Rural environment and agriculture in Latvia

LPS Advisor *Sniedze Sproģe*10.10.2017., Rīga











Latvia

- 64481.95 km²
- 2 129 320 inhabitants
- Official language Latvian
- Latvians 59%, Russians 29%,
 Belarusians 4% and others



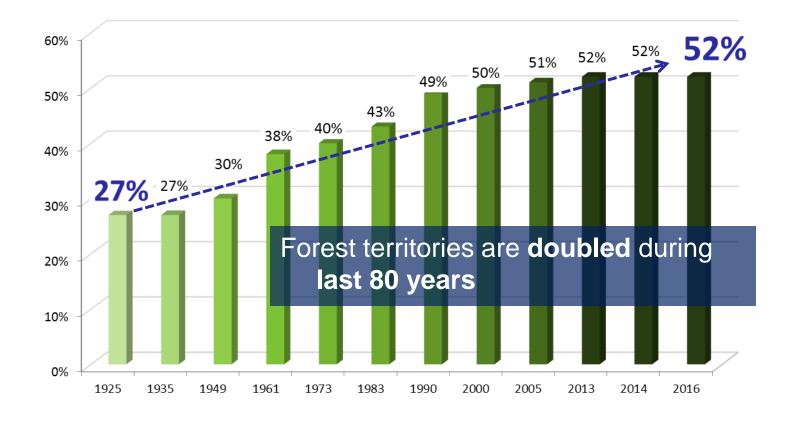


Administrative Territorial division of





Forests in Latvia 1925 - 2016





41% of water areas are public



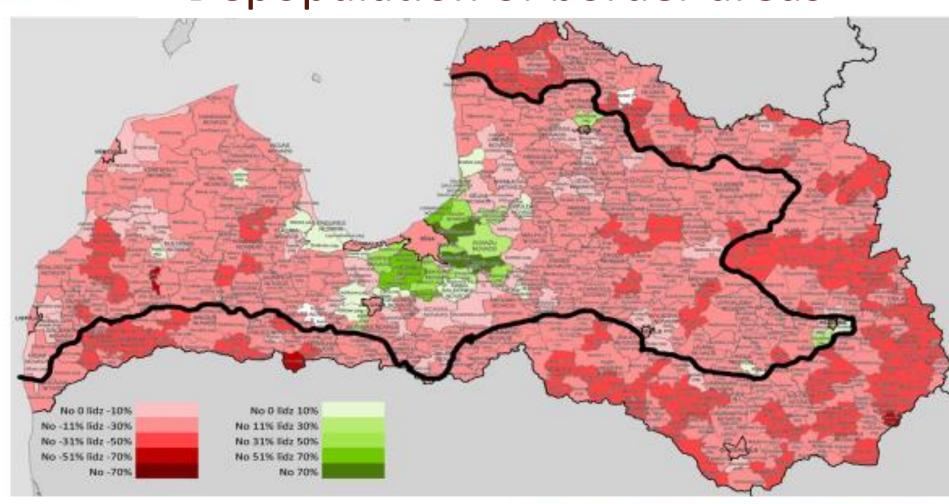


Situation in Latvia



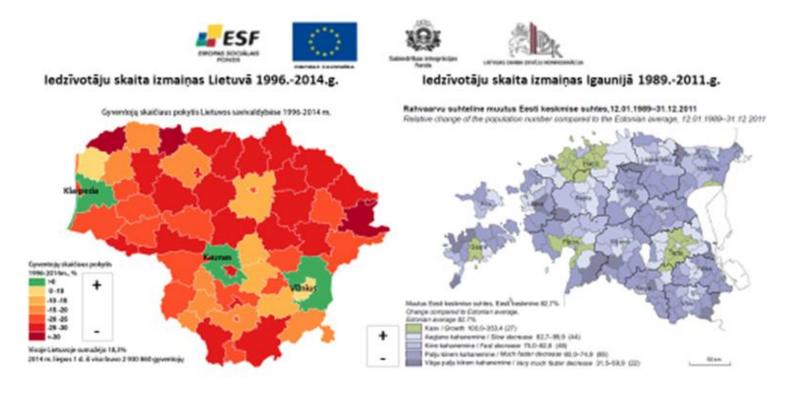
- Inhabitants in rural territories 31%, in urban 69%
- ~ 35 people per 1 km², in rural territories only 12
- 80% of investments in cities

