1.9 %.

Volume indices of industrial production

(at constant prices, non-adjusted data; 2015=100)



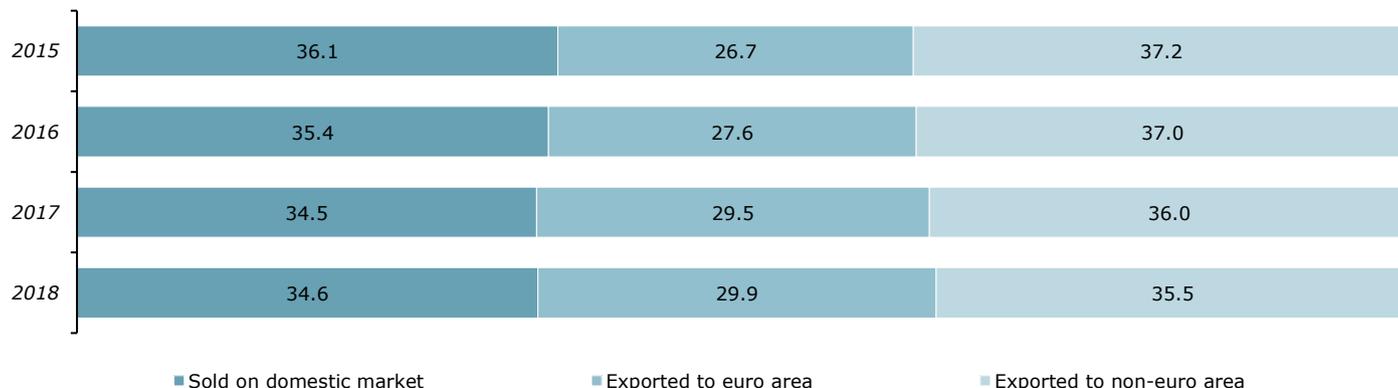
Compared to the year before, in 2018 the most significant impact on the rise in manufacturing was made by the increase in manufacture of electrical equipment (of 24.4 %), manufacture of motor vehicles, trailers and semi-trailers (22.9 %), manufacture of rubber and plastic products (10.9 %), and manufacture of chemicals and chemical products (9.5 %).

Compared to 2017, in 2018 the most notable decline was observed in manufacture of beverages (of 4.4 %), manufacture of paper and paper products (of 3.1 %), as well as in printing and reproduction of recorded media (of 2.7 %).

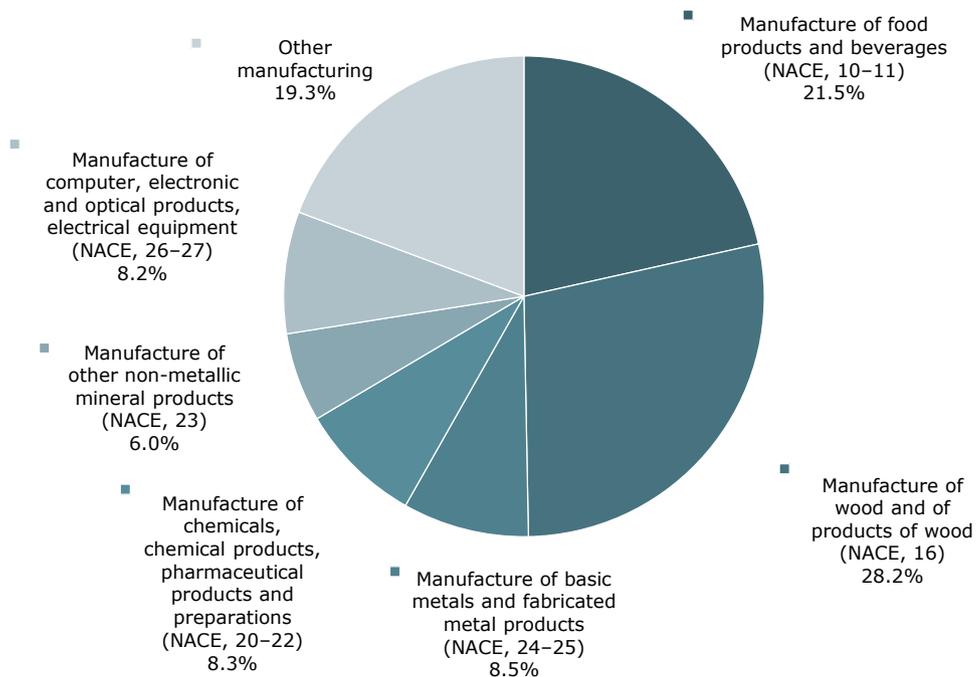
Compared to 2017, in 2018 manufacturing turnover grew by 9 % (according to calendar adjusted data at current prices). It was affected by rise in domestic market (of 9.5 %) and in exports (8.7 %), of which in euro area by 10.5 % and in non-euro area by 7.3 %. In 2018, 65.4 % of the products sold were exported (65.5 % – in 2017).

Manufacturing turnover by direction of production sales

(%)



Manufacturing output by economic activity; 2018



Retail Trade

Retail trade turnover increased by 3.8 %

Compared to 2017, in 2018 retail trade turnover increased by 3.8 %, retail sale of food products rose by 4.4 %, retail sale of non-food products, except of retail sale of automotive fuel, grew by 3.7 %, but retail sale of automotive fuel – by 2.8 %.

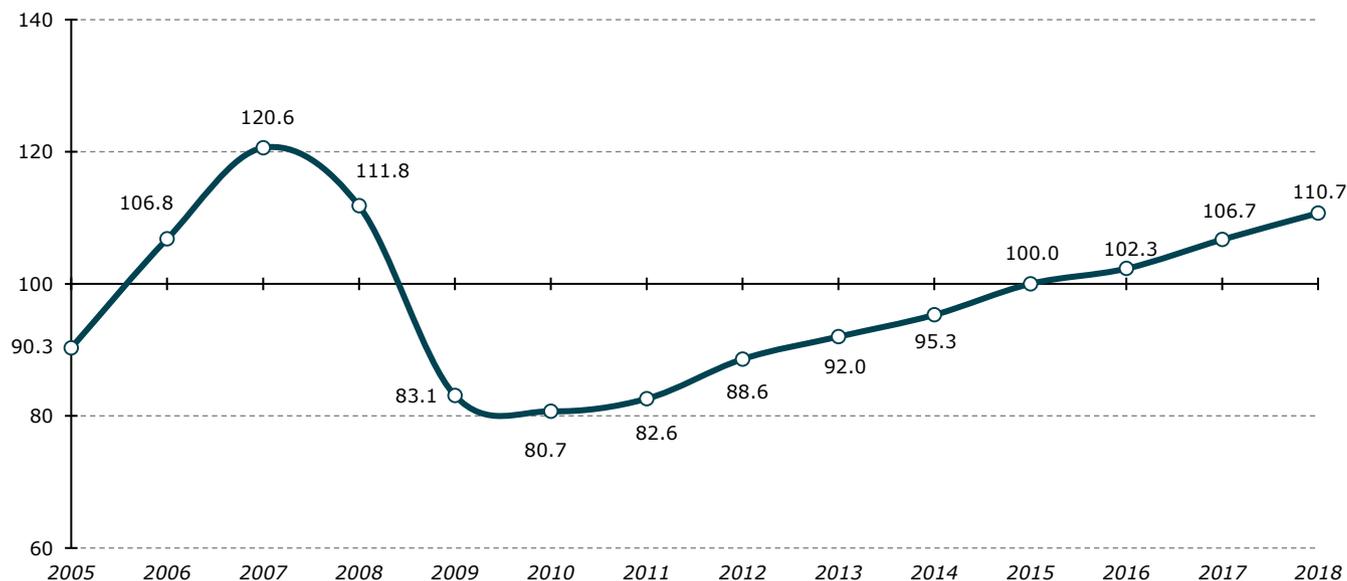
Changes in turnover of retail trade enterprises

(at constant prices; over the previous year, %)

(NACE)	2005	2010	2015	2017	2018
Retail trade – total (47)	18.0	-3.0	4.9	4.3	3.8
Retail sale of food products (4711; 472)	15.7	-5.3	2.7	3.9	4.4
Retail sale of non-food products (4719; 474–479)	23.7	1.4	5.3	5.1	3.7
Retail sale of automotive fuel (4730)	13.3	-6.5	9.2	2.8	2.8

Turnover indices of retail trade enterprises

(at constant prices; 2015=100)

