

15-POINT PLAN TO PROMOTE FINANCING 2021–2022

LENDING



- 1. New products to finance the green transition**, discussions with the public sector on **facilitating sustainable initiatives** with tax motivation mechanisms and state aid programmes.
- 2. Enhancement of state aid programmes** or involvement of other **international financial institutions' products** to expand the support available to SMEs.
- 3.** Discussion on broader use of asset classes **in mortgage lending** to facilitate reduction in down payment.
- 4.** Internationally **competitive regulations on securitisation**.

DEVELOPMENT OF CAPITAL MARKETS



- 5. Enabling regulations** that facilitate a broader and **more diversified investment of pension fund assets in corporate financial instruments**, including capital, quasi-capital and debt instruments issued by medium-sized and state owned companies listed on the regulated or alternative market in the Baltics, and investment (venture, hedge) funds investing in such financial instruments.
- 6. Guidelines for promoting the broader investment of pension fund assets** in the economy of Latvia.
- 7. Implementation of a collateral agent** for issues of bonds and syndicated bank loans.

FINANCIAL LITERACY



- 8. Creation of a sustainable financing platform** in cooperation with the Financial and Capital Market Commission (FCMC), companies in various industries, professional organisations and other stakeholders (promoting the development of sustainable projects and the purposeful and intelligent implementation of EU regulations).
- 9. Development of a financial literacy programme** for pupils and other age groups.
- 10. Sharing credit institutions' experience** with partners in public and private sector.
- 11.** A publicly available **credit capacity assessment model**.

SUSTAINABLE FINANCE



- 12. Coordinated public and private sector policy for assessing sustainability** of investments according to the EC guidelines.
- 13. A study on non-financial data** to be included in non-financial reports by SMEs.
- 14. Open innovations for sustainable solutions**, focusing on cooperation with start-ups.
- 15. Memorandum of cooperation** in sustainability with the FCMC and the Bank of Latvia.

URGENT MATTERS TO RESOLVE IN COOPERATION WITH STAKEHOLDERS



- 1.** Effective operation of the Council for Strengthening the Rule of Law, Crime and Corruption Prevention, more active investigation of financial crimes to protect investors.
- 2.** Implementation of sustainable corporate culture: tax payments, transparent and sustainable governance, exiting the shadow economy, low corruption risk, capital adequacy.
- 3.** Timely communication with credit institutions and other financial institutions on planned state aid mechanisms in the form of financial instruments, data-driven market gap assessment, definition of achievable measurable targets.
- 4.** Development of a standard agreement with energy service companies (ESCOs), financing for suitable projects.
- 5.** Appointment of a sustainable process administrator (responsible ministry) at the state government level to maintain the integrity of all national strategies and the effective pursuit of goals.
- 6.** Collection, analysis, and maintenance of high-quality public sector data to achieve sustainability targets, and ensure their availability to the private sector to foster better and faster decision-making in providing financing.
- 7.** An effective public-private partnership (PPP) system aimed at reaching measurable targets, enabling active dialogue with entrepreneurs, financiers and government.
- 8.** Revision of inflation mitigation measures still in place since the 2008 crisis (*e.g. revising and reducing increased fees for registration of real estate title, including fees pertaining to new buildings*).
- 9.** Improvement of financial data, reporting quality, automation, convenient access for agricultural companies.
- 10.** Continual improvement of the application of commercial pledges and debt collection procedure efficiency.