

RIGHT PLACE, RIGHT PEOPLE
FOR YOUR BUSINESS



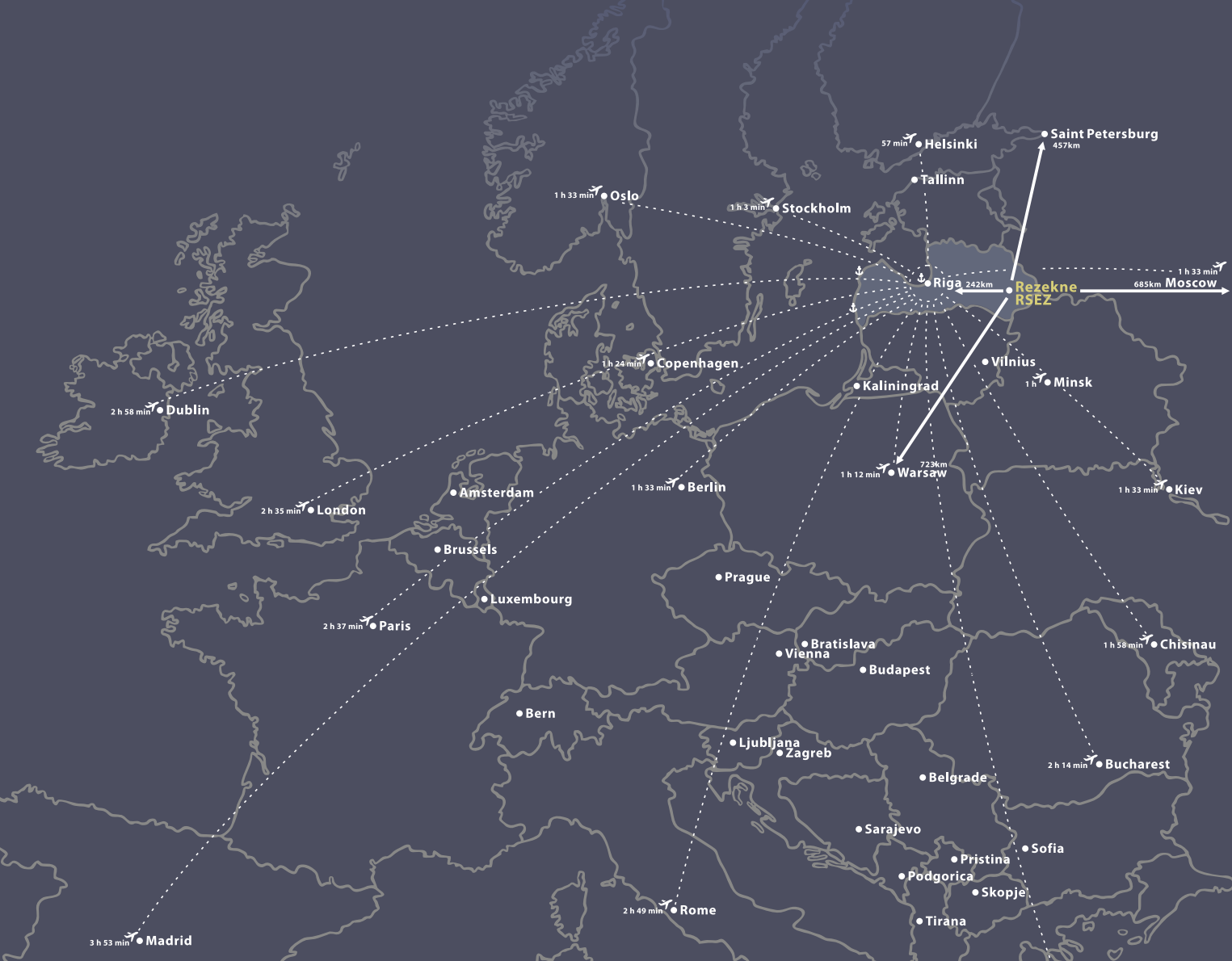
Rēzekne Special Economic Zone



RSEZ

Europe/ Latvia

www.rsez.lv

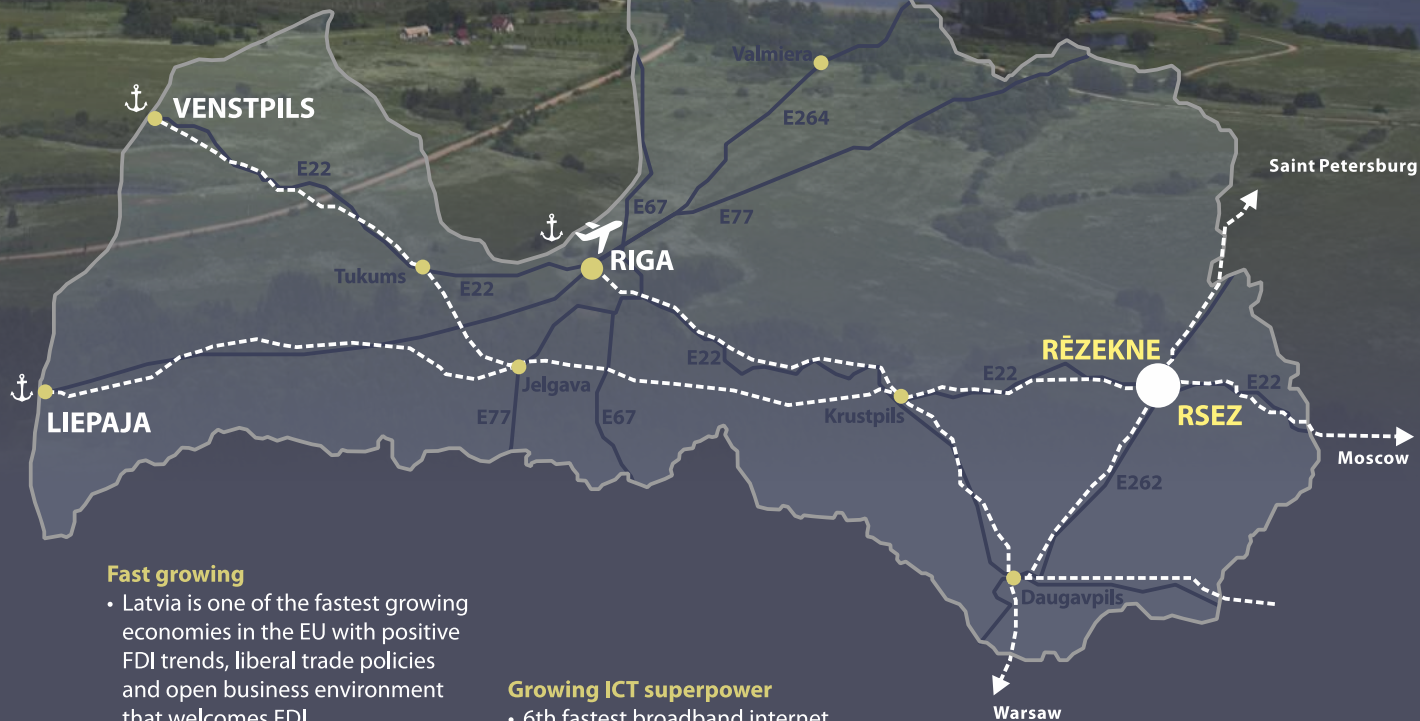


POPULATION: **1.9 million**
 CAPITAL: **RIGA**
 AREA: **64,589 km²**
 CURRENCY UNIT: **EURO**
 POLITICAL SYSTEM:
Parliamentary Republic

MEMBER OF:
European Union (since 2004)
Eurozone (since 2014)
OECD (since 2016)
WTO (since 1999)
Schengen area (since 2007)