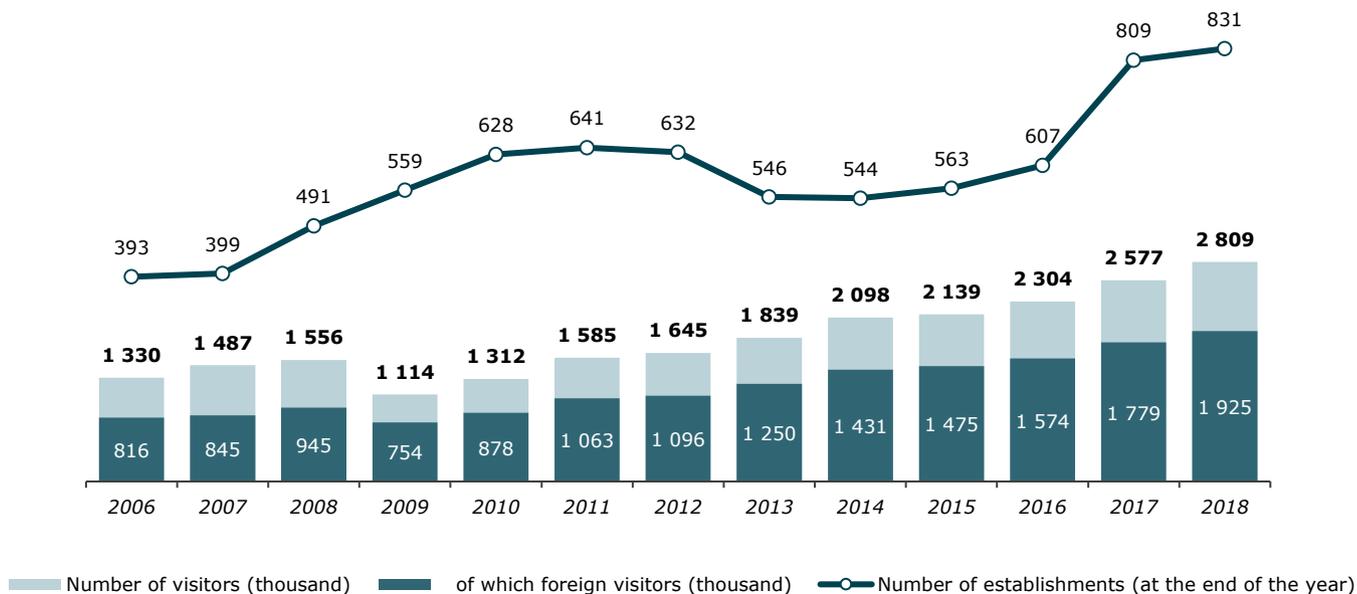


Tourism

Number of visitors in Latvian tourist accommodation establishments gone up

In 2018, 2.81 million visitors were hosted at tourist accommodation establishments of Latvia – 9.0 % more than the year before. Compared to the previous year, the number of nights spent by visitors has grown by 8.4 % reaching 5.37 million. Visitors spent an average of 2 nights at tourist accommodation establishments.

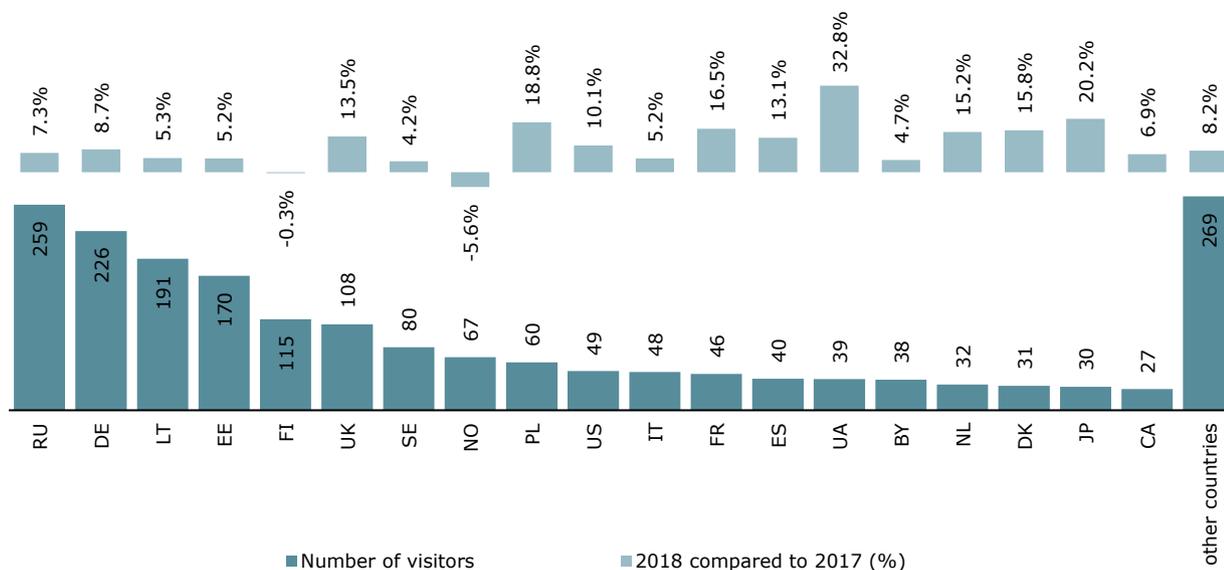
Indicators characterizing hotels and other accommodation establishments



In 2018, the number of Latvian residents in accommodation establishments comprised 883.4 thousand, which is 10.7 % more than in 2017, but the number of overnight stays has grown by 5.3 % reaching 1.63 million. Out of the total number of Latvian residents, 26.3 % stayed in Riga, 9.2 % – in Jūrmala, 7.4 % – in Liepāja, 4.2 % – in Daugavpils, 2.7 % – in Ventspils and 2.6 % – in Sigulda municipality.

In 2018, 1.93 million foreign visitors stayed at tourist accommodation establishments, which is 8.2 % more than in 2017, whereas the number of nights spent increased by 9.9 %, reaching 3.74 million. Out of the total number of foreign visitors, 77.1 % stayed in Riga, 8.5 % – in Jūrmala, 1.8 % – in Liepāja, 1.6 % – in Sigulda municipality and 1.4 % – in Daugavpils.

Foreign visitors in hotels and other accommodation establishments in 2018 ⁽¹⁾



Indicators characterizing operation of hotels in 2018

	No category	One-star, two-stars	Three-stars	Four-stars	Five-stars
Number of hotels, at the end of the year	105	5	57	48	14
Number of rooms, at the end of the year	2 277	95	2 726	4 850	974
Number of beds, at the end of the year	5 151	192	5 533	9 100	1 817
Number of visitors	322 016	4 911	516 264	1 220 597	173 098
non-resident visitors	178 224	2 794	335 865	1 039 602	146 966
Number of nights spent	533 256	10 064	901 511	2 013 350	319 023
Number of nights spent by foreign visitors	322 650	4 691	628 704	1 753 751	279 594

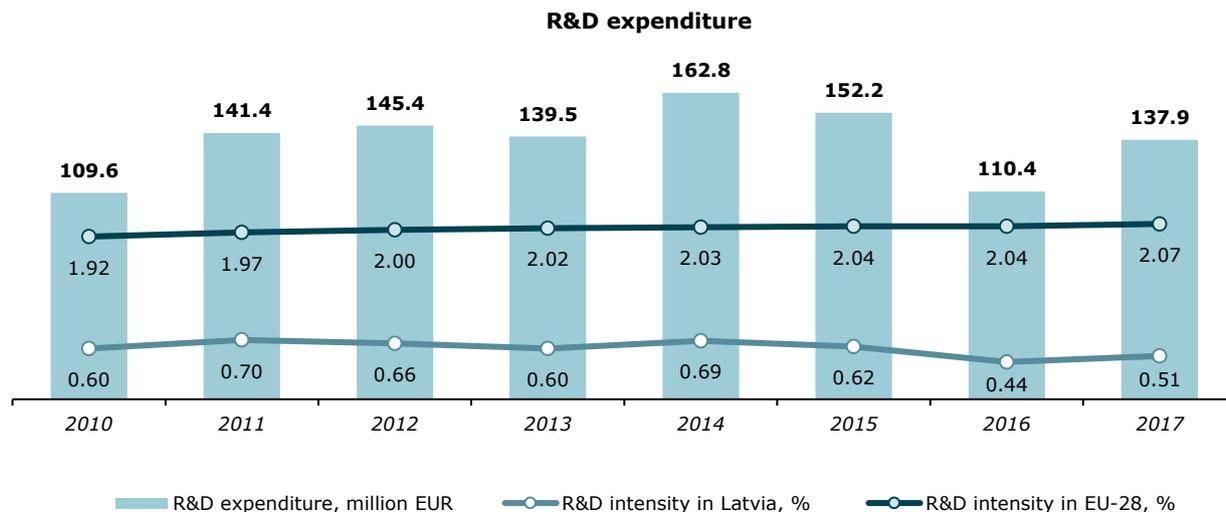
⁽¹⁾ US – the United States of America, JP – Japan CA – Canada.

