



USAID
FROM THE AMERICAN PEOPLE

COUNTRY PROFILE

Latvia

APRIL 2008

OVERVIEW

The primary goal of the United States is for Latvia to play a positive and stabilizing role in an integrated Europe and to participate fully in regional



Riga

political, economic and security structures. The 1998 U.S.-Baltic Charter spells out the fundamentals of U.S. bilateral relationships in the Baltics and establishes institutional mechanisms to support sovereignty and free markets, promote respect for human rights and the rule of law, and strengthen security ties. Latvia joined both the North Atlantic Treaty Organization and the European Union (EU) in 2004.

Between 1990 and 1999, USAID delivered more than \$57 million to support Latvia's transition to a market-oriented democracy. Aid from the American people focused on economic and democratic reform, promoting the rule of law, improving health care, and energy conservation. Although the USAID Mission in Riga closed its doors in 1999, the legacy of USAID development assistance has endured.

PROGRAM LEGACY

INVESTMENTS FURTHER DEMOCRACY AND ECONOMIC PROGRESS

The Baltic American Partnership Fund, jointly funded at \$15 million for a ten-year period by USAID and the Soros Foundation, has provided resources to ensure that NGOs provide a lasting legacy for democratic and civil society development in Estonia, Latvia and Lithuania. The Fund will close-out in 2008.

The Baltic American Enterprise Fund (BaAEF) was established with a \$50 million USAID endowment in 1995 to promote private sector business. Through the infusion of new capital resources, BaAEF assisted in the development of the small and medium enterprise sector in Estonia, Latvia, and Lithuania. As a financial partner for growth-oriented companies, entrepreneurs, and new homeowner families, the Fund has helped to fuel economic development and the emergence of a middle class throughout the Baltic States.

LATVIA SNAPSHOT

Capital: Riga
Population: 2.259 million
GDP per capita: \$16,000
(purchasing power parity)

For more information,
see www.usaid.gov
Keyword: Latvia



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COUNTRY PROFILE CONTINUED

PARTNERSHIPS TO MAXIMIZE ENERGY EFFICIENCY

With USAID support, Latvia joined the Regional Energy Efficiency program which integrates the three Baltic national utility companies and has increased energy efficiency, improved energy sector coordination, and made energy more affordable by restructuring pricing systems to more accurately reflect the market value of electricity and power.

POST-PRESENCE RELATIONS

A SUSTAINING PARTNERSHIP FOR REGIONAL DEVELOPMENT

Latvia possesses a unique relationship with the United States. As a graduate of American foreign assistance, Latvia is eager to share the lessons learned from its transformation experience with other countries transitioning to a free-market democracy. A relatively new member of the EU, Latvia is keen to establish its own foreign assistance program, having created an organizational unit within its Ministry of Foreign Affairs. USAID is exploring opportunities for collaboration with Latvia to promote democracy and economic growth in the region and elsewhere in the world.

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