



BUSINESS ENVIRONMENT IN DAUGAVPILS

Economic development of Daugavpils has been historically defined by its geographic location

First railway was constructed in Latvia, 1861
Saint-Petersburg – Daugavpils – Warsaw



Strategic location at the Eastern border of the European Union Cross point of East Baltic

Distance to the borders:

Lithuania – 25 km
Belarus – 35 km
Russia – 120 km



*Important cross-border
center of industry,
transportation, commerce,
services, education, culture
and tourism.*



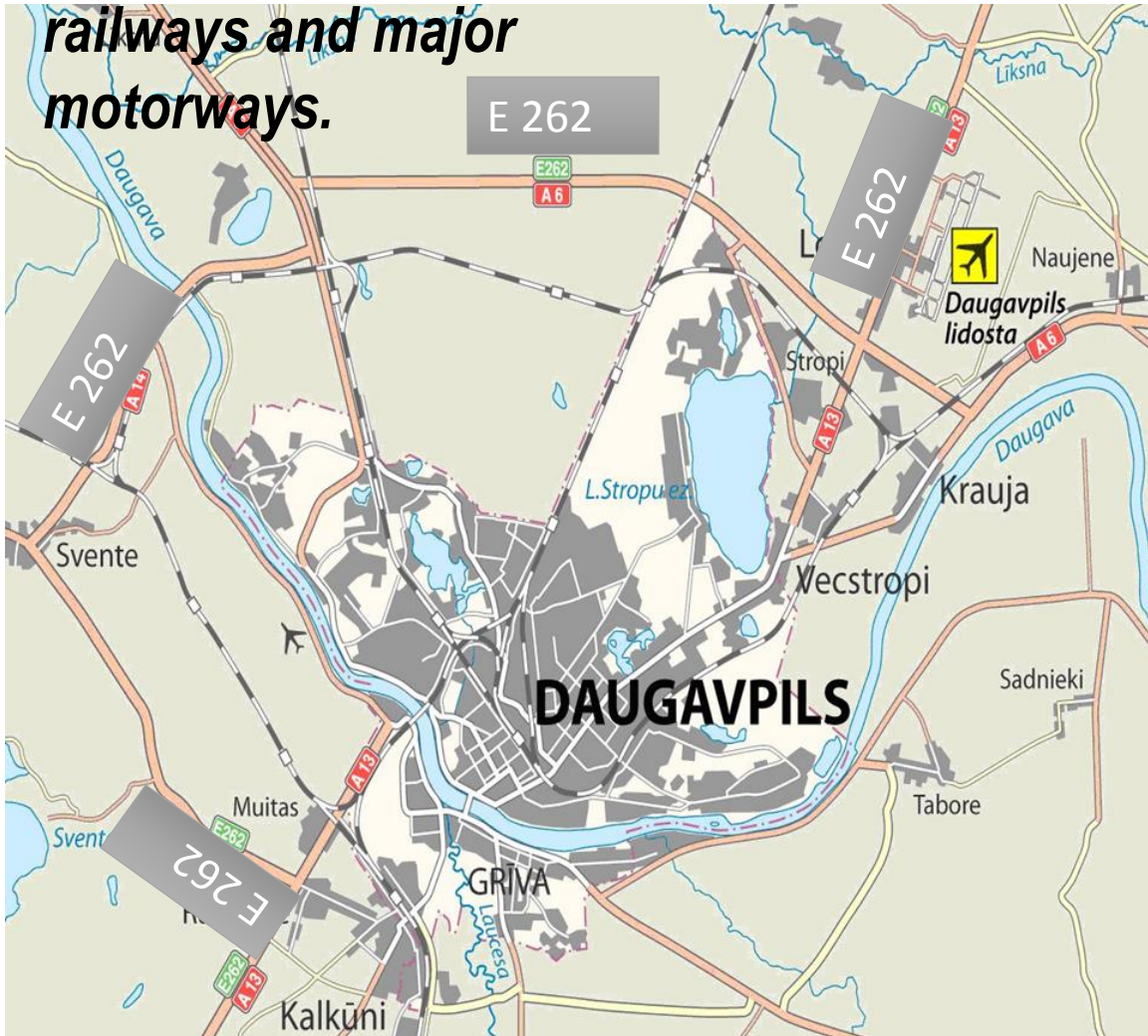


Distance to major international cities:

- Riga – 229 km
- Port of Riga – 235 km
- Port of Ventspils – 404 km
- Port of Liepaja – 426 km
- Moscow – 750 km
- St. Petersburg – 665 km
- Stockholm – 634 km

Daugavpils strategic location

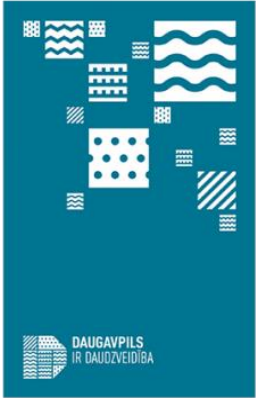
Regional cluster of railways and major motorways.



Crossed by:

- TEN-T motorway E262
Kaunas (LT) – Daugavpils – St. Petersburg (RUS)
- Motorway A6 Riga –
Daugavpils – Vitebsk
(Belorussia)
- 5 cargo railway lines
- 2 passenger railway lines
- 15 international bus lines