Research and Experimental Development

R&D funding in Latvia

Research and experimental development (R&D) intensity is the ratio of the gross domestic expenditure on the R&D to the gross domestic product (GDP). Expenditure on R&D in Latvia has been low for a long time. One of the Europe 2020 strategy headline targets states that 3 % of the EU's GDP should be invested in R&D. Latvia has set a quantitative target of increasing R&D funding to 1.5 % of the GDP until 2020 and of 3 % until 2030.

Compared to 2016, in 2017 R&D intensity increased by 0.07 percentage points, comprising 0.51 %. Among EU countries, lower R&D intensity was recorded only in Romania (0.50 %). In 2017, Lithuanian R&D expenditure constituted 0.88 % of the GDP and Estonian 1.29 %. In 2017, the average R&D intensity in the EU constituted 2.07 % of the GDP.



R&D funding in 2017

	Total, thousand EUR	as % of GDP	Funding by source of funds, million EUR:			
			business enterprise sector	government sector	higher education sector	abroad
Funding	137 924	0.51	33.3	60.1	3.4	41.1
higher education sector	64 376	0.24	3.8	40.3	3.4	16.9
government sector	36 011	0.13	3.5	17.5	-	15.0
business enterprise sector	37 537	0.14	26.0	2.3	-	9.2
R&D intensity, %	0.51	x	0.12	0.22	0.01	0.15

R&D personnel

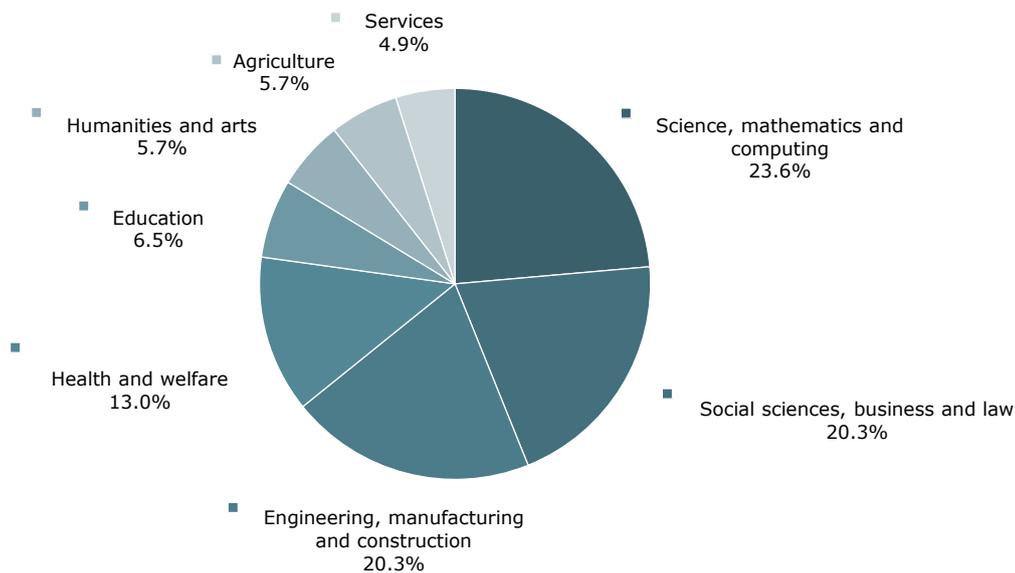
In 2017, 11 293 employees were engaged in R&D, of which researchers accounted for 7 504 (66.4 %). Two thirds (69.9 %) of the R&D personnel were employed in higher education sector. The number of young researchers is still very small – internal researchers aged under 35 constituted 27.7 % in 2017. The share of R&D personnel at retirement age (aged over 65) is very large – 15.0 %. Women constitute more than a half of researcher number (52.2 %). In 2017, the greatest proportion of female researchers was recorded in higher education (53.9 %) and government sector (55.5 %), while smallest in business enterprise sector – 41.5 %.

Researchers – doctorate holders

(number of persons)

	2010	2015	2016	2017
Total	2 982	3 809	3 628	3 668
higher education sector	2 419	3 226	2 990	3 051
government sector	359	422	433	391
business enterprise sector	204	161	205	226

Graduates of doctoral studies by field of education; academic year 2017/2018



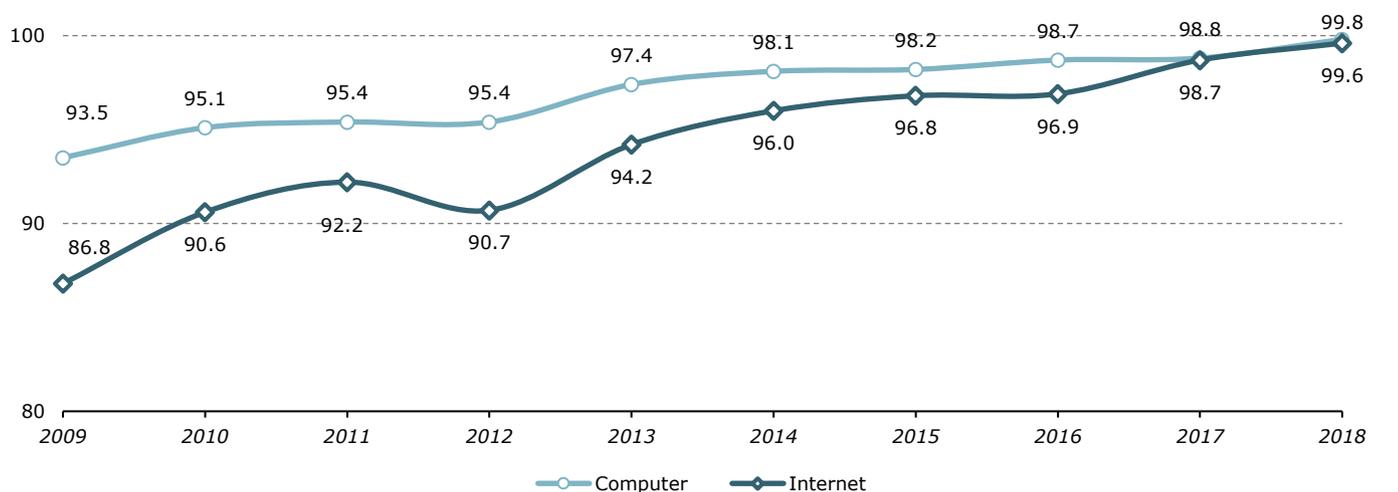
Information Technologies in Enterprises

Information and communication technologies are available to almost all Latvian enterprises

In 2018, 99.8 % of Latvian enterprises used computers, but 99.6 % of them used the Internet.

Share of enterprises using computer and the Internet

(of total number of enterprises with the number of enterprises 10 and more, as %)



Majority of enterprises have a website

In 2018, 63.0 % of enterprises had a website (homepage). Presence of website greatly depends on the size of the enterprise: 58.5 % of small enterprises had a website, while medium-sized and large enterprises had own website – 82.5 % and 95.0 %, respectively.

Websites were mostly used by enterprises in order to provide customers with the possibility to view the descriptions of goods or services, as well as the price list (59.2 %). There is a growing trend for enterprise websites (25.9 % in 2018) to include links or references to their social media profiles (for example, Twitter, Facebook, Instagram). This can be seen on the websites of 23.0 % of small enterprises, 35.8 % of medium-sized enterprises and 65.3 % of large enterprises.

Cloud computing services used by 14.5 % of enterprises

The share of enterprises paying for cloud computing services has increased from 5.7 % in 2014 to 14.5 % in 2018. In 2018, cloud computing services were used by 12.7 % of small enterprises, 20.9 % of medium-sized enterprises and 38.5 % of large enterprises. The respective services were used the most by enterprises, the main kind of economic activity of which is provision of information and communication services (47.9 %) and repair of computers and communication equipment (33.3 %).

