

Access to EU market ^{450 Million people}

Capital: **Riga**

Population: **1.9 million**

Language: **Latvian**

95% - speak 1 foreign language
53% - speak 2 foreign languages

GDP: EUR 43.0 B (2025)

Unemployment: 6.9% (2025)

Average salary: 1'815 EUR/month (gross)

Defence budget: 4.9% of GDP (2026)

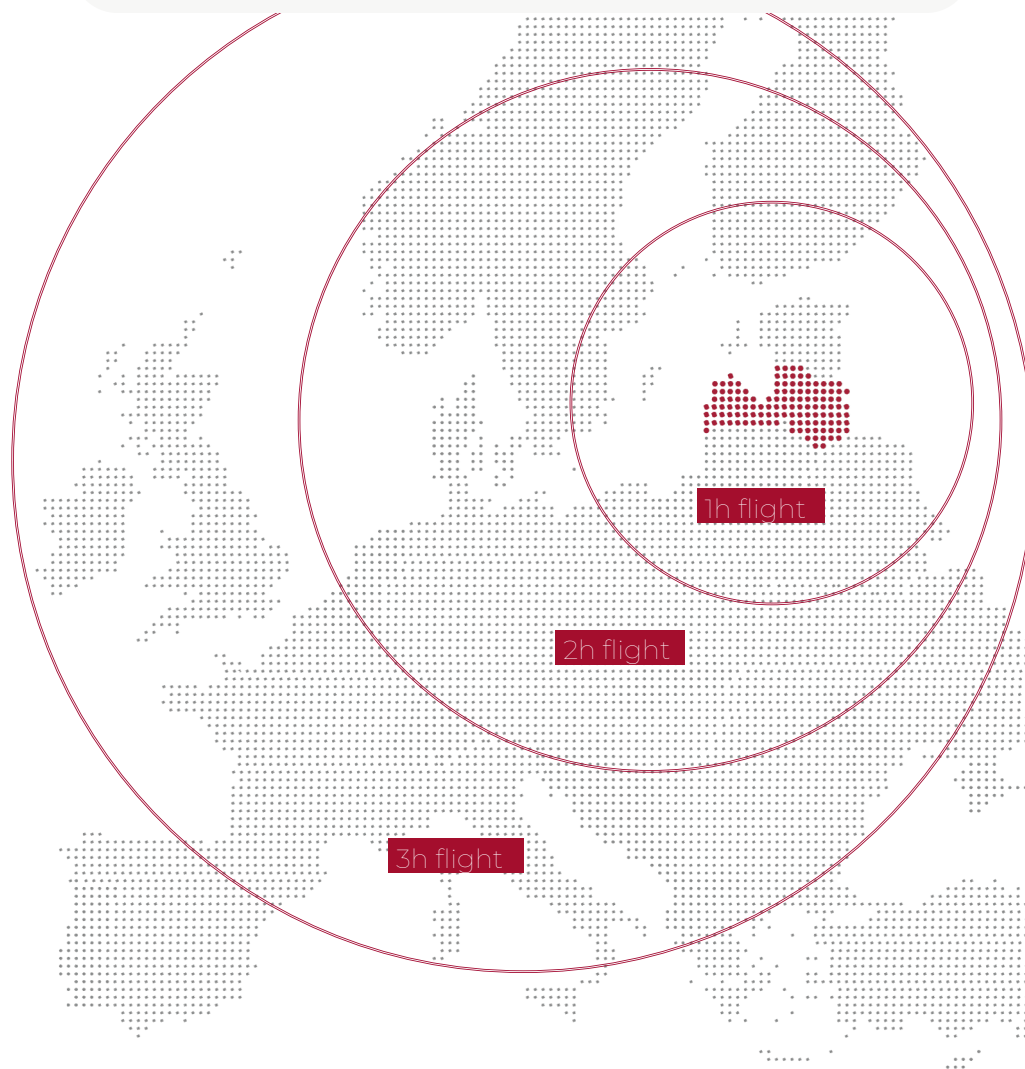
S&P Credit Rating: **A**

Moody's Rating: **A3**

Reliable business environment

Latvia elected to the

UN Security Council (2026–2027)



Latvia's Defense Innovation Ecosystem

Latvia's Innovation Hub for Defense

Latvia has launched the Autonomous Systems Competence Center, a national hub uniting innovation, research, and defense procurement. **With at least €100 million earmarked by 2026 for drone and counter-drone capabilities**, the center provides a strong platform for collaboration with allies and industry. It connects directly to the operational needs of the armed forces, ensuring that cutting-edge technologies are rapidly tested and deployed.

From Training to Innovation: Selonia as the Baltic Region's Largest Testbed

The Selonia military training area, planned to span over ~25 600 hectares (~63 200 acres), **is set to become one of the largest and most advanced defense ranges in the Baltics**. As part of its development, a dedicated drone training and testing facility was opened in 2024, **offering a real-world environment to validate unmanned and counter-drone systems**. With full development planned through 2030, Selonia is positioned to become a key strategic hub for NATO readiness and next-generation defense innovation.

