

# President of Latvia and OECD: Latvia needs a comprehensive housing strategy built around quality, sustainability and innovation

Published: 17.06.2020.

[Egils Levits](#)



On 17 June, President of Latvia Egils Levits had a virtual meeting with José Ángel Gurría, OECD Secretary-General, who presented the main findings of OECD study 'Affordable housing in Latvia'. Egils Levits and José Ángel Gurría discussed the role of OECD in tackling the Coronavirus crisis, current OECD economic outlook and previous Latvia-OECD cooperation.

Study conducted by OECD experts has concluded that Latvia needs a comprehensive long-term housing strategy focused on quality and innovation. Latvian government should also increase housing benefits available to 'missing middle', or 44% of all households in Latvia. These households are too rich to qualify for housing benefits or social housing, yet unable to afford a mortgage. OECD recommendations suggest that Latvia should make private rental market more attractive and accessible and invest in development of good quality housing.

President of Latvia thanked Secretary-General for presentation, hard work of OECD experts and meaningful findings. Egils Levits praised OECD for the support it has given to Latvia since its accession to the organisation on 1 July 2016. He also stressed that OECD plays a major role in promoting democracy and adherence to market economy principles. Egils Levits complimented OECD for following the holistic approach that integrates closely-connected economic and social dimensions. 'This approach helps countries choose the right policies,' said Egils Levits.

President and Secretary-General also touched upon impact of Coronavirus pandemic on different sectors in Latvia and the world, as well as possible recovery scenarios. José Ángel Gurría praised Latvia for its achievements in curbing Covid-19 pandemic and wished successful recovery from the crisis. According to Egils Levits, Coronavirus crisis presents an opportunity to rebuild the economy, reconsider public support and investments in various sectors, enhance digital transformation and become more inclusive and greener as a country.

OECD Secretary-General expressed organisation's support to Latvia's plans and reiterated that Latvia is one of the global leaders

in curbing the spread and impact of Covid-19.

After bilateral meeting, OECD Secretary-General and President of Latvia joined a video meeting organised by OECD and Latvian Ministry of Economics to discuss the affordability of housing in Latvia.

## Remarks by the President of Latvia, Egils Levits, at the video launch event of the OECD-Latvia project 'Affordable housing in Latvia'

Good afternoon,

Honourable Secretary General,

Mr Minister,

Ladies and gentlemen,

I am honoured to have been invited to open today's launch event for this important Latvia-OECD cooperation project on housing affordability. This project is yet another successful result of fruitful cooperation between the organisation and Latvia, which strengthens Latvia's reform plans and reform capacity.

Home is not just a building with a roof where we sleep at night. We spend a considerable part of our life at home. Home is the core element of family, environment, social fabric and the state. Quality of our dwellings influences who we are, and the society and state that we live in. I suppose working remotely and learning remotely from home during the lockdown made us re-evaluate and reconsider the importance of home in our life.

Latvia has to deal with unfortunate legacy of the Soviet occupation: outdated, energy inefficient housing stock that creates disproportionately big burden on tenants in terms of maintenance costs. Although we have improved the housing market considerably, we still struggle with poor housing stock. We still have not reached modern dwelling standards 30 years from regaining of independence. Due privatisation more than 70% of households live in housing owned outright. It is a relatively high share, and that is good. However, quality of this housing is rather poor.

Latvia and its people need comprehensive long-term housing strategy driven by quality, sustainability and innovation. Latvia needs more homes built according to top environmental standards and affordable to most inhabitants of Latvia. I am convinced that Latvia has all the necessary prerequisites. We have strong wooden architecture traditions and competitive material producers. OECD has conducted a very valuable study. It gives us a better understanding of where we are in terms of housing affordability and quality. I hope our government will integrate these findings in its policies.

Let me thank everyone who took part in this project and wish you all an interesting and fruitful discussion.

<https://www.president.lv/en/article/president-latvia-and-oecd-latvia-needs-comprehensive-housing-strategy-built-around-quality-sustainability-and-innovation>