



LATVIJAS REPUBLIKAS MINISTRU PREZIDENTS

Prime Minister of the Republic of Latvia

Rīga

8.03.2013
To: 30.11.2012

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Nils Muižnieks
Commissioner for Human Rights
Council of Europe

Herman Van Rompuy
President of the European Council

Viviane Reding
Vice-President of the European Commission
EU Commissioner for Justice Citizenship and Fundamental Rights

Staffan Nilsson
President of the European Economic and Social Committee

Morten Kjærum
Director of the European Union Agency for Fundamental Rights

✓ International Ombudsman Institute

For information:
Ombudsman of the Republic of Latvia
Juris Jansons
25 Baznīcas Street
Rīga, LV-1010

About the risk of poverty in Latvia

On November 30, 2012, Ombudsman of the Republic of Latvia sent you a letter, where he drew attention to the risk of poverty in Latvia, asking the institutions of the European Union within their respective competences to use the rights and powers stipulated in the Treaty on European Union and the Treaty on the Functioning of the European Union to possibly eliminate the infringements of social rights in the member states.

I have reviewed the issues addressed in the letter and would like to take the opportunity to inform you about the accomplishments of the Latvian government in reducing the risk of poverty during the economic crisis, as well as currently undertaken initiatives.

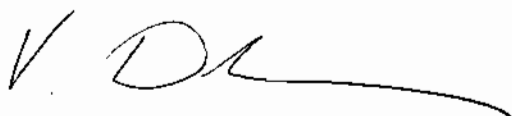
In the time period from 2008 to 2010, Latvia faced a severe economic crisis that significantly decreased the citizens' average income. Thus, for example, the sharpest decrease was seen among young people aged 16 to 24 (a decrease of 42%) and citizens approaching retirement age (a 43% decrease in the 45-54 age group and a 32% decrease in the 55-64 age group). In view of growing poverty risk, the government implemented a targeted social protection policy. The Eurostat data show that since 2004 the greatest impact of social transfer payments was seen in 2010, when, after receiving different social benefits, the pension and other means of support, 19% of Latvia's citizens were exposed to the risk of poverty, but without the social transfer payments this number would be as high as 46%.

The deep economic crisis and persistently high unemployment has undoubtedly created a lasting impact on the Latvian society; social exclusion and poverty issues are very topical in the country. Therefore, the government considers the poverty reduction as one of the key priorities, and has now begun the implementation of a number of political initiatives. The government is doing significant work to improve the social security system, enhancing its purposefulness and effectiveness.

In 2011 gross domestic product growth was 5.9% compared to the previous year, and 5.5% in 2012. In 2012 the registered unemployment rate also continued to decline, and by the end of the year it had decreased to 10.5% of the economically active population. This is one percentage point less than at the end of 2011. The average monthly wage in the first nine months of 2012 increased by 3.6% compared to the same period last year.

On behalf of the government, I would like to assure you that reducing poverty and social exclusion and promoting social justice and well-being of the Latvian people will remain one of the key priorities of the Latvian government.

Sincerely,

A handwritten signature in black ink, appearing to read 'V. Dombrovskis', with a long horizontal flourish extending to the right.

V. Dombrovskis
Prime Minister