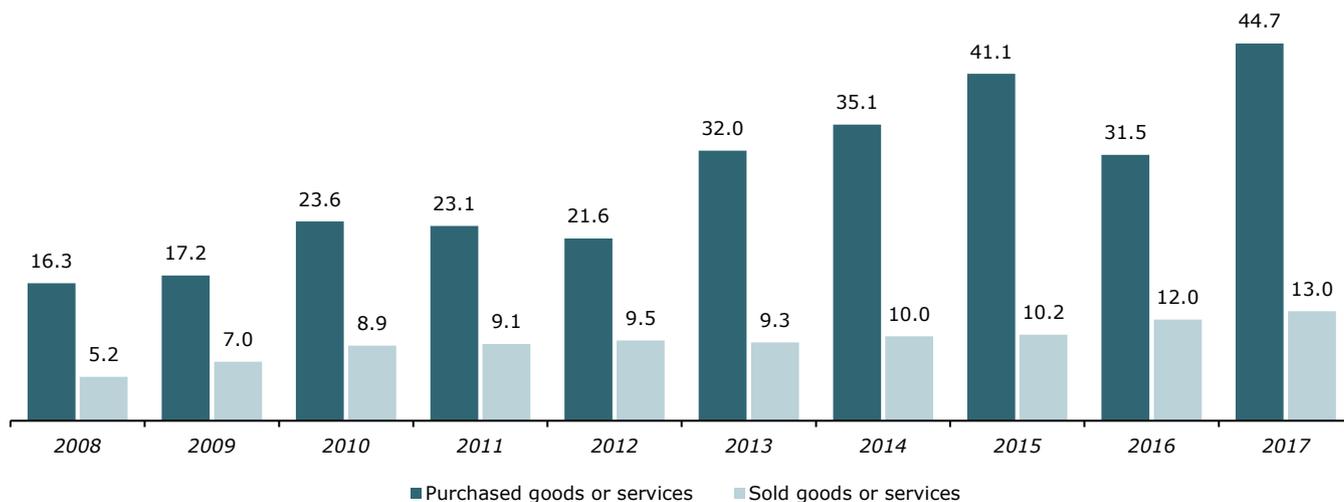
Growing number of enterprises is engaged in e-commerce

In 2017, 44.7 % of enterprises purchased goods and services on the Internet. In turn, the possibility to sell goods or services on the Internet, via applications or other computer networks was used by 13.0 % of enterprises.

The enterprises to carry out sales on Internet websites or via applications the most where those, the main kind of economic activity of which is provision of accommodation services (75.5 %), repair of computers and communication equipment (66.7 %) and provision of information and communication services (31.0 %).

Share of enterprises that purchased and sold goods or services via Internet

(of total number of enterprises with 10 and more employees, %)



Access to and Use of the Internet in Households

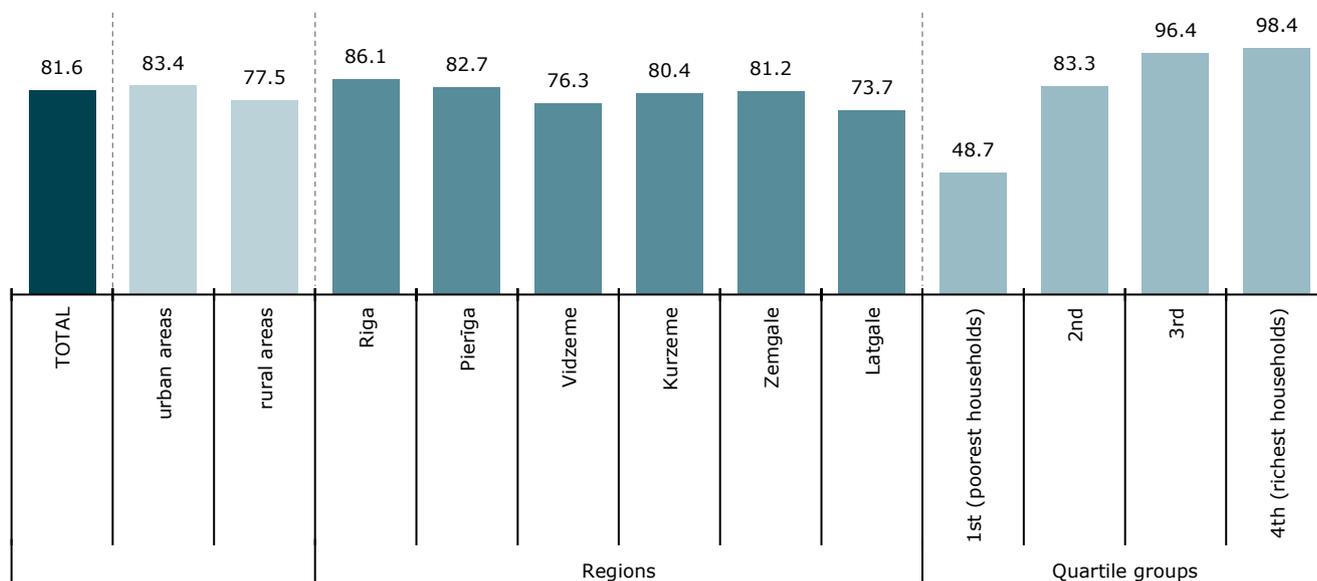
82 % of households have access to Internet

In 2018, 81.6 % households had access to the Internet, while in 2008 those were only 52.8 %. In 2018, 78.8 % of the households had a broadband Internet connection. During the last five years, this indicator has increased by 8.7 percentage points.

Access to the Internet is directly proportional to the household income level: households with the lowest income (1st quartile) have access to the Internet only in 48.7 % of cases, while households with the highest income (4th quartile) have Internet in 98.4 % of cases. In households with children access to the Internet is higher (98.1 % – in 2018) than in households without children – 76.4 %.

Internet in households in 2018

(of the total number of households in the respective group, %)



Increase in the number of regular Internet users (use at least once a week)

The share of regular Internet users is continuing to increase, reaching 81.2 % in 2018. Youth aged 16–24 years and population aged 25–34 years use Internet the most (98.6 %). In turn, on a regular basis the Internet is used by only 40.1 % of the older generation (persons aged 65–74).

Increasing number of Latvian residents takes opportunity to use the Internet outside home and work. 56 % of residents used mobile telephone, 9.2 % – portable computer, 6 % – tablet PC and 1 % – other portable devices (e.g., e-book reader, smartwatch, etc.) to access the Internet outside home or work.

Most commonly Internet is used to access e-mail

In 2018, residents of Latvia used the Internet mainly for sending and receiving e-mails (70 %), Internet banking (66.3 %), as well as for finding information about goods or services (63.3 %). 73.5 % of persons, who have used Internet during the last 3 months, have participated in social networking.

According to data of the 2018 survey, 44.9 % of the population (46 % of females and 43.6 % of males) had purchased something on the Internet at least once during the year. Population in age group 25–34 years (72.5 %) and youth 16–24 years (63.7 %) makes online purchases the most. Interest on online purchases is increasing in age group 45–64 years: 40.8 % of population in age group 45–54 years and 22.2 % – in age group 55–64 years have made online purchases during the last year.

In 2018, amount of purchases mostly was below EUR 50. Such amount was spent by 44.8 % of population, who made online purchases during the last year, while 4.4 % of population spent more than EUR 500.

During the last 5 years, cooperation of Internet users with state or public institutions has increased. In 2014, only every fifth Internet user filled in forms online, however, in 2018, 49.6 % already used this possibility.

Environment and Environmental Protection

Environment quality and environmental protection

In 2017, EUR 152.3 million were spent on research and management of environmental quality. The greatest share of environmental protection funding (EUR 86.3 million) was provided for waste treatment and disposal facilities. An increase in the generation of household waste can be observed – of 8.1 %, compared to the year before. In 2016, the volume of municipal waste constituted 1 980 thousand tonnes, while in 2017 those were 2 141 thousand tonnes (161 thousand tonnes more). The volume of household waste generated per capita in Latvia still is low – the indicator comprised 438 kg in 2017. The lowest municipal waste output per capita was recorded in Romania (272 kg) and Poland (315 kg), while the highest in Denmark (781 kg), Cyprus (637 kg), and Germany (633 kg).

The second greatest share of environmental protection funding (EUR 47.5 million) was spent on protection of water resources. The largest underground freshwater reserves come from the basins of river Daugava (223.2 million m³) and Gauja (41.5 million m³). In 2013, 155.4 million m³ of water were acquired from underground.

