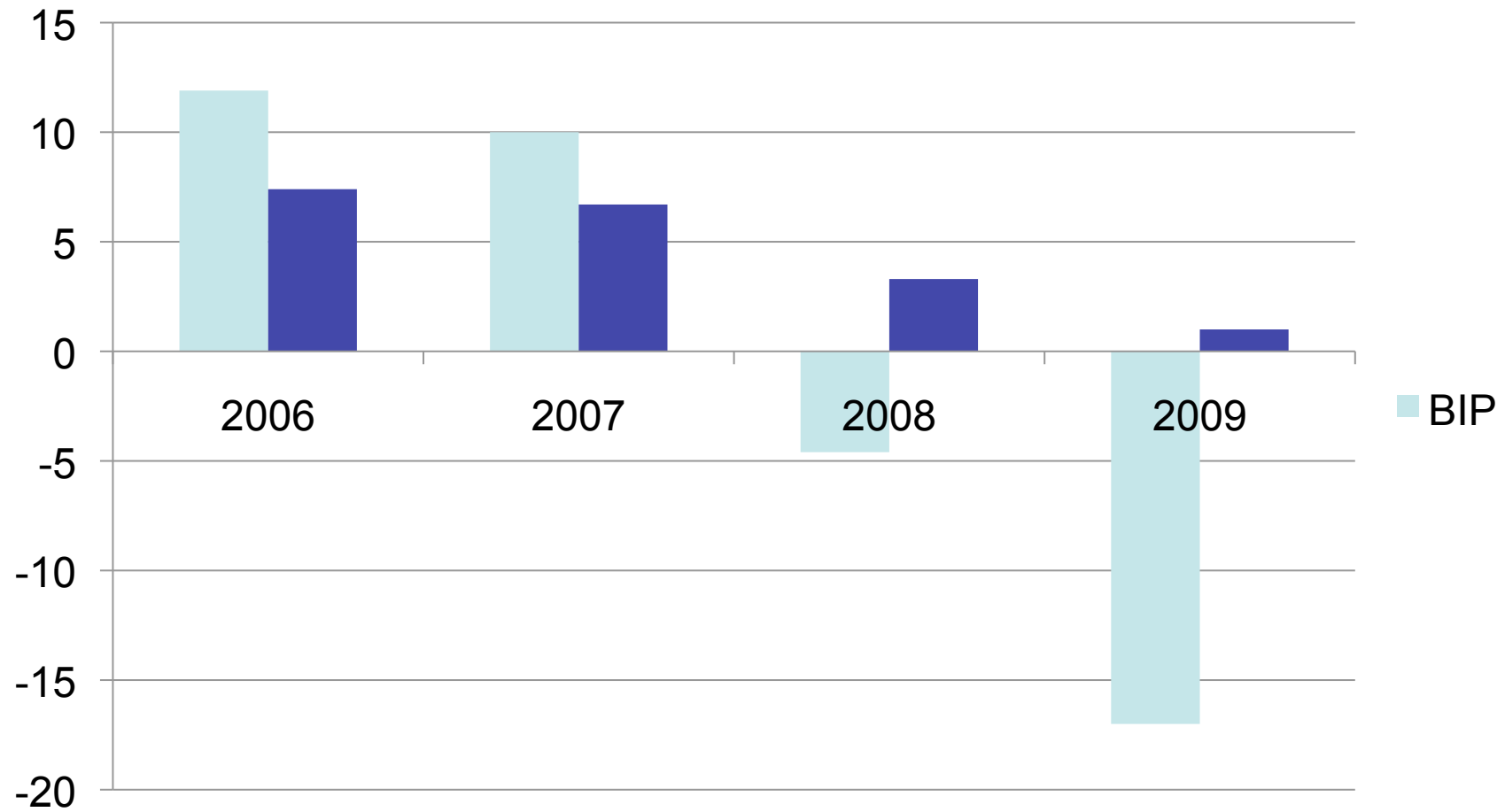


# Courage to meet uncertain situation (?)

Opportunities for foreign investment and PPP – just in crisis times

# Example LATVIA



# Investment decreased in Crisis, but...

- new tendency to investments for export to Scandinavia
- Investment of Baunit, that's why they stayed on the market and gained considerable additional shares
- Recent investments in the (high level) consumer sector have also proved to be successful (Frey-Wille, Peek & Cloppenburg)

# PPP

- **Definitions:**

- Longterm cooperation between private and public partners, regulated by contract and concerning state duties. Details might vary (concession, BuildOperateTransfer...)
- GTZ (German Development Agency) is considering their development projects as PPP-projects, with GTZ as public partner.

- **Examples in Latvia**

- Rigas North Span (road project)
- Running of Hospital in Jelgava
- According to GTZ-Definition the investments of EBRD also can be considered as PPP-Projects

# CUI BONO?

- **State**
  - Opportunity for earlier realisation of investments (by accepting to lose a source of income or to handover competences)
  - Initial factor for (further) investments
  - Central factor: share of risks
- **Investor**
  - Additional business opportunities
  - Considerably strong position as partner
  - Insuring of risks

# Opportunities because of the crisis

- For Investors
  - Investment opportunities on easy terms
  - Opportunities to acquire competitive companies
  - Chance to tie the workforce to the company
- For the country
  - Improvement of competitive position
  - Selektion process after years of boom
  - Establishing of new branches