

Latvian Law Attracts Russian Investors, Complaints

By [The Moscow Times](#)

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Latvian President Valdis Zatlers posing for the media on Feb. 4 during a meeting in Riga. **Ints Kalnins**

A new Latvian law that provides residency rights to foreign investors has provided a boost to the real estate market and nationalist sentiment alike, the BBC reported.

The new law passed came into effect in July and de facto allows non-EU citizens to acquire the right to reside in the EU and travel freely within it — if they purchase Latvian property of at least 70,000 euros (\$95,000) in value, or invest in a business.

Property owners say sales are increasing.

"One year ago the market was completely dead. Basically, there was no proper trading. Nothing. But now everything has changed and the number of deals is increasing," said apartment building owner Kristaps Kristopans.

According to Kristopans, almost all his buyers are Russians who have been attracted

by the Latvian residency permit offer.

Although the law does not give investors the right to work anywhere within the European Union, they can still enjoy the freedom of movement within all 25 EU countries in the Schengen zone.

However, not everyone is happy with the new law. Members of the Latvian National Party protested when the bill proposing to grant the privileges was introduced in the parliament. They think the incentive to foreign buyers will inevitably increase prices, making real estate less accessible for Latvians.

"The government is trying to sell our country. They do not bother to think how to bring back Latvians who left the country," said Hardis Paradnieks, one of those opposed to the new law.

Robert Zile, a member of the Latvian parliament, agrees with the opponents of the new law and says the influx of Russian investments will increase Moscow's influence on the country.

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