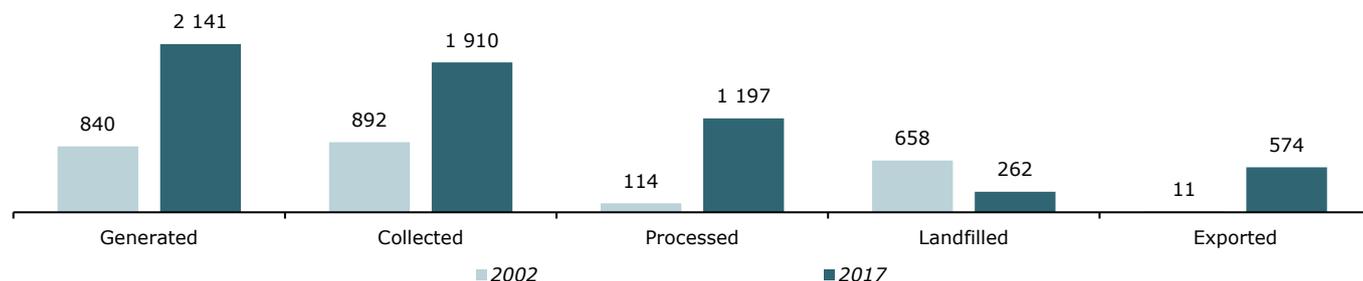
Funding for air protection and improvement of air quality (constituting EUR 3.6 million) has been priority of the whole world for many years. Emission of greenhouse gases (GHG) is the most important indicator of climate change. In 2016, 11.68 million tonnes of GHG were emitted in Latvia. Energy and transport sector were among the greatest GHG sources in 2016, emitting 62 % of the total GHG volume. Since 1995, agricultural sector has been emitting approximately 2.5 million tonnes of CO₂ equivalent annually.

Environmental protection expenditure by environmental domain

	(million EUR)		
	2007	2016	2017
Total	99.5	151.3	152.3
waste treatment and disposal facilities	37.4	86.8	86.3
protection of water resources	48.7	44.5	47.6
soil and groundwater protection	4.6	4.6	3.7
air protection	1.8	3.9	3.6
biodiversity and landscape protection	3.0	3.6	2.4
other	4.0	7.9	8.7

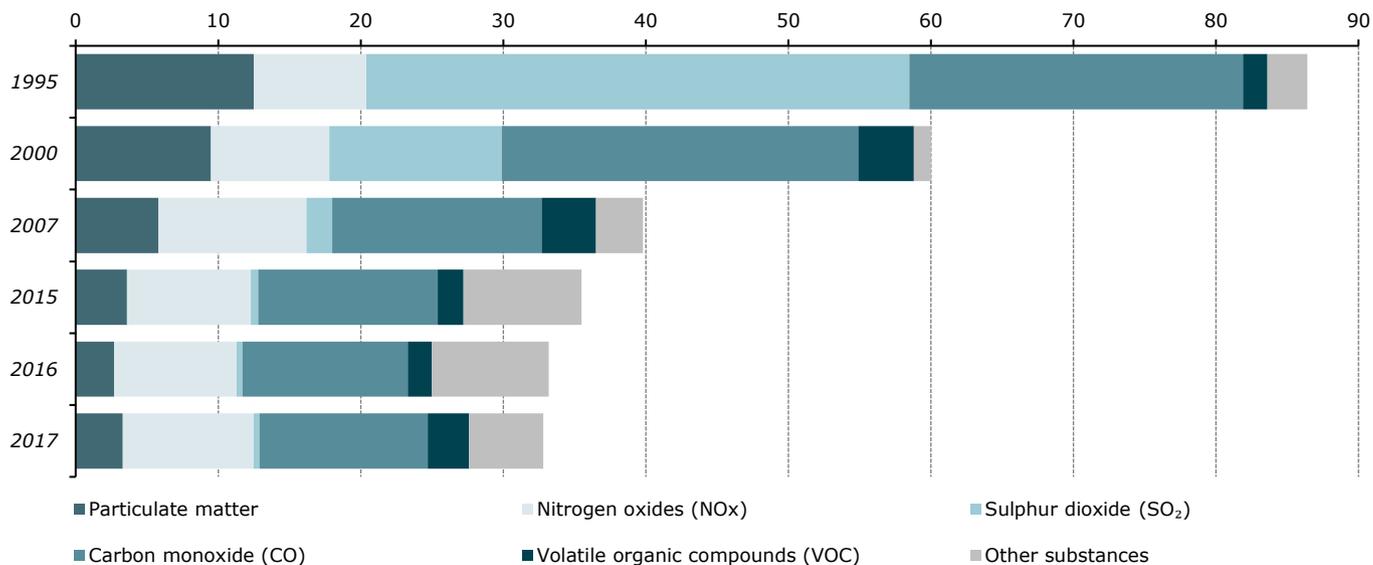
Municipal waste

(thousand tonnes)



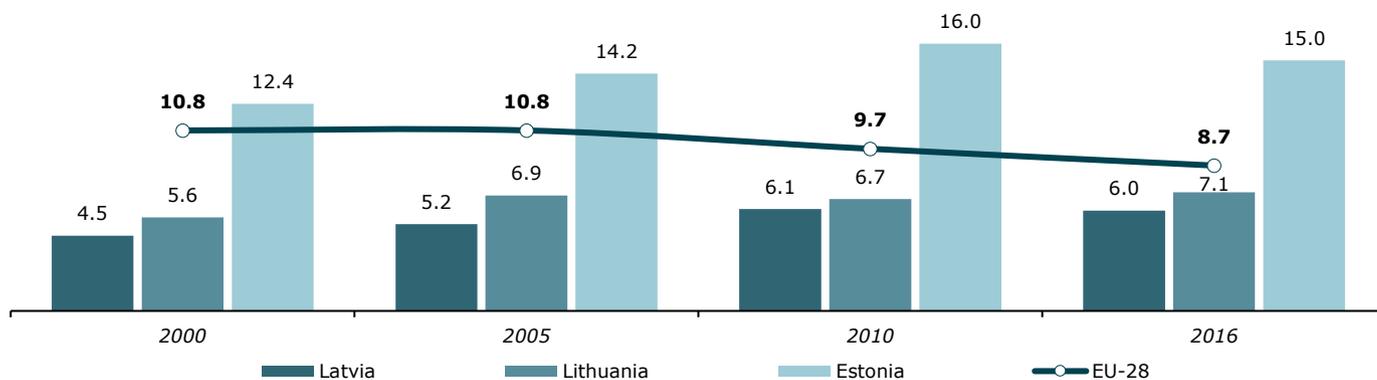
Emission of polluting substances from stationary sources

(thousand tonnes)



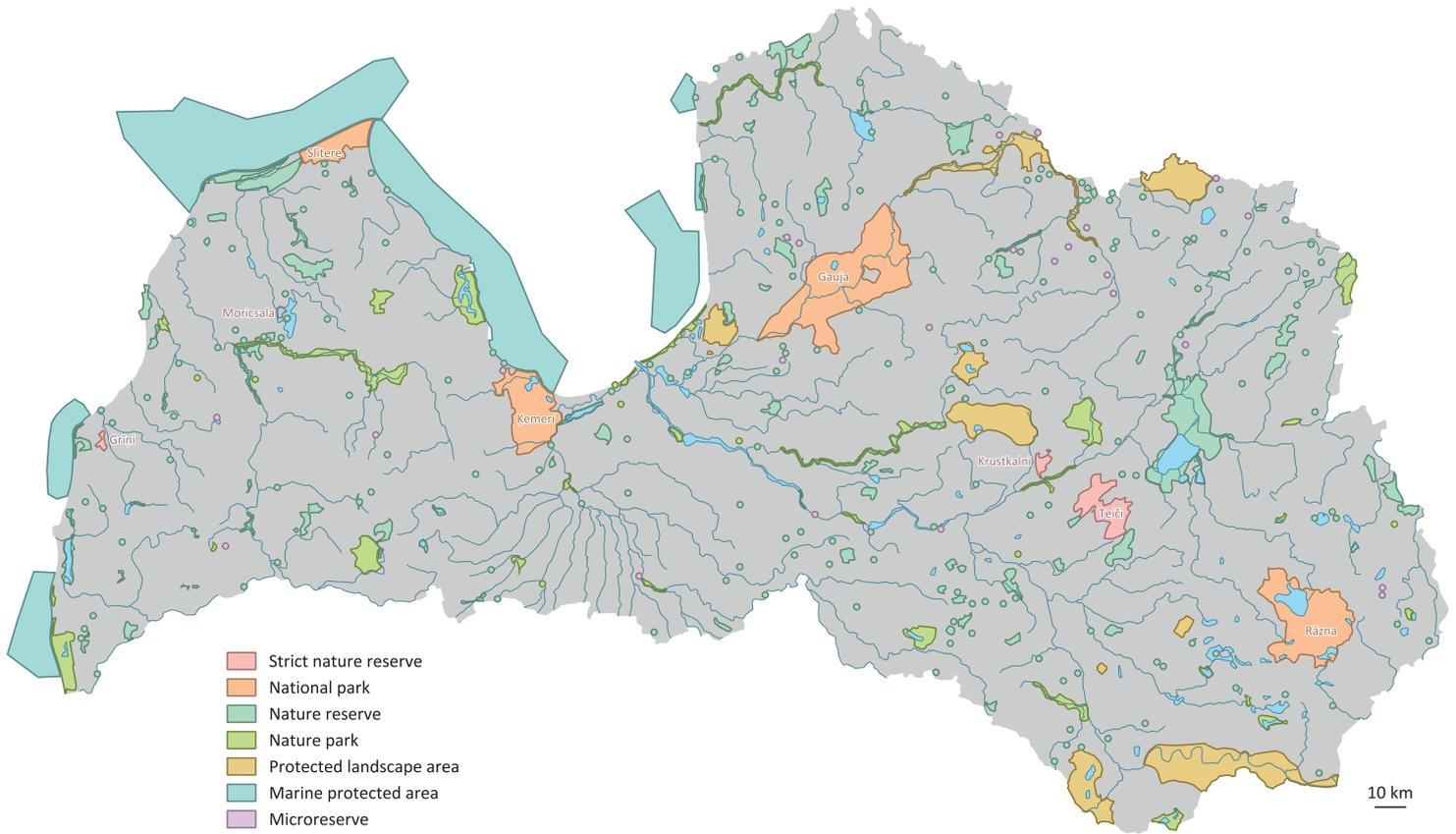
Emission of greenhouse gases per capita

(tonnes of CO₂ equivalent)