LIFE EXPECTANCY AT BIRTH:
74.4 YEARS
 LANGUAGES SPOKEN:
LATVIAN 86%
RUSSIAN 63%
ENGLISH 27%
GERMAN 11%

PROFILE OF LATVIA



Fast growing

- Latvia is one of the fastest growing economies in the EU with positive FDI trends, liberal trade policies and open business environment that welcomes FDI

Among the best in doing business

- Latvia is among 20 economies within the top scores in the Ease of Doing Business Report 2017

Cost efficient

- Latvia has one of the most liberal corporate income tax policies in Europe with 0% tax rate on reinvested profit
- 4th lowest labour costs per hour in the EU
- 5 special economic zones (SEZ) and free ports provide significant tax incentives

Growing ICT superpower

- 6th fastest broadband internet connection in the world
- 3rd largest fin-tech cluster in Europe

Productive

- Latvia is among the leading European countries in regards to wage adjusted labour productivity

Multilingual

- 95% being able to speak at least one more language other than mother tongue
- 54% being able to speak at least two more languages other than mother tongue

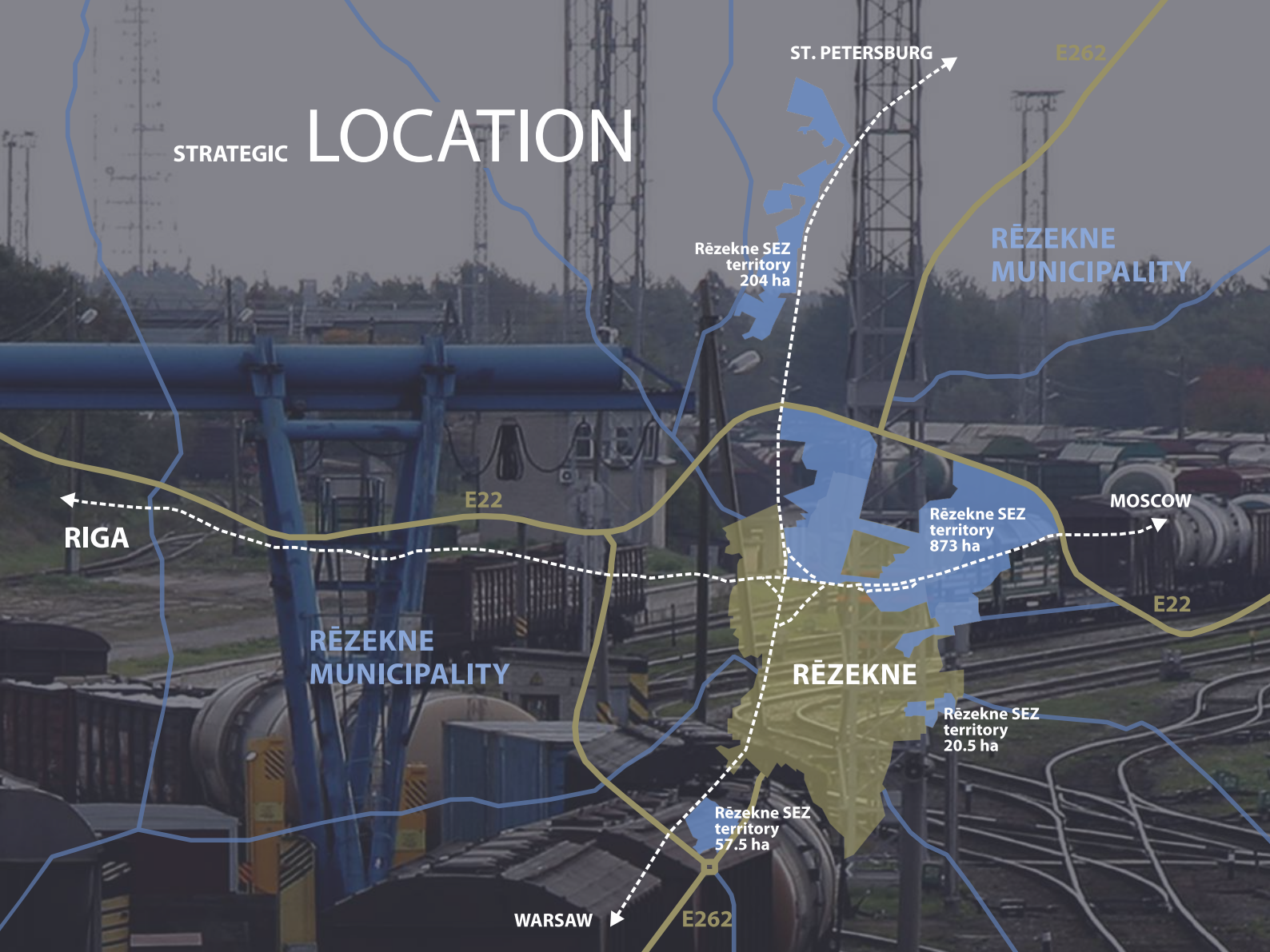
Innovative and Start-up friendly

- Possibility to launch an enterprise in one day
- Start-up tax regime with flat start-up tax rate
- €195.5 million support for innovation development

Green country

- 45% of the area is covered by forests
- 20 000 m³ of freshwater per person

STRATEGIC LOCATION



DISTANCES TO MAJOR CITIES:

RIGA – 242 km
VILNIUS – 264 km
TALLINN – 432 km
WARSAW – 723 km
MOSCOW – 685 km
ST. PETERSBURG – 457 km

DISTANCES TO MAJOR PORTS:

FREEPORT OF RIGA – 242 km
FREEPORT OF VENTSPILS – 422 km
PORT OF LIEPAJA – 448 km
PORT OF KLAIPEDA – 495 km

DISTANCES TO MAJOR INTERNATIONAL AIRPORTS:

RIGA – 251 km