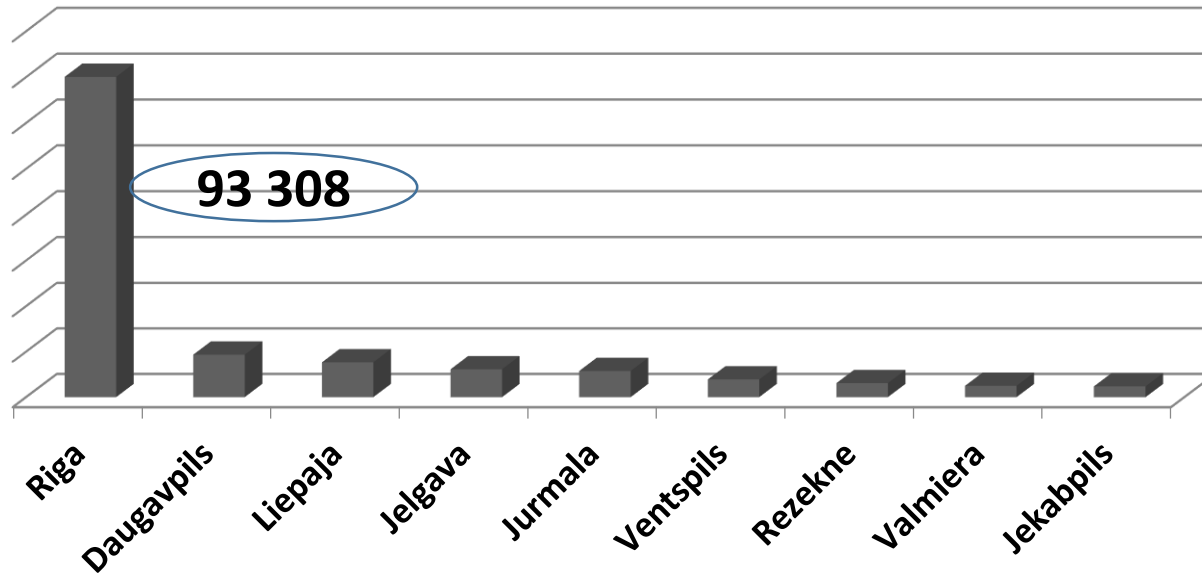
City Facts. Economics



Daugavpils city agglomeration – about 130 000

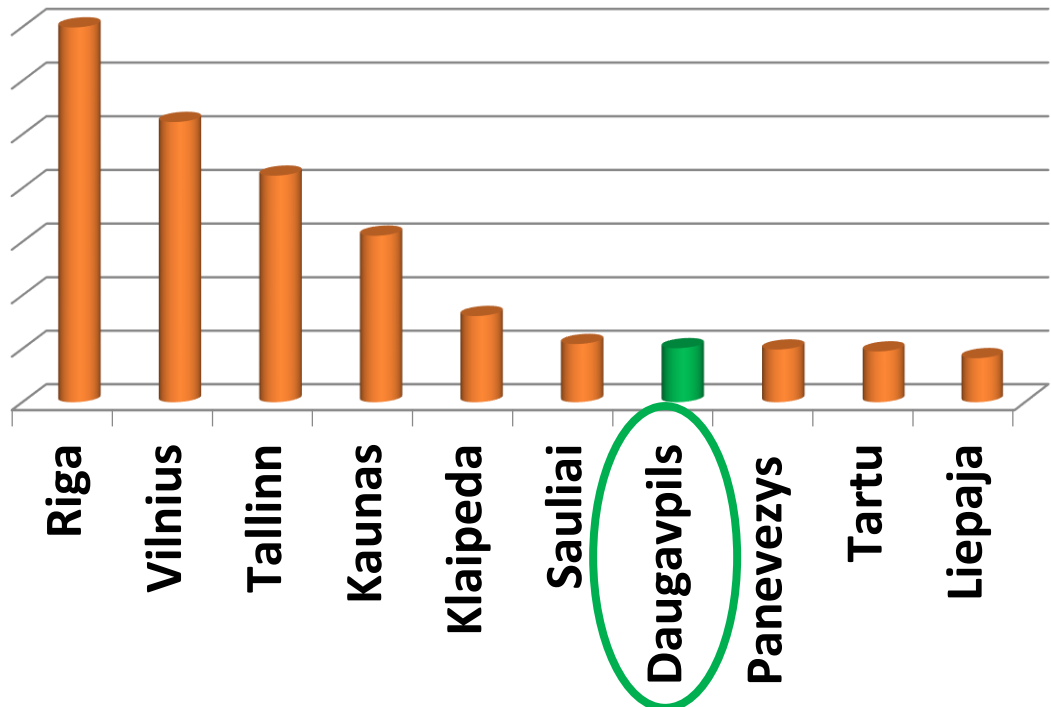
Latgale region –about 300 000

City facts.
Population





Largest Cities of the Baltic States



Competitive Education

City facts.
Education.
City of students



7000 students (2018/2019)



6 higher education institutions



5 professional schools and 2 colleges



Competitive Education

Prepare the following specialists:

- *Lawyer*
- *Construction manager*
- *Computer Systems Specialist*
- *Power and Electrical Engineering Specialist*
- *Engineer, mechanical and mechanical engineering specialist*
- *Heat, gas and water technology specialist*
- *Manager of Transport and Business Logistics*

etc.



Daugavpils University

**Business, Art and technologies
high school «RISEBA»**

Rīga Technical University

**Institute of Transport
Communication**

Baltic International Academy

Riga Aeronautical Institute

DEVELOPMENT OF DAUGAVPILS UNIVERSITY

Laboratory building for natural and technical sciences - the most contemporary equipped in Baltics

Daugavpils academic and research potential is further developed at multitude of research institutions under the Daugavpils University.



Competitive Education

Preparing skilled employees in the following professions:

- *Car mechanic*
- *Computer Systems Technician*
- *Railway Transport Automation, Telematics and Communications Technician*
- *Rail Traffic Organization and Traffic Safety Technician*
- *Electrical engineer*
- *Locomotive farm technician*
- *Metalworker*
- *Railways Technician*
- *Vehicle wagon technician*
- *Finishing work technician*
- *Construction worker*
- *Autoelectrician*

etc.



Professional Education
Competence Centre Daugavpils Technical
school

Professional Education Competence
Centre Daugavpils Construction
Technical School

Daugavpils Professional Trade School

Daugavpils Music Secondary School

Professional Education Competence
Centre Daugavpils Design and Art
Secondary School