Data source: Eurostat (t2020_rd300) 25.02.2019

Natura 2000 network nature protection areas at the end of 2017



Energy

Gross energy consumption

In 2017, gross energy consumption accounted for 191.0 PJ, which is 3.4 % more than in 2016. Over the past ten years, gross energy consumption has reduced: in 2008, it constituted 196.5 PJ, which is 2.8 % more than in 2017.

Gross energy consumption

(TJ)

	2008	2016	2017
Total	196 517	184 920	191 042
Oil products	69 269	62 782	65 814
Solid fuels	4 473	1 713	1 729
Natural gas	55 814	47 209	41 670
Fuelwood	46 018	54 258	59 495
Electricity	20 477	13 287	16 079
Other fuels	466	5 671	6 255
Mean air temperature in autumn/ winter, °C	3.6	2.0	3.0

Increase in renewable energy proportion

Over the recent years, the structure of gross energy consumption has changed – as the share of natural gas is declining and the proportion of renewables is growing. During the past ten years, the share of natural gas consumption dropped by 6.6 percentage points, constituting 21.8 % in 2017, while the share of renewable energy reached 33.6 %. At the same time, the proportion of fuelwood consumption went up by 7.7 percentage points, constituting 31.1 % in 2017. Compared to 2016, in 2017 the volume of wood chips and firewood produced rose by 8.7 % and 5.5 %, respectively, and that of pelleted wood even by 35 %. In 2017, 0.6 PJ of wood briquettes were produced, which is 79.4 % more than in 2016. As the gross consumption of renewables is growing, the Latvian energy dependence ⁽¹⁾ reduced from 63.9 % in 2005 to 47.2 % in 2016.

In 2017, 50.2 PJ of energy resources were consumed for production of heat and electricity (transformation sector) and 40.8 PJ of energy were produced (of which 30.0 PJ of heat and 10.8 PJ of electricity). Production of heat and electricity in Latvia mainly is based on fossil fuel – natural gas, the share thereof in transformation sector has been decreasing gradually: 81 % in 2010, 60.1 % in 2016 and 53.7 % in 2017. Over the past five years, the share of renewables consumed in transformation sector has risen by 17.5 percentage points, reaching 45.9 % in 2017.

In 2017, the rise in consumption of renewable energy was facilitated by the production of energy resources that grew by 5.6 %, compared to 2016. The volume of primary electricity produced went up notably – by 6.7 PJ or 70.5 % (of which rise of 73.2% in hydro power plants and of 17.1 % in wind power plants). Hydro power plants and wind power plants together produced 4 531 GWh of electricity, of which hydro power plants 4 381 GWh and wind power plants 150 GWh.

⁽¹⁾ Energy dependence is calculated as follows: net imports divided by gross energy consumption plus bunkering.

In 2017, due to the unusually high precipitation amounts and high water inflow in river Daugava, the large volume of electricity generated in hydro power plants had the greatest upward effect on the amount of electricity produced.

Share of renewables in gross final energy consumption



As the gross consumption of renewables is increasing, Latvia is getting closer to the strategic objective aimed at reaching 40 % of the energy produced from renewables in the gross final energy consumption until 2020. Latvia has the third highest share of renewables in the final energy consumption in the EU; in 2017, the indicator constituted 39.01 % (EU average 17.5 %). The EU Member States shall ensure that until 2020 the share of renewables consumed in transport sector accounts for 10 %. In 2017, Latvian share of renewables in transport constituted 2.5 % and EU average 7.6 %.

Electricity production

	1990	2000	2010	2016	2017
Total	6 648	4 137	6 619	6 425	7 531
Hydropower plants	4 496	2 819	3 520	2 530	4 381
Combined heat and power plants (incl. electric power plants)	2 152	1 313	3 050	3 767	3 000
Wind power plants	-	5	49	128	150

Final consumption of energy resources

In 2017, final energy consumption constituted 171.6 PJ, which is 4.6 % more than in 2016. Over the last ten years, no notable changes were recorded in the final energy consumption. In 2017, transport sector (consuming 30.3 % of the energy resources), households (29.2 %), and industry (20.9 %) were the largest consumers of energy sources. Compared to 2016, rise in the final energy consumption was recorded in all sectors, however agriculture and forestry indicated the most notable increase compared to 2016 – of 11.4 %.

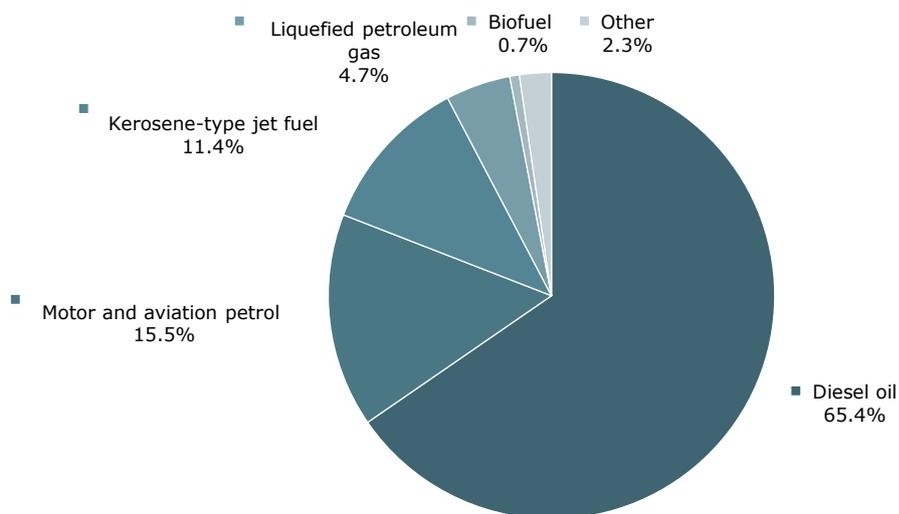
In 2017, 51.9 PJ of energy resources were consumed in transport, which is 4.4 % more than in 2016. Diesel oil is the main resource used in the transport sector, and the share thereof constituted 65.4 % in 2017. During the recent years, significant increase in the share of liquefied petroleum gas (LPG) consumed in transport may be observed. In 2010, the indicator constituted 1.0 PJ, whereas in 2017 – 2.4 PJ, which is 146.7 % more. In its turn, consumption of gasoline in transport fell by 34.7 % over the period from 2010 to 2017, reaching 8.0 PJ.

Final energy consumption

(TJ)

	2008	2016	2017
Total	178 845	164 113	171 642
Industry (incl. construction)	32 338	34 047	35 896
Transport	54 630	49 777	51 947
Households	60 772	47 935	50 119
Agriculture, forestry, hunting, fishing	5 523	7 415	8 222
Other consumers	25 582	24 939	25 458

Energy consumption in transport sector; 2017



Transport

Passenger turnover at ports is increasing

In 2018, 1 063 thousand passengers arrived at and departed from Latvian ports with ferries, which was 6.9 % more than in 2017. 796 thousand passengers arrived at and departed from the Riga Passenger Terminal, which is 7.1 % more, at the port of Ventspils – 221.4 thousand passengers or 5.7 % more, but at the port of Liepāja – 45.5 thousand passengers, which is 12.2 % more than in 2017. There were 74.8 thousand passengers who arrived at the Riga Passenger Terminal via cruise ships – 14.4 % less than in 2017. At the port of Ventspils 1.1 thousand passengers arrived via cruise ships, but at the port of Liepāja – 0.6 thousand passengers.