Depopulation of border areas





More development centres in LT and EST

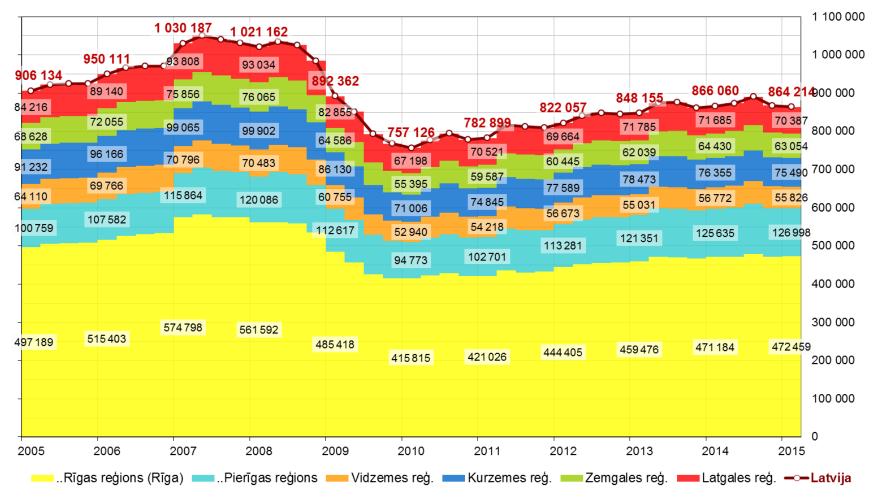


- Kaimiņvalstīs notiek tāda pati depopulācija un iekšējā migrācija virzienā no reģioniem uz centriem
- Šādu centru skaits Lietuvā ir 3, Igaunijā 4 (Latvijā tikai 1!)



2/3 of GDP and working places in Rīga and Rīga`s surroundings (Pierīga)

Aizņemtās darbvietas pa reģioniem.





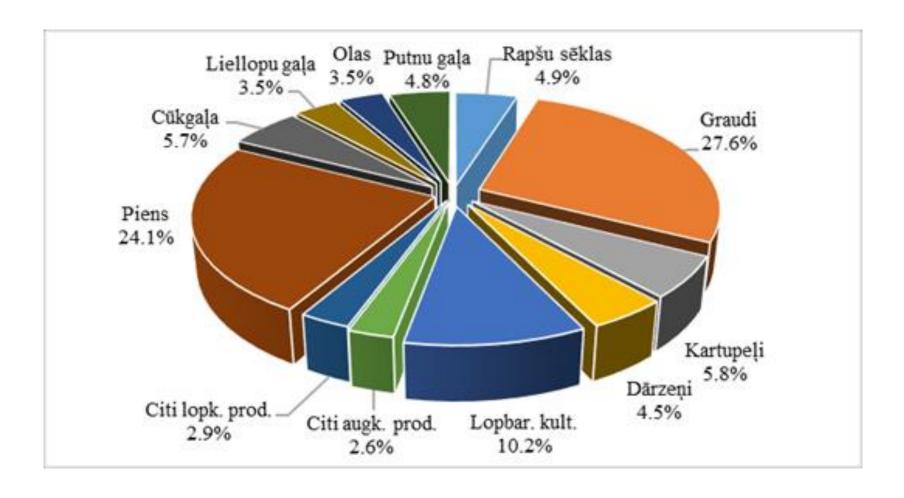
Rural Economics

- EU investments
- Technologies
- Increase of unemployment
- What to do?