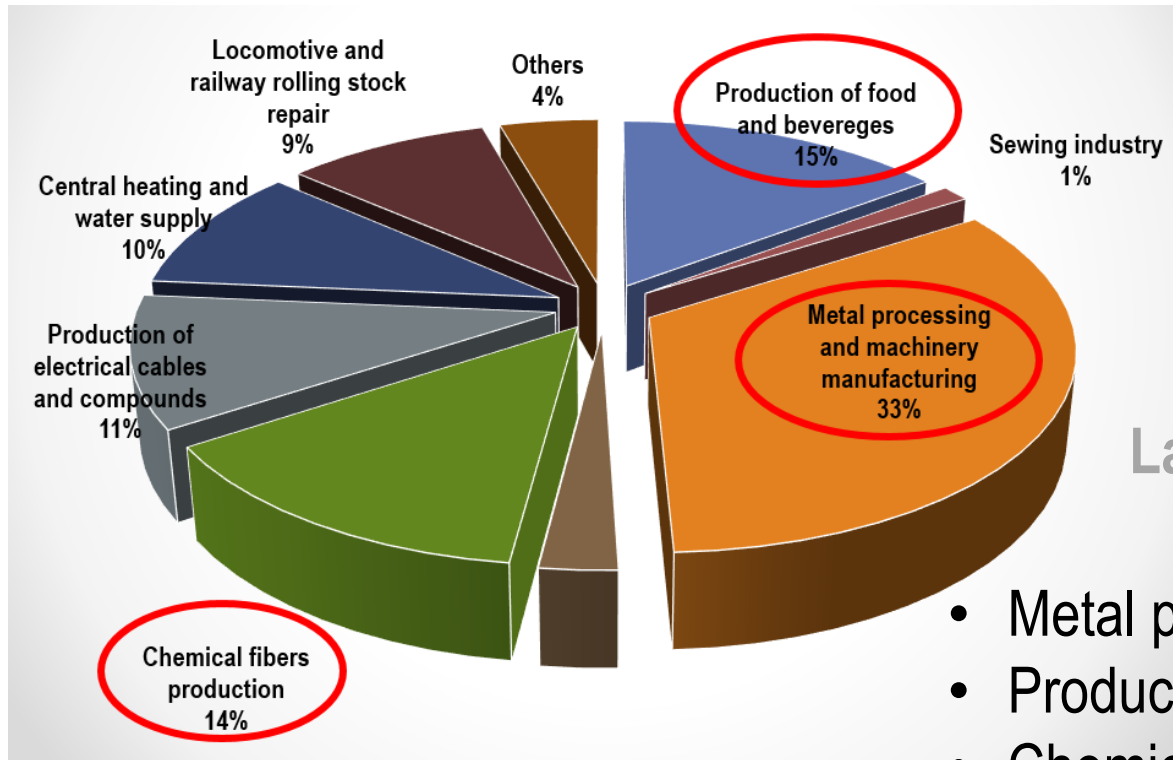
Daugavpils Medical College

City Facts. Employment and Employers. Production



Industrial Structure in Daugavpils City, 2017 %

(Data of Development Department of Daugavpils City Council), %



Largest production sectors of Daugavpils

- Metal processing
- Production of food and beverages
- Chemical fibers production



34%



14%



15%

Largest foreign enterprises operating in Daugavpils:

«Daugavpils Lokomotīvu
remonta rūpnīca»
locomotive and railway rolling
stock repair service



«Regula Baltija»
production of devices
for authenticity control
of security papers



“Zieglera mašīnbūve”
machine construction and
automotive technology
(agricultural machinery,
parking sensors)



«Axon Cable»
manufacturing of high
quality cables



«Nexis Fibers»
production of polyamide
technical yarns
(Switzerland)



«East Metal»
metal constructions –
welding, surface
treatment

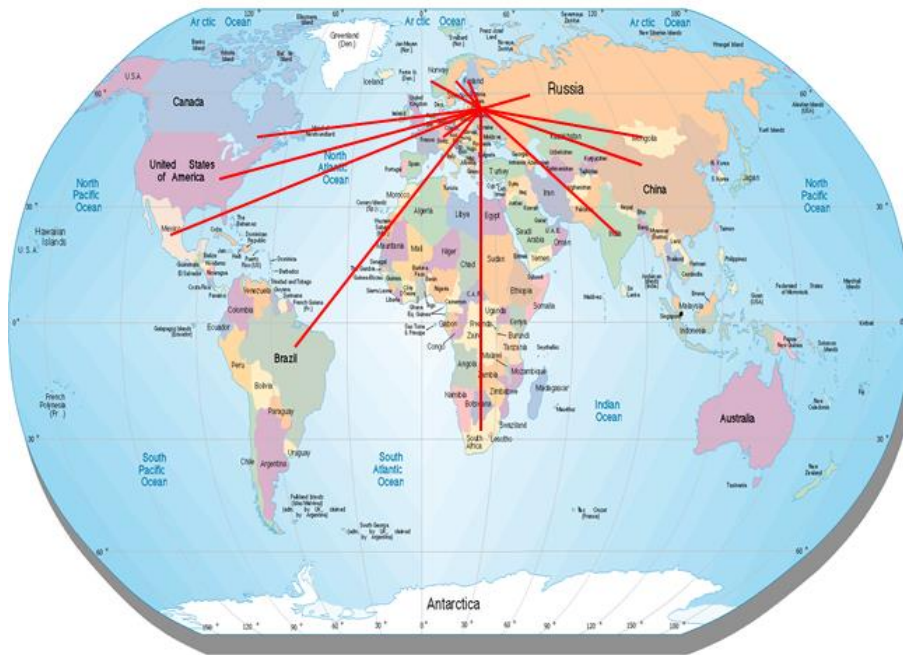
«Centennial Industries»
production of stationery



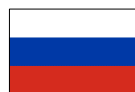
«Belwood»
wooden boards and
pallets (Belgium)

Export

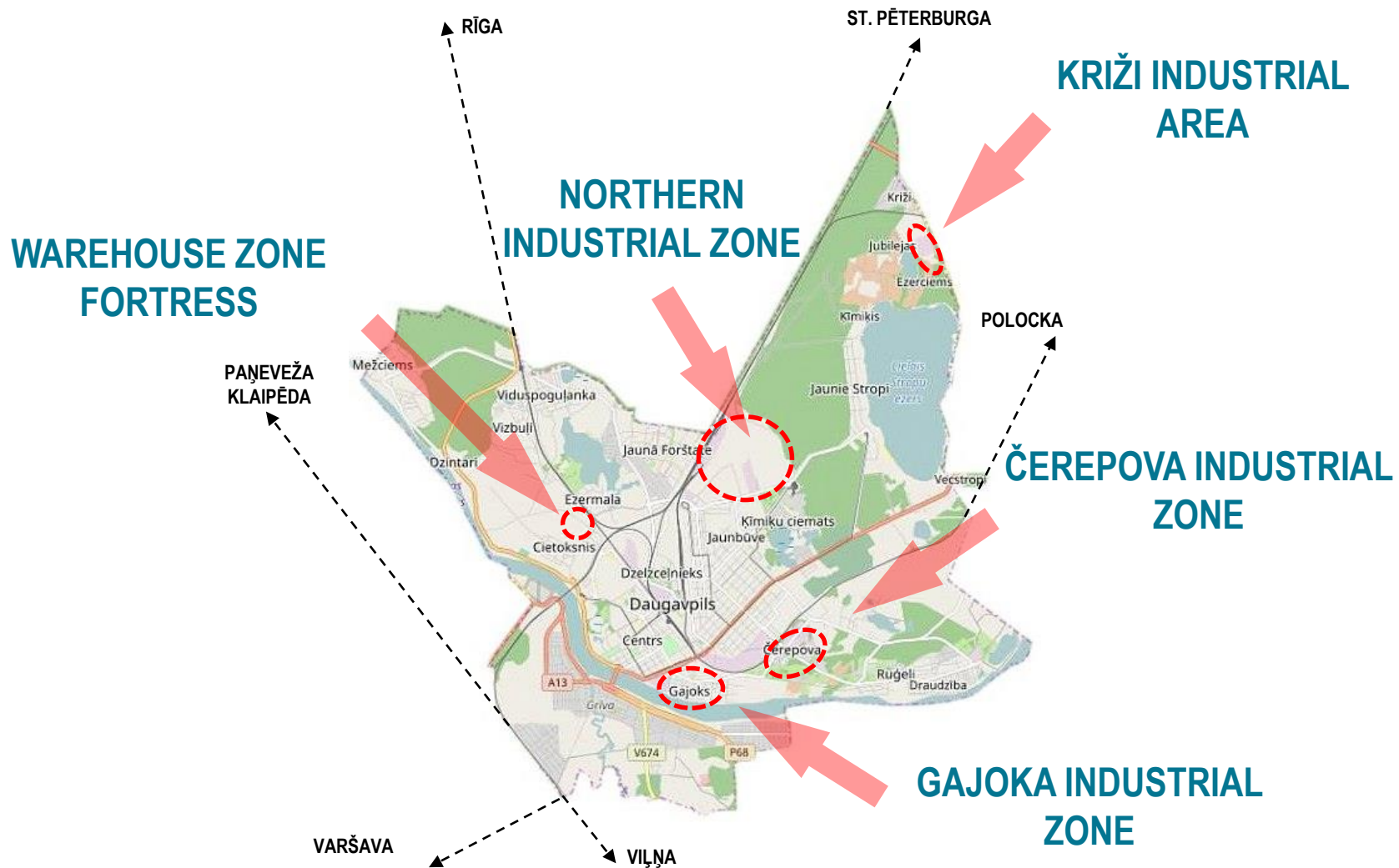
- «Axon Cable»
- «Magistr»
- «Nexis Fibers»
- «Regula Baltija»
- «Zieglera mašīnbūve»
- «CCT»
- «EU-Trader»
- «EURO ENERGO COMPANY»
- «INGRID A»
- «Intergaz»