5G Military Test Site

Located at Ādaži Military Base and supported by mobile laboratory setups, **the site enables flexible, real-world testing of autonomous systems, AI-driven solutions, and battlefield management systems**. The test site has been validated by NATO's Allied Command Transformation (ACT), the Latvian MOD, and major defense industry partners. Key features include a fully equipped 5G infrastructure, customizable network capabilities, and comprehensive measurement systems—all within a strategic defense innovation environment. This hub offers foreign and domestic partners alike a ready and certified platform to pilot next-generation defense technologies in a NATO-aligned context.



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The Investment and Development Agency of Latvia serves as the primary contact point for cooperation and partnerships in the dual-use and defense sectors.

Where NATO resilience meets innovation:
Latvia = a nation investing boldly in defense and shaping tomorrow's security



Latvia for Business: Open, Fast, Competitive

2nd International **Tax Competitiveness Index** 2024 (Among OECD countries)

1st Corporate **Tax Rate** Index 2024 (Among OECD countries)

0% Corporate income tax on reinvested profit

96% Public services for businesses are digital, EU average - 86% (% of EU target, DESI 2025)

EID - 98% Companies sign documents digitally



Investment and Development Agency of Latvia

Fast track initiative

A special fast-track mechanism that **removes administrative barriers** for defense and dual-use projects, ensuring speed and efficiency.

Latvia based companies in the defense sector have access to a broad spectrum of EU funding and national support programs for capital investments, infrastructure development, R&D - **as the EU plans to invest up to €800 billion in defense by 2030.**



Latvia is a NATO and EU frontline state with direct access to a market of over 450 million consumers, a strategic location at the crossroads of Europe, and full access to EU funding for defense and dual-use R&D and manufacturing

Latvia for Defense: Dual-use. Resilient. Industrial.

TheLatvian government has committed to allocating up to **5% of Latvia's GDP** to defense by 2026. Latvia is a **TOP 3 NATO** country for defense expenditures as % of GDP in 2025

More than **€1.17 billion** planned for military infrastructure by 2036.

Latvia plans to invest at least €100 million in the drone industry in 2026, strengthening national capabilities and supporting defense innovation.

Baltic and Eastern European region recognized as a critical defense hub, backed by strong government support for local defense industries, ensuring long-term policy stability



Latvia's frontline position in European security ensures fast and reliable supply routes for NATO forces and regional defense partners and Latvia also hosts the NATO Strategic Communications Centre of Excellence.

Latvia offers a unique testing polygon for drones, counter-UAS, and electronic warfare systems — including guaranteed free test slots for local industry at a 98,800-acre range, as well as a dedicated drone corridor supporting testing and real-world operational validation.

The Latvia–Rheinmetall AG partnership marks a decisive step toward establishing large- scale ammunition manufacturing capacity.



Latvia leads the Drone Coalition — turning innovation into action and making unmanned systems matter where it counts most



Industry Spotlights

Redwire Defense Tech Riga

Redwire Defense Tech Riga provides UAS and ISR optics to ~80 countries around the world. With production and flight operations in both the United States and Latvia, the company has supplied the U.S. military and supported global missions for more than two decades. With deep roots in Latvia, Redwire Defense Tech Riga has reinforced the country's role in Baltic and global defense markets.

<https://rdw.com>

Origin Robotics

Origin Robotics designs and builds hardware to empower software-dominant solutions, poised to disrupt the dynamics of today's battlefield. The company replaces fighter planes with cost-effective drone technology to deliver and guide munitions. It leverages computer vision and AI to turn conventional munition rounds into precision-guided munitions.

<https://origin-robotics.com>



LMT Defence

LMT Defence, part of Latvian Mobile Telephone, specialises in the development and integration of advanced defense technologies. As a key partner of the Latvian MoD, it launched Europe's first 5G military test site in 2020. It delivers cutting-edge solutions, including a Battlefield Information Management System, 5G-enabled UAVs, and other military tech.

<https://defence.lmt.lv>

Belss/ Eraser

BELSS, Latvia's leading defense integrator, provides telecom, engineering, and construction solutions since 1994. Its daughter company, ERASER, develops advanced military UAVs for ISR, target tracking, and precision strikes. Together, they deliver cutting-edge defense technologies combining secure communications and autonomous aerial systems.

<https://www.belss.lv>



SAF Tehnika

SAF Tehnika JSC is an RF data transmission equipment designer and manufacturer with a global presence in over 130 countries. SAF designs and manufactures top quality microwave radios, a series of the world's smallest microwave spectrum analyzers Spectrum Compact, and solutions for wireless environmental monitoring under the brand name Aranet.

<https://saftehnika.com/>