VILNIUS – 281 km
KAUNAS – 298 km

STRATEGIC LOCATION



LOCATIONAL ADVANTAGE

- Direct access to international markets with more than 500 million consumers in the European Union (EU) and 270 million consumers in Russia and the Commonwealth of Independent States (CIS) countries
- Raw material resources and markets of Russia, the CIS and the Far East
- Excellent logistics and transportation connections to the EU, Russia and the CIS

TRANSPORT INFRASTRUCTURE

- East-West transit corridor – gateway to the East and the West
- Crossroads of the Trans-European Network motorways and railways
- Modern embarkation park at the railway station “Rėzekne-2”
- Railroad integrated into the railroad systems of Russia and the CIS
- Well-developed road infrastructure complying with the EU standards

ACCESS TO FREE TRADE

- EU Customs Union – single trading area with uniform customs policy and united system of customs duties on imports from outside the EU, in which all goods circulate freely
- European Economic Area with more than 31 countries and market size of 585 million consumers that provides for common external tariffs on all goods entering the area

SIX REASONS TO CHOOSE

RĚZEKNE SEZ



1 LOCATION

Location in the crossroads of international transport corridors with direct access to international markets

4 TAX INCENTIVES

Tax incentives available in Rězekne SEZ and other state aid measures

2 COSTS & RESOURCES

Competitive operating costs and availability of resources

5 OWNERSHIP OF LAND

Possibility to acquire land in ownership in the territory of Rězekne SEZ

3 HUMAN RESOURCES

Skilled and well-educated labour force

6 RĚZEKNE SEZ

AUTHORITY SERVICES

Tailor-made and aftercare services of Rězekne SEZ
Authority for zone enterprises



WHY RĒZEKNE SEZ?