Export to: Lithuania, Estonia, Germany, Italia, France, Great Britain, Poland, Sweden, Finland, Norway, Hungary, Russia, Belarus, Turkmenistan, Kazakhstan, Uzbekistan, Georgia, Mongolia, USA, China, Mexico, North America, South Africa.



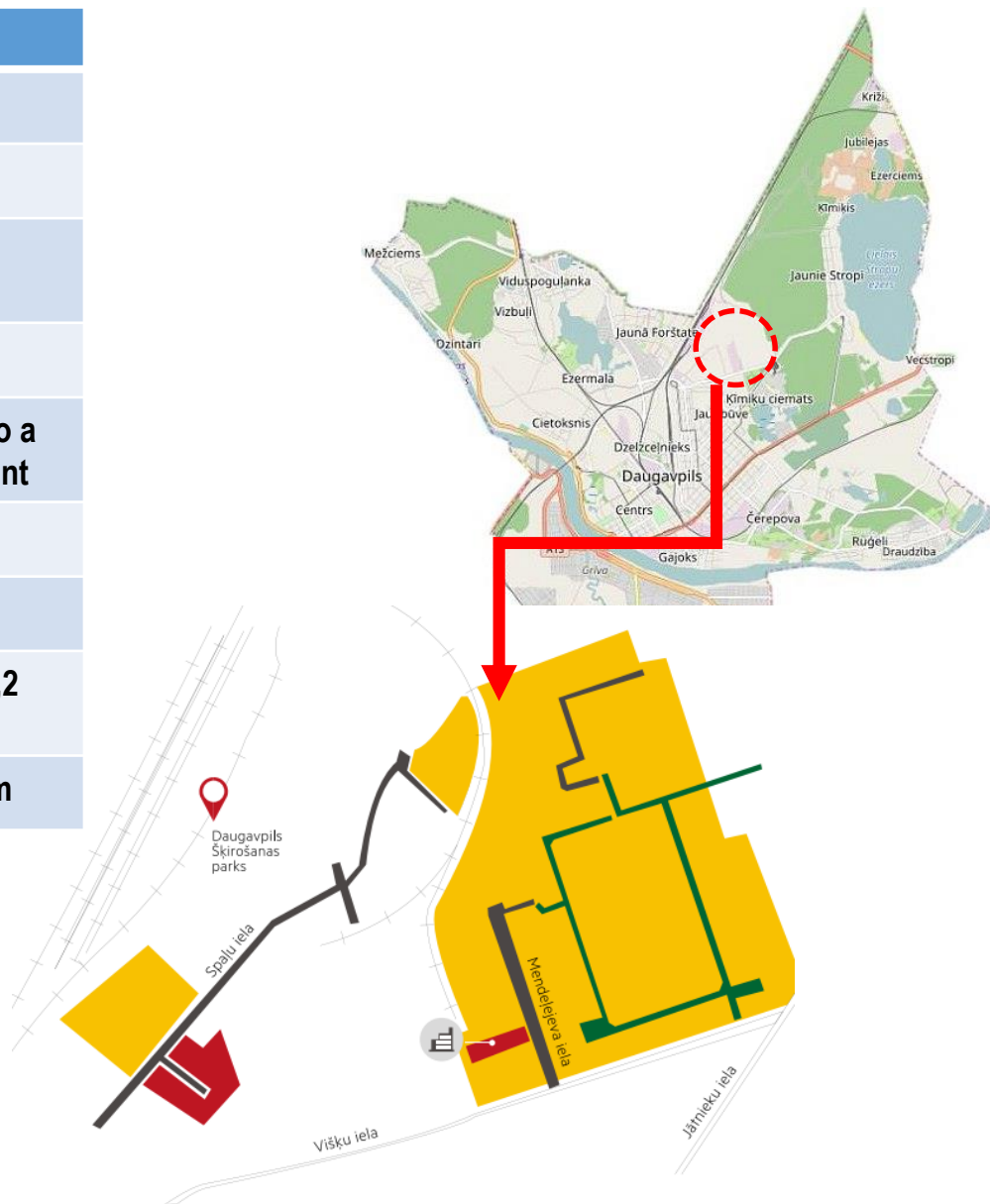
Modern industrial zones



**Investments until 2020:
about EUR 20 million**

Northern Industrial Zone

<i>Total area</i>	38 000 m²
<i>Ownership</i>	Municipal
<i>Highway</i>	Rīga – Daugavpils A6 11 km
<i>Railway access</i>	On site – 0,1 km
<i>Comments</i>	The site is located close to a major railway junction point
<i>Electricity</i>	50 MW – 1,0 km
<i>Gas</i>	High pressure – 0,1 km
<i>Sewerage</i>	City sewerage system – 0,2 km
<i>Water</i>	City water system – 0,2 km



Northern Industrial Zone

Available for accommodation of production facilities:

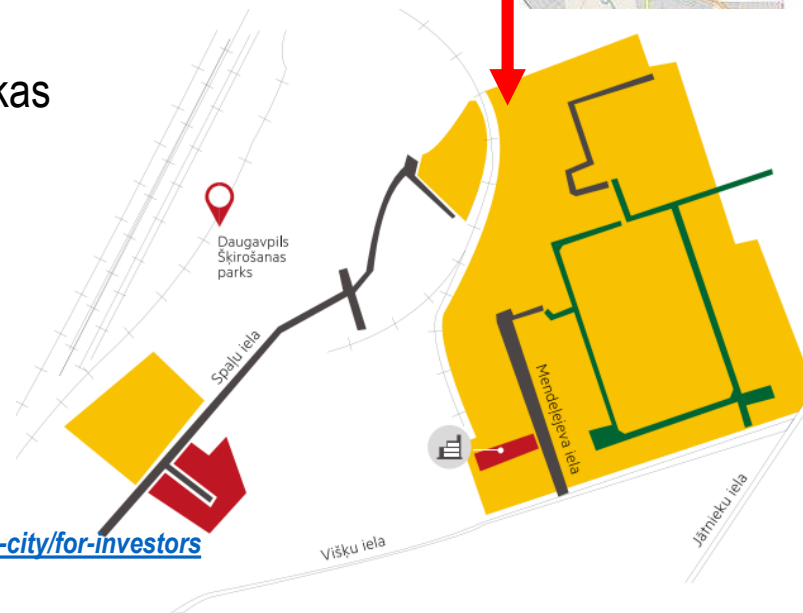
4 plots – 3 ha // 12 ha // 12 ha // 11 ha

The plot of land is offered for:

- construction of industrial premises,
- industrial park development,
- transfer and logistics business units.

The area is adjacent to:

- railway station with the railway marshalling yards, it is possible to build a railroad to the industrial buildings,
- good access through Smilškalna and Loģistikas Streets - it is possible to make it to primary roads as well;
- Electricity, gas, water, and sewer connection locations are nearby.



More information: <https://www.daugavpils.lv/en/city/development-of-the-city-for-investors>

or

attistiba@daugavpils.lv

Northern Industrial Zone

Existing enterprises

Spheres

Metal processing, production of food, manufacturing of high quality cables, etc.

AS „Ditton pievadkēžu rūpnīca”

AS „Latvijas maiznieks”

SIA „Zieglers mašīnbūve”

SIA „Belmast”

SIA „Axon Cable”

SIA „Nexis Fibers”

SIA «Centennial Industries» and others



Northern Industrial Zone DITTON Industrial and Technology Park

Available for rent:

industrial premises 33 000 m² // administrative building 8000 m² // office facilities 8000 m²



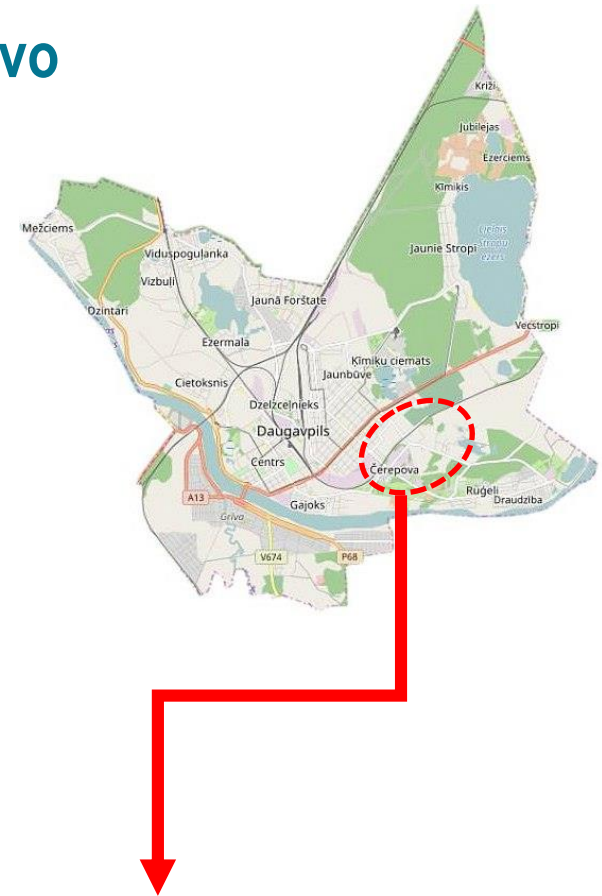
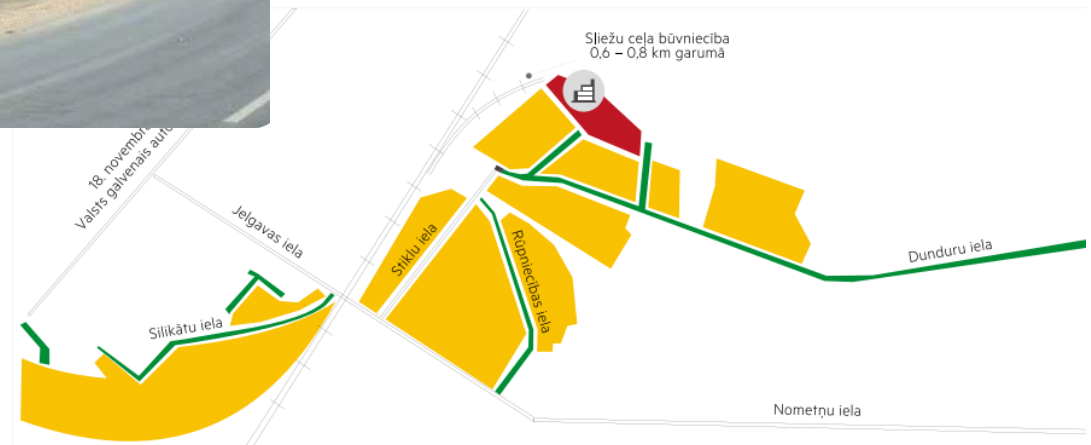
Your benefits:

- possibility of work 24/7
- offices of 10 m² or more
- production areas with ceiling height 8 m and area from 100 m² to several thousand square metres
- suitable for commercial and private use
- etc.**

Industrial zone Cerepovo

- Good access to roads
- Nometņu, Jelgavas and Bauskas streets connect this territory with 18. Novembra street – the main highway of the city
- Three railway lines intersect the area; the fourth one will be built to connect the new pellet plant with the railway
- Last year Dunduru, Rūpniecības un Silikātu streets were renovated

Municipality realizes an infrastructure project in the zone of Cherepovo:



Industrial zone Cerepovo

Plot of land for investment projects (3.5 hectares owned by municipality):

Area	Description	Owner	Notes
3,5 ha	<i>The plot of land is located at a mixed building area, and is offered for construction of various commercial objects</i>	Daugavpils municipality	For rent



Industrial zone Cerepovo

Existing enterprises

Spheres

manufacture of construction materials, wood production, transport, wholesale trade

„East Metal”

„Daugavpils concrete”