In 2018, 243.2 million passengers were carried by land passenger transport, which was 0.1 % more than in 2017. The number of passengers carried by rail transport increased by 4.3 %, the number of passengers carried by regular bus traffic lines – by 0.8 %, but the number of passengers carried by trams and trolleybuses decreased by 1.9 %.

Passenger traffic

(thousand passengers)

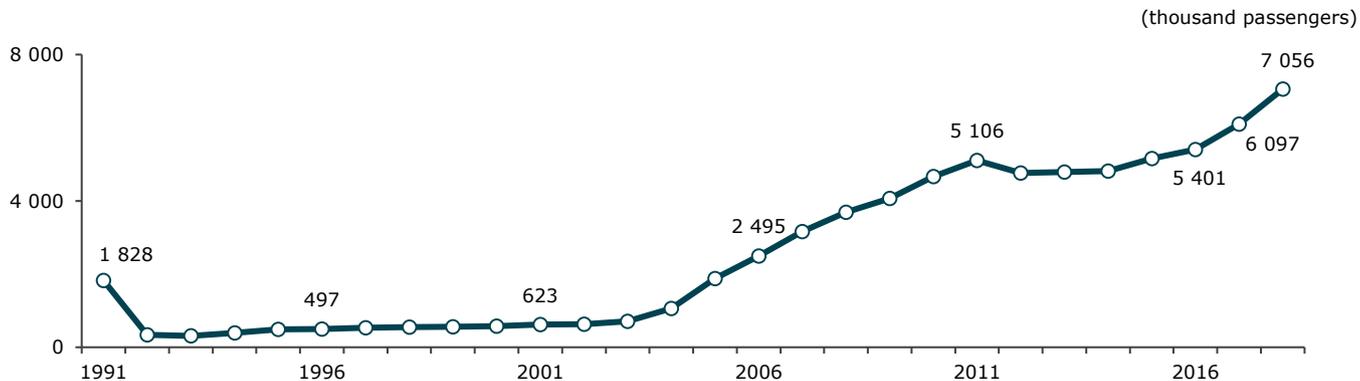
	2010	2015	2017	2018
Regular bus traffic lines – total	145 020	144 375	140 248	141 399
National routes	144 596	144 166	140 063	141 214
International routes	424	209	185	185
Rail transport – total	20 856	17 070	17 494	18 242
National traffic	20 518	16 885	17 327	18 075
International traffic	338	185	167	166
Arrived via ferries	352	317	488	521
Departed via ferries	368	344	507	542
Arrived via cruise ships	59	69	88	77
Riga International Airport – total	4 664	5 161	6 097	7 056
Arrivals	2 315	2 585	3 053	3 522
Departures	2 349	2 576	3 044	3 534
Trolleybuses, thousand persons	44 400	44 752	42 528	41 315
Trams, thousand persons	41 008	43 119	42 617	42 248

In 2018, the number of passengers in Riga International Airport reached 7 million

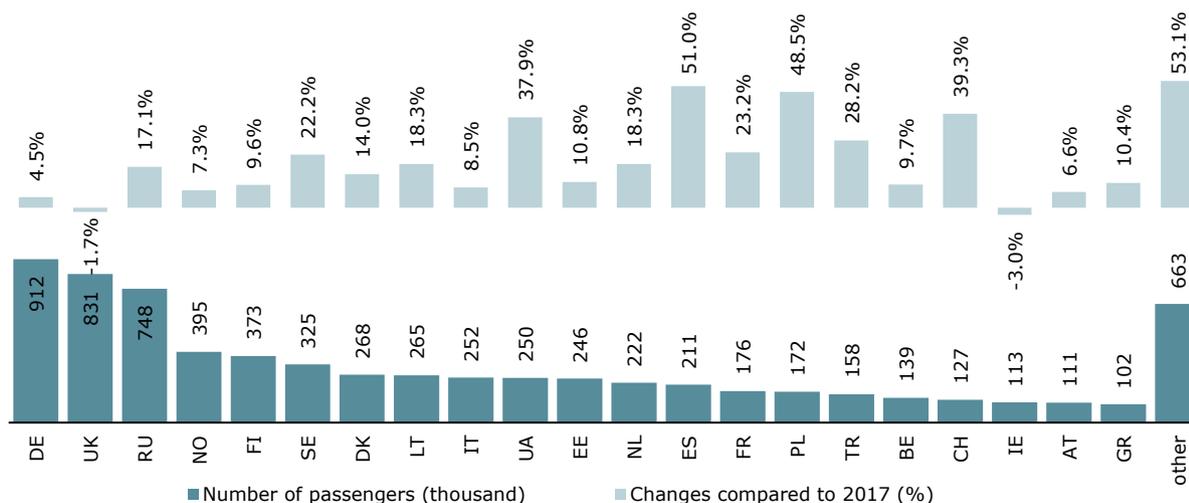
In 2018, 7.1 million passengers arrived at and departed from the Riga International Airport, which is 15.7 % more than in 2017. The largest passenger turnover at the Riga International Airport was with German airports (0.9 million passengers or increase of 4.5 %), British airports (0.8 million passengers or drop of 1.7 %) and Russian airports –0.7 million passengers or rise of 17.1 %.

Riga International Airport received and shipped 26.3 thousand tonnes of cargo, which was 12.1 % more than in 2017.

Passengers arriving at and departing from the Riga International Airport



Passengers arriving at and departing from the Riga International Airport in 2018 by countries



Passengers arriving at and departing from the Riga International Airport in 2018 ⁽¹⁾

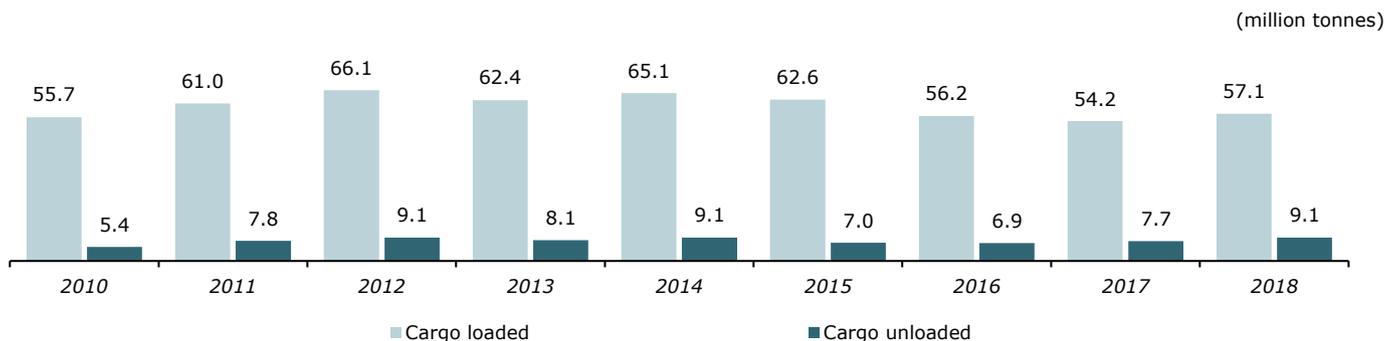


(1) Flows with at least 10 000 passengers. Passenger departures according to the first point of landing, passenger arrivals according to the last point of take-off.

Upturn in freight turnover at ports

In 2018, freights transported to and from Latvian ports accounted for 66.2 million tonnes, which was 6.9 % more than in 2017. As compared to 2017, freight turnover at the port of Riga comprised 36.4 million tonnes, which was 8.2 % more, at the port of Ventspils – 20.3 million tonnes or 1.5 % more, at the port of Liepāja – 7.5 million tonnes or 14.4 % more, but at minor ports – 1.9 million tonnes or 19.1 % more. There were 57.1 million tonnes of freights shipped from ports, which was 5.4 % more than a year before. The volume of coal loaded onto ships increased by 3.3 million tonnes or 18.9 %, the volume of timber – by 1.5 million tonnes or 45.8 % and the volume of goods in containers and roll on/ roll off – by 9.9 % and 10.9 %, respectively. A drop was also recorded in the volume of shipped oil products – of 2.2 million tonnes or 15.6 %. The volume of freights received at ports rose by 18.1 %. The volume of unloaded goods in containers rose by 1.1 %, the volume of roll on/ roll off – by 7.6 %, but the volume of unloaded oil products – by 13.3 %.