RĒZEKNE SEZ – PLACE THAT
DEVELOPS IN STEP WITH
TIME, FORWARD THINKING
PEOPLE

REMARKABLE GROWTH FOR RĒZEKNE SEZ ENTERPRISES

- 20,5 % annual increase of turnover
- 25,4 % annual increase of profit
- 16 % of international enterprises plan to expand their presence within next two years

1155 ha INVESTMENT AREAS

Rēzekne SEZ is the largest multi-sectoral industrial territory in Eastern Latvia, where business activity may be conducted under preferential terms of state aid provided by the Latvian government

- Existing industrial facilities
- Areas equipped with technical infrastructure, but without buildings
- Greenfield areas

RĒZEKNE SEZ AUTHORITY SERVICES

Rēzekne SEZ Authority provides support and personalized services to more than 100 enterprises per year based on its 20 years of experience in administration of state aid

- Consultations on state and regional business incentives
- Site selection and visits
- Connection to regional service providers
- Information on the business environment and incentives in Rēzekne SEZ

SUPPORT FOR INVESTORS

INCENTIVES

Rēzekne SEZ offers a notable return of investment through a very favourable tax environment, competitive operating costs, diverse labour force and other preeminent benefits



100%

**Real estate tax relief
up to 100%!**



80%

**Corporate income tax relief
of 80%!**



55%

**Return of investment costs
in tax incentives up to 55%!**

Taxation in Rēzekne SEZ:

Corporate Income Tax applicable on dividends **4%***

Immovable Property Tax **0.3-0%****

Taxation in Latvia:

Corporate Income Tax applicable on dividends **20%**

Immovable Property Tax **1.5%**

Since 2018 corporate income tax for reinvested profit in Latvia is 0%, while corporate income tax rate of 20% in Latvia and 4% in Rēzekne SEZ is applicable on dividends

80% immovable property tax is guaranteed by the law, additional 20% discount can be granted by the local municipality

RĒZEKNE CITY COUNCIL

www.rezekne.lv

- Incentives of SEZ
- Immovable property tax incentives
- Projects for development of public infrastructure
- Public utilities for the inhabitants

RĒZEKNE MUNICIPALITY COUNCIL

www.rezeknesnovads.lv

- Incentives of SEZ
- Immovable property tax incentives
- Projects for development of public infrastructure
- Improvement of road infrastructure

DEVELOPMENT FINANCE INSTITUTION "ALTUM"

www.altum.lv

- Loans
- Credit guarantees
- Export guarantees
- Venture capital

RĒZEKNE BUSINES INCUBATOR OF LIAA

www.liaa.gov.lv

- Pre-incubation support
- Grant program
- Innovation vouchers
- 50% support for external services

STATE EMPLOYMENT AGENCY OF LATVIA

www.nva.gov.lv

- Support programs for training of employees
- Assistance in staff recruitment

SUPPORT FOR INVESTORS



FOR INVESTORS

HUMAN

RESOURCES

Rēzekne SEZ is situated in a growing and vibrant region of Eastern Latvia that consists of over 270 000 inhabitants – responsible, educated and professional labour force



Population of Rēzekne:

30 810 (in 2017)

Population of Rēzekne

Municipality: **27 848 (in 2017)**

Population of the city and
surrounding municipalities:

almost 85 000

Latgale region:

270 000 (in 2017)

Competitive labour costs and productivity

Latvia has 4th lowest labour costs per hour in the EU, furthermore labour costs in Rēzekne are among the most competitive in Latvia

Latvia is among the leading European countries in regards to wage adjusted labour productivity (Eurostat, 2016)

Quality of labour

95 % being able to speak at least one more language other than mother tongue

54 % being able to speak at least two more languages other than mother tongue

One of the highest university enrolment rate in the world (67%, gross enrolment rate)



RĒZEKNE ACADEMY OF TECHNOLOGIES

- Bachelor, master and doctoral study programs
- 55 curriculars, 1900 students
- Particular specialisation in technical sciences – 36% of full time students study in engineering faculty
- One of the most modern study laboratories in Latvia and the Baltic states in areas of laser technologies and mechatronics