„Magistr”



«Dauer holding»

Available for lease:

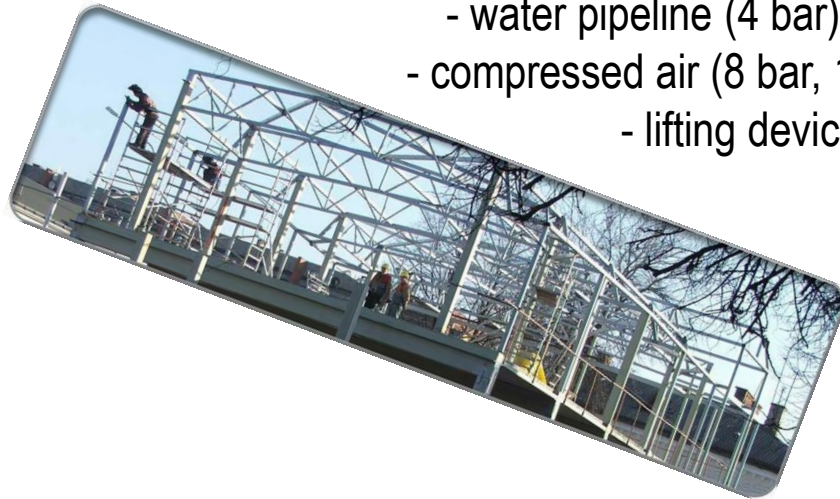
production area of 15000 m² // warehouses (2000 m²) // offices (500 m²)

DauER D



The production process is provided by:

- electricity – 8 transformers (1000 kW);
- gas heating system;
- the height of ceilings is 6+ m;
- water pipeline (4 bar) and sewerage;
- compressed air (8 bar, 15 m³ per min);
- lifting devices up to 5 tons.



SIA «Daugavpils CMK»

A silicate brick and concrete product factory is being sold or leased.

Land: **19321 m²**

The building area: **7774.8 m²**

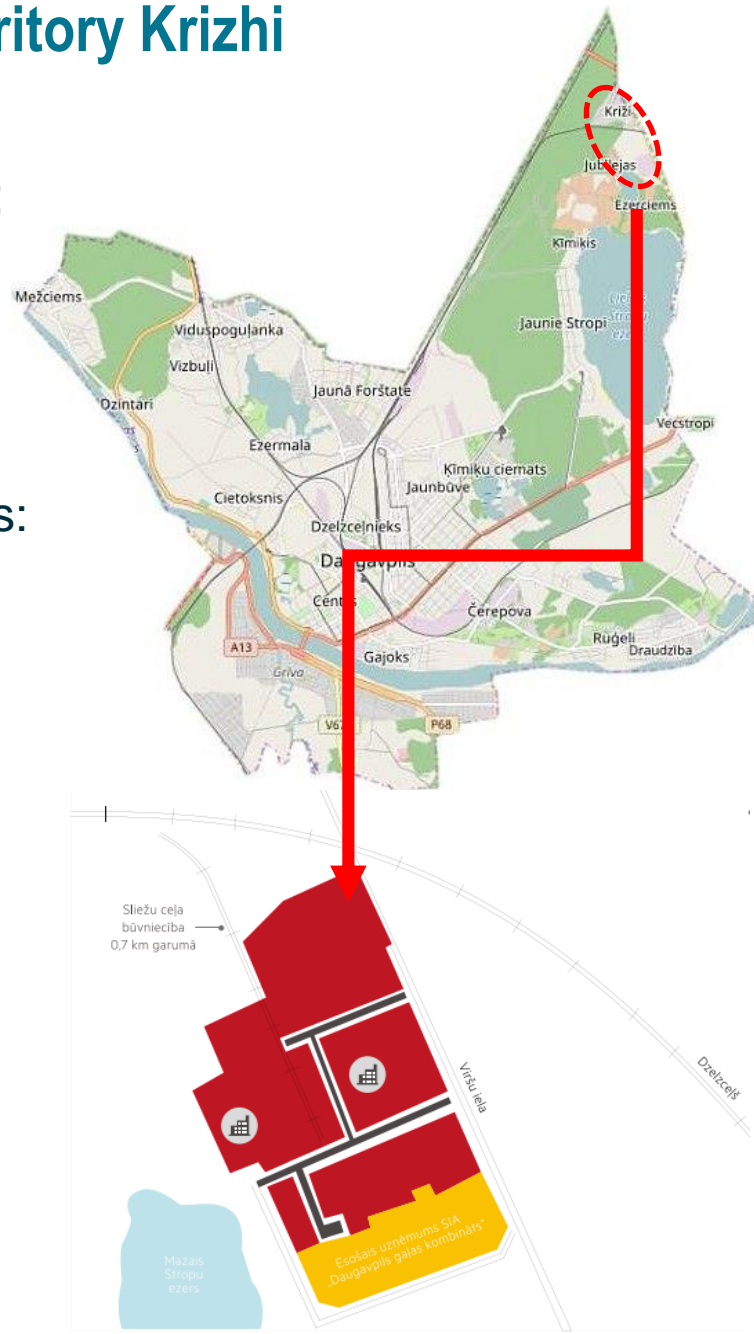
More information: <https://www.daugavpils.lv/en/city/development-of-the-city/for-investors> or
attistiba@daugavpils.lv

Industrial territory Krizhi

- The territory has all the **required infrastructure**;
- Located next to the **A6 highway**
- The **railway line** is nearby

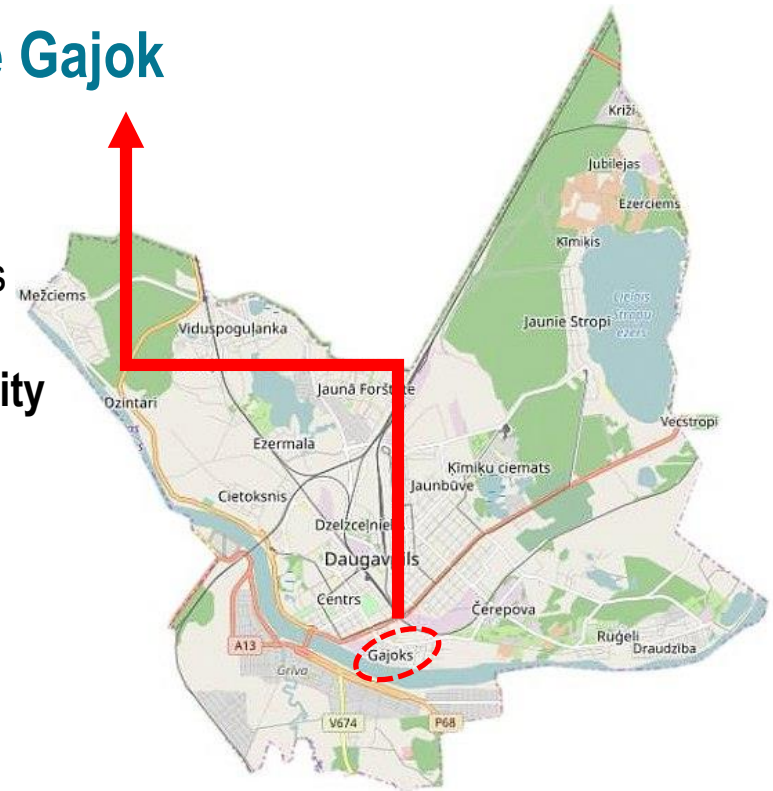
The municipality offers free territories for the accommodation of production facilities:

Area	Owner	Notes
38 300 m ²	Daugavpils municipality	For rent
5436 m ²	Daugavpils municipality	For rent
3960 m ²	Daugavpils municipality	For rent



Industrial zone Gajok

- The territory is not only an **industrial area**, but there is also a **large array of residential buildings**;
- Located **next to 18th November street – the largest city thoroughfare**
- The **railway line** remained



The municipality offers free territories for the accommodation of commercial facilities:

Area	Description	Owner	Notes
3,5 ha	The plot of land is located at mixed building area, and is offered for construction of various commercial objects.	Daugavpils municipality	For rent

Industrial zone Gajoks

Daugavpils City Council offers for the construction a land plot with an area of **13620 square meters** at Fabrikas Street 22 (mixed building area, object marked on map with number 15).



Fortress warehouse area

Industrial zone around Valnu – Odu – Motoru streets

The zone is situated near to major roads (A6), and the railway approaches to some buildings. \

There are a lot of buildings appropriate for machine storage (garages), especially for large-size machines. The area is appropriate for transport agencies, storage facilities, road maintenance and repair companies, construction companies, etc.



The municipality offers free territories for the accommodation of commercial facilities:

Area	Description	Owner	Notes
8000 m ²	One-two storey building from concrete and bricks, ceiling height 6 m	Daugavpils Municipality	For sale

Merchants offer production facilities in the Fortress warehouse area:

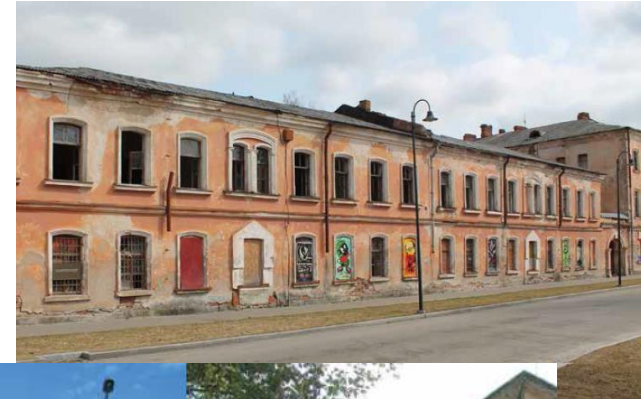
Area	Description	Owner	Notes
1800 m ²	Renovated 1-storey brick building, ceiling height 6.5 m	Aleksejs Homutiņins t.+371 22022005	For sale or lease

And more investment objects in Daugavpils:



Building on the territory of Daugavpils Fortress, 6 Hospitāļa Street

Building: Mihaila ielā 10



A plot of land of 10366 m2 at Turaidas str. 11



Building on Imperatora street 1



A plot of land of 48299 m2 at Šūņu str. 1



The building with its landscaped wide areas of 15400 m2 at Ūdens str. 24



land near the city highway – 18. Novembra street

More information: <https://www.daugavpils.lv/en/city/development-of-the-city-for-investors> or attistiba@daugavpils.lv

Daugavpils Airport

It is a **former military airfield with a 46 m wide and 2300 m long runway**. The airport's vision is to become an international airport, providing services for regional and international air traffic to EU and CIS countries.

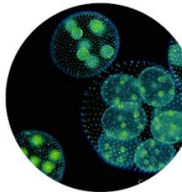
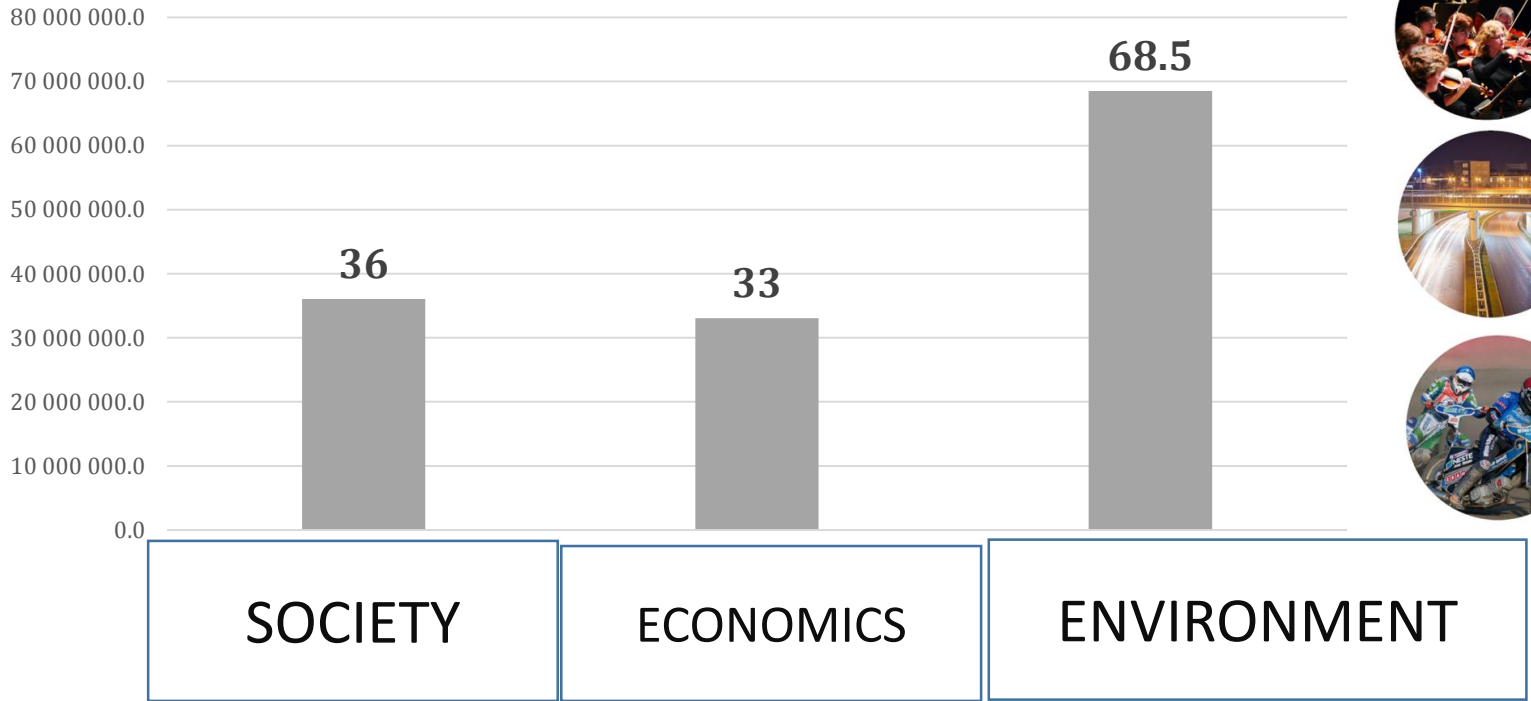
The Daugavpils Airport is the part of the **TEN-T network** and the project of it is in its **early development phase**, providing the opportunity for investors to shape and create it according to a chosen development model.