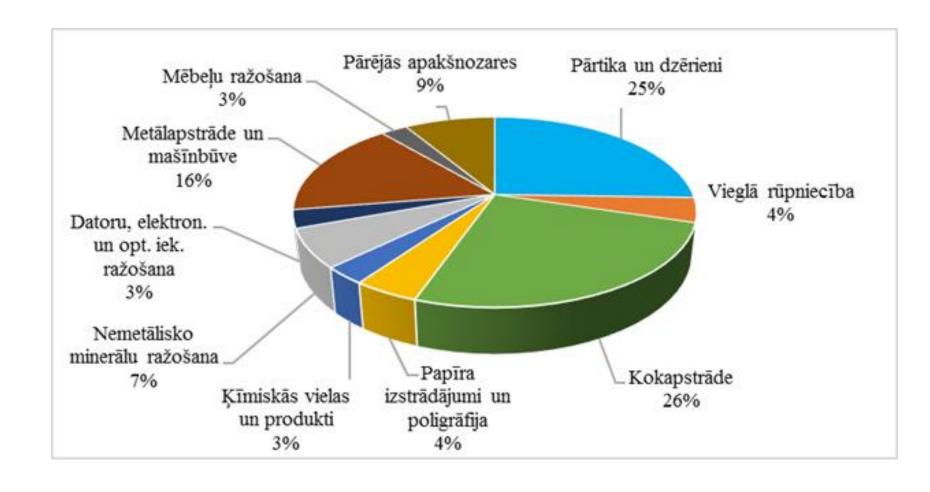


Agriculture





Processing industry



Possibilities of municipalities to facilitate entrepreneurship

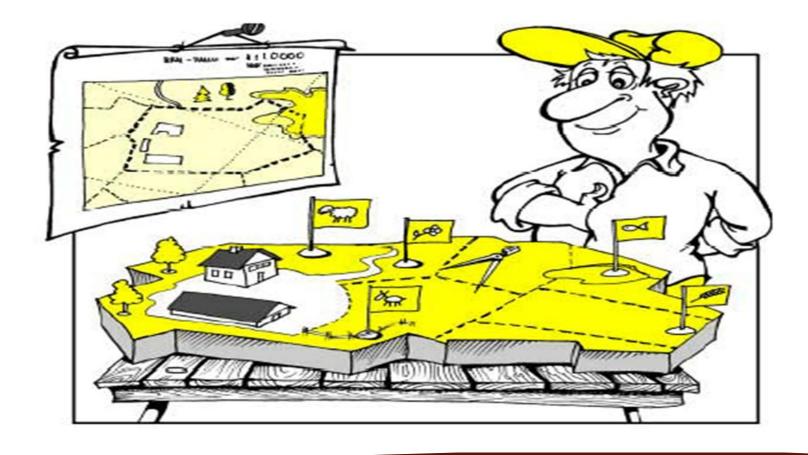
According to Paragraph 15 of Law «On Municipalities» one of the functions of municipalities is to facilitate economic activities in respective administrative territory and to take care of decrease of unemployment.

According to the Paragraph 1 of «Law on Commerce», economic activity is every systematic, regular activity with reimbursement.



Regulation of land use

Territory planning documents





Motivation of Municipalities

Financial:

80% of income tax

100% of property tax

Aim:

more wealthy people in area more expensive land



How to reach?

To improve standard of living:

security

necessary infrastructure

entertainment possibilities

To develop such plan of land use in order to satisfy inhabitants in total.

Were is planning of work places?



Initiative of municipalities to establish commercial enterprises

Challenge: low activity of entrepreneurs in sparsely populated areas, lack of workplaces, poverty in rural territories.

To allow municipalities to invest in current or to establish new enterprises in order to ensure working places un rural territories

Example: Italy



Social entrepreneurship

Challenge: current support system of entrepreneurship doesn't facilitate active involvement of socially excluded persons and low qualified labour force in the labour market.

It is necessary to develop social entrepreneurship forms in municipalities, state support is required for start up of business and facilitation. Persons with disabilities, persons at pre-retirement age group, etc.

Example: Netherlands, Finland



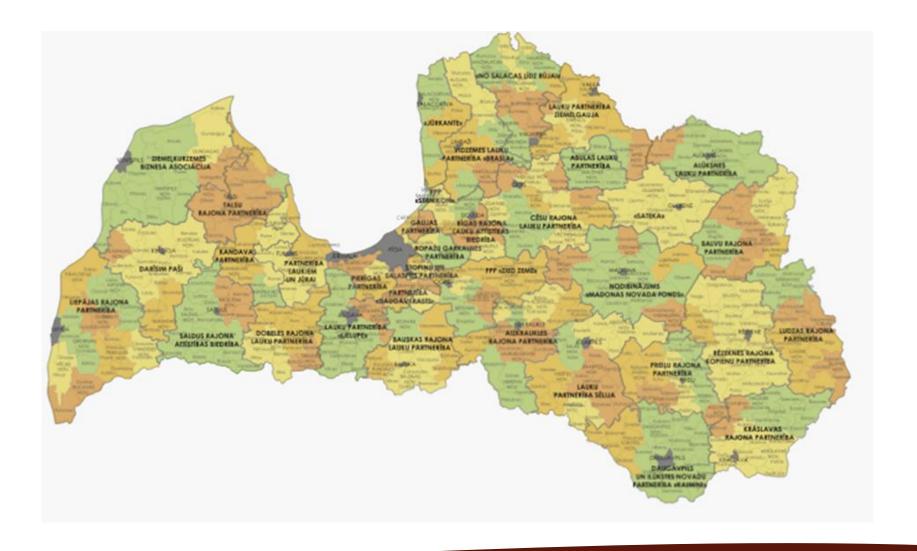
Cooperation is the daughter of poverty, but mother of prosperity

Challenge: there is a lack of knowledge, capacity and possibilities for support of entrepreneurship

There is a conjunctive element needed for cooperation in rural territories, for example, entrepreneurship consultant instead of rural consultant. Common marketing activities, cooperation in production of several products



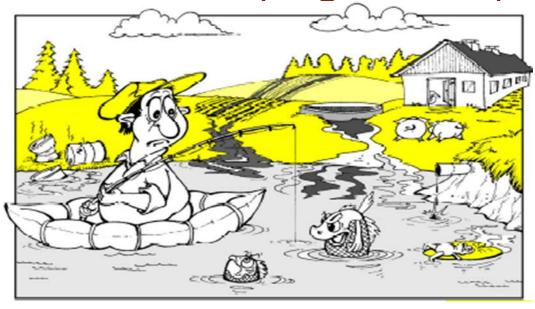
Common working - LAGs





Are there finances in rural areas?

- Budget (state and municipal)
- EU funds
- Special budgets (Road, Fish fund, State investment programme...)





Aims of programmes, activities

- To increase rural life quality
- To search for alternative employment possibilities





Let us manage to fulfil our dreams!