RĒZEKNE TECHNICAL SCHOOL

- Vocational education
- 18 curriculars including wooden article manufacturing, motor transport, construction works, marketing, food product technology, catering services, IT systems, programming, energy industry and electrical engineering, administrative and secretary services, interior design, hotel services
- Around 900 students



LIFELONG LEARNING

- Rēzekne SEZ enterprises can take advantage of support, training and employment programs financed from European Union funds or state support programs of Latvia
- State Employment Agency and State Education Development Agency of Latvia provides educational programs and courses for adults in a variety of subject areas

QUALITY OF LIFE



NATURE IN FOUR SEASONS

- With over 40 % of its territory covered by forests, a vast network of free-flowing rivers and thousands of lakes, Rēzekne Municipality is one of Europe's best-preserved havens for a wide variety of wildlife
- Pleasant climate with a pronounced change of seasons – blush of spring, blossom of summer, flame of autumn, sparkle of winter – yield succession of the delightfulness

- Lake Lubāns Wetland is a unique natural complex of European and global significance with many rarities, such as the black stork and lesser spotted eagle (more than 250 bird species)

TOURISM CENTRE FOR THE LAND OF BLUE LAKES

- More than 1000 lakes are located in Latgale region
- The largest lake in Latvia – Lake Lubāns (82,1 km²) and the second largest – Lake Rāzna often referred to as the Sea of Latgola, are the pride of the Latgalian land of blue lakes

- Water Tourism Centre Bāka in Lake Lubāns wetland – new and facilitated place for enjoying sports and culture activities such as tennis, volleyball, water skiing, kite surfing, fishing, swimming bird watching (6 bird watching towers) etc.
- Lake Rāzna and the third highest hill of Latvia – Lielais Liepukalns (289 m above sea level) are tourist attraction objects of the national scale with their stable position on the tourism map of Latvia



RĒZEKNE CITY AND MUNICIPALITY – HEART OF LATGALIAN CULTURE

Longstanding traditions of craftsmanship, pottery, woodcarving, strong faith and diligence – these are the traditional values of our region

First acoustic concert hall in Latvia – the Embassy of Latgale “GORS”, which is still considered the best by many world-known musicians

Centre of creative services “Zeimuls” for children and youth activities with unique architecture and one of the largest green roofs in the Baltic States

Lūznava Manor – Art Nouveau gem of Latgale region offers permanent and temporary exhibitions, concerts for all tastes, space for creative workshops and guided tours for visitors

Latgale Pottery Days, the largest permanent exhibition of Latgalian ceramics in Latvia “The miracle created by clay and fire transformation”, as well as more than 30 Latgalian pottery workshops recognised as European Tourism Destinations of Excellence (EDEN 2008)



POWERFUL **LATGALIAN IDENTITY**

RĒZEKNE SEZ AWARDS AND EXAMPLES OF EXCELLENCE



fdi
FREE ZONES
OF THE YEAR
2017

COMMENDED FOR:

INFRASTRUCTURE UPGRADES



fdi
FREE ZONES
OF THE YEAR
2017

COMMENDED FOR:

EXPANSIONS

“VEREMS”

Plywood mill “VEREMS” produces unique large format birch plywood in size 7' x 13', which is the largest birch plywood in the world. Birch plywood produced in “VEREMS” is exported to Europe, USA, Japan and many other countries of the world.

“LEAX Rēzekne”

“LEAX Rēzekne” produces spare parts for automotive, mining and machine building industries. The main partners of the company are such world known brands as Volvo, MAN, Scania, Meritor, Atlas Copco, Sandvik Mining & Construction.

“NewFuels”

Industrial pellet production company “NewFuels” – the largest producer of industrial wood pellets in the Baltic States with production capacity over 240 000 tonnes per year. In 2017 “NewFuels” has received Export and Innovation Award of Investment and Development Agency of Latvia.

**Rēzekne Special Economic
Zone Authority**

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RSEZ

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