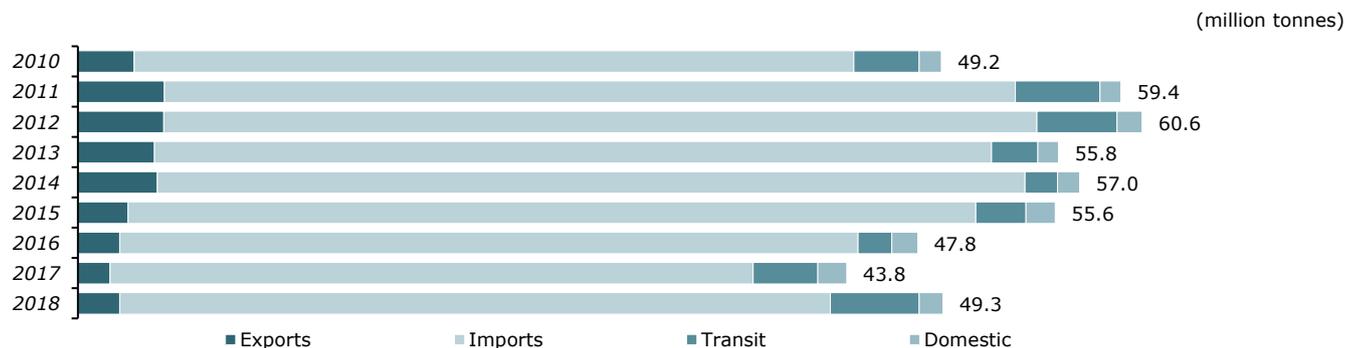
Cargoes loaded and unloaded at ports of Latvia



Freight transport by rail has grown

In 2018, 49.3 million tonnes of freight was carried by rail, which is a decrease of 12.5 % compared to 2017. National freights by rail accounted for 1.4 million tonnes – 17.3 % less. In international traffic the volume of freights carried by rail grew by 5.8 million tonnes or 13.7 %. Freight traffic by rail to/from ports of Latvia increased by 12.5 %, their share in international traffic comprised 82.3 %.

Freight traffic by rail

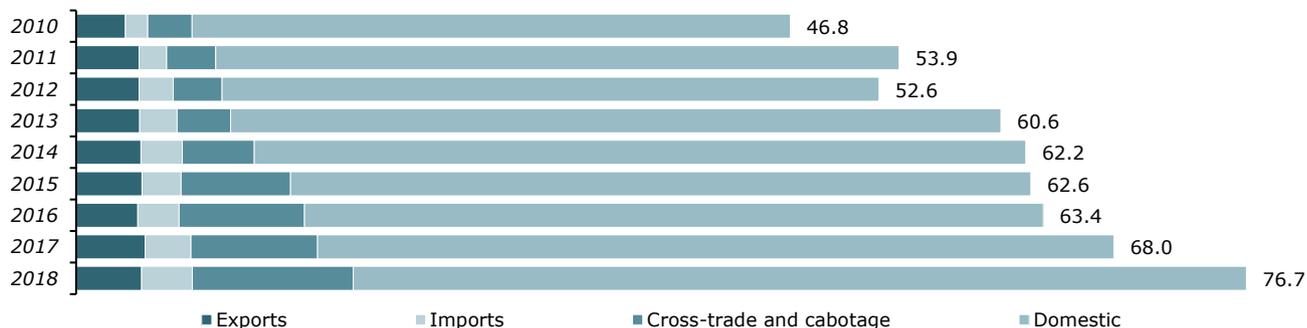


Freight transport by road is increasing

In 2018, 76.7 million tonnes of the freight was carried by road, which is a rise of 8.7 million tonnes or 12.8 % compared to 2017. The bulk (76.3 %) of the total freight volumes by road was national freight, where the indicator increased by 6.4 million tonnes or 12.2 %. International freight traffic rose by 2.3 million tonnes (14.8 %).

Freight transport by road

(million tonnes)



The number of persons killed in road traffic accidents has increased

According to provisional data, in 2018, there were 3 973 road traffic accidents with persons injured, which is 2.5 % more than in 2017. The number of persons killed in road traffic accidents has increased by 11 % (151 – in 2018, 136 – in 2017), but the number of persons injured has dropped by 6 % (4 795 – in 2018, 4 824 – in 2017).

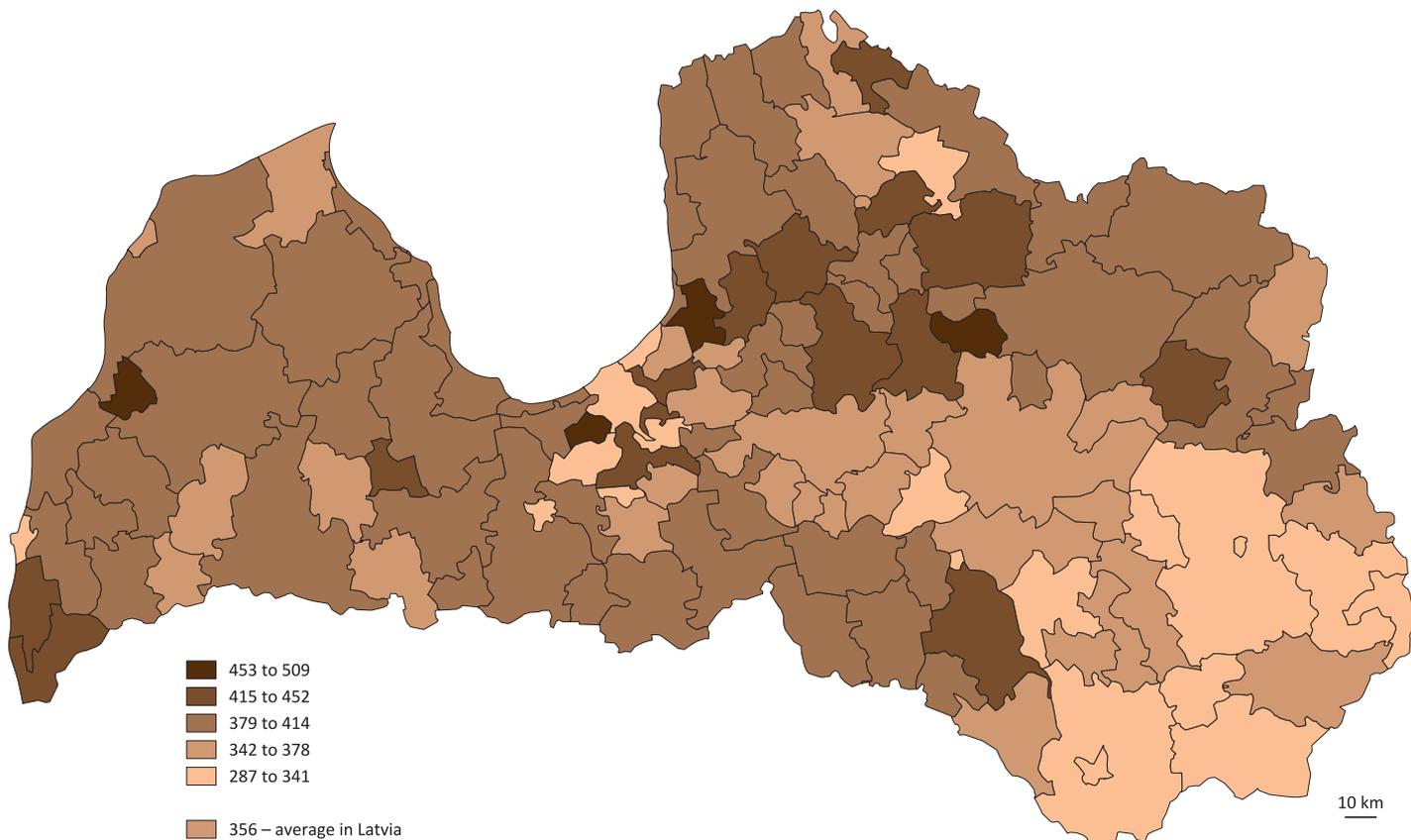
Persons killed or injured in road traffic accidents

(per 100 000 inhabitants)



Number of registered passenger cars by administrative territory at the end of 2017

(per 1 000 inhabitants)



Around 1925 there was one car in Latvia per 956 inhabitants, but at the end of 2018 – per 3 inhabitants. 100 years ago, in 1919, there were only 6 cars in Latvia. In 1925, there were 450 passenger cars in Latvia, compared to 3 824 passenger cars in 1940, 282 688 – in 1990, 556 771 – in 2000 and 707 841 – in 2018.

Number of vehicles at the end of the year

	1919	1925	1930	1940	1990	2000	2005	2015	2018
Passenger cars	6	450	1 677	3 824	282 688	556 771	742 447	679 048	707 841
Buses	-	54	273	370	11 722	11 501	10 644	4 797	4 632
Lorries	-	184	1 25	3 071	59 965	97 081	113 113	85 998	89 211



**CENTRAL STATISTICAL BUREAU
OF LATVIA**
Lāčplēša iela 1, Rīga
LV-1301, Latvia
www.csb.gov.lv