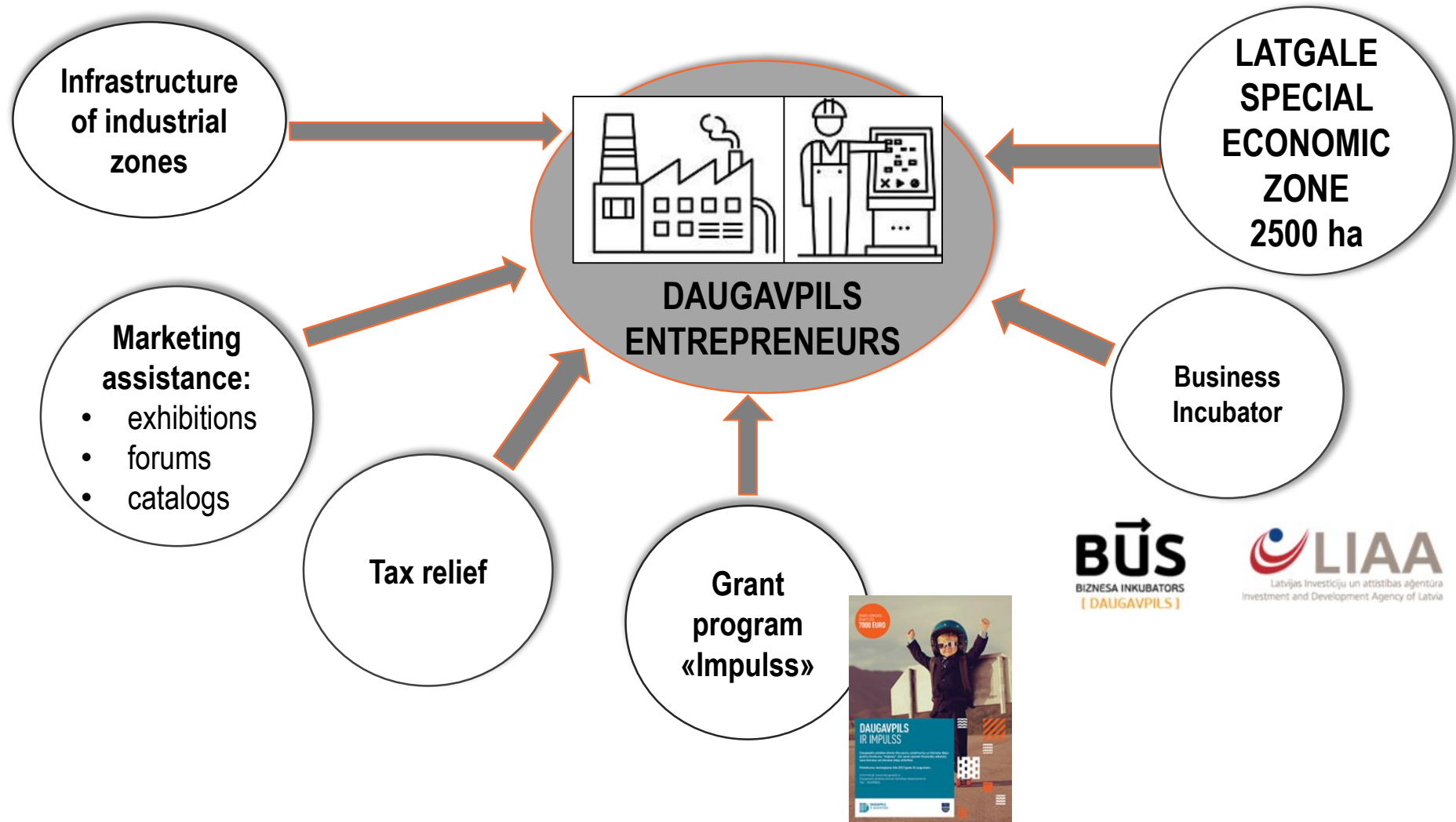
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Numbers and facts. Investments

Planned Investments 2020 – 137 million €



Daugavpils City Council Supports Entrepreneurship



Latgale Special Economic Zone (SEZ)

There are 8 enterprises at Latgale SEZ at the moment – more than half located in Daugavpils.

Latgale SEZ was **established in 2017**, it comprises **2500 ha of Daugavpils** manufacturing territories.

Tax relief:

- 80% relief for company income tax
- 80% relief for property tax

Invest are made in:

- establishment of a new capital company;
- increase in production or service capacity of an existing capital company;
- diversification of the production of an existing capital company with products that have not been previously produced in capital company;
- fundamental change in the production processes of an existing capital company.

TAX RELIEF AND OTHER BENEFITS

Real estate tax relief

- up to 25% for those who have created at least 5 new work places in a current year
- up to 50% for the enterprises that employ people with disabilities (minimum 50% of the number of employees)
- up to 25% for those who employ more than 800 people

and

- co-financing up to 70% for connecting to a centralized water supply or sewerage system

Municipal grant program to support young entrepreneurs «IMPULSS»

Financing:

Up to 75% from the total amount for the implementation of the
business idea

Maximum 7 000 EUR



DAUGAVPILS
PILSĒTAS
DOME

Year	Number of grants
2014.g.	7
2015.g.	12
2016.g.	8
2017.g.	10
2018.g.	9



Daugavpils Strategic Advantages for Diversal Business Development

1. Advantageous geographic location
2. Rapidly developing logistic hub
3. Developed urban infrastructure
4. Latgale Special Economic Zone (SEZ)
5. Tax allowances
6. Research and education centre
7. Multinational environment and cultural-historical heritage
8. Natural resources
9. Use of EU funds
10. Multi-lingual residents





Thank you for your attention!

More information:
attistiba@daugavpils.lv

