

# Most startup-friendly country in the world to develop national fintech strategy

*Latvia, with the world's most favorable startup policies, has announced a plan to develop a dedicated fintech strategy*

RIGA, RIGA, LATVIA, May 19, 2021

[/EINPresswire.com/](https://EINPresswire.com/) -- Latvia has announced plans to develop two national policies to support the startup ecosystem – a national startup support policy, as well as a dedicated fintech strategy to support the rapidly-growing vertical.

The country is named one of the most startup-friendly countries in the world by Index Ventures thanks to existing

supportive legal environments, and the addition of these two policies is expected to strengthen its position. A focus is also placed on supporting the fintech sector specifically. The EU's fastest-growing startup is a fintech from Latvia, and the country is home to other major European fintech companies, such as Mintos, Twino, Nordigen, LendSecured, and others.

A workgroup has been established to develop the fintech strategy, with an aim to identify and reduce any barriers to the industry's startup growth. This stance is shared by the Financial and Capital Market Commission of Latvia, which has already established two support instruments for fintechs. That includes:

The Innovation Hub, an open-doors consultative competence body for any fintech at any stage of its development to receive free consultations on the regulation, licensing process, AML framework, IT security management of their company.

The Regulatory Sandbox, a tool for fintech prototypes to test their business models, innovative financial services in a regulatory environment, while simultaneously being given the flexibility to go through the licensing process. This makes it possible for fintechs to reach the market much faster, and is a process that has been implemented in very few countries.

The Innovation Center has already been used by 18 companies in 2021, which is a stable number



Latvia, the most startup-friendly country, has announced a fintech strategy

so far in the year, and we see major interest from crowdfunding and regtech startups.

“The development of the fintech sector is a priority for the Financial and Capital Market Commission. The development of financial solutions improves our client experience and facilitates the entrance of new products into the market. We are ready to perfect support mechanisms and promote the development of the innovation ecosystem at a state level while reducing obstacles faced by fintechs and the innovation environment.” - Marine Krasovska, Director of the Financial and Capital Market Commission Innovation Department

Latvian fintech strategy is under development by a workgroup made up of the Ministry of Finance, the Financial and Capital Market Commission of Latvia, fintech industry representatives, banks, the Investment and Development Agency of Latvia (LIAA), and various professional industry associations. The new policy is expected to be finalized by October 31, 2021. Tarass Leočko, Senior Investment Project Head at the LIAA Investment Promotion Division, has reiterated their commitment, saying “Latvia is ready to excel as the innovation hub where to test and scale up the latest fintech solutions. All local stakeholders are on a mission of improving the legal framework and developing the necessary infrastructure to accelerate the ongoing development”.

The announcement comes during [TechChill](#), the Baltics' only major startup event in 2021. The event is celebrating 10 years of supporting the local startup ecosystem, which has played a decisive role in amplifying local startup success globally.

“In every startup ecosystem, there are some industries which are represented a bit more than others. Historically in Latvia, those have been fintech companies. By having a national fintech policy we are recognizing that and sending a signal to fintech startups that they are welcomed here.” - Ernests Štāls, co-founder of TechChill

After two weeks of warm-up side events, TechChill will culminate in the main event and the Fifty Founders Battle on May 20-21. One startup from the Baltics will win EUR 10,000 no strings attached, and one startup finalist will be offered EUR 250,000 in funding from the first pan-Baltic business angel syndicate. Tickets are available at [techchill.co](https://techchill.co).

Julia Gifford  
Truesix  
[email us here](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/541537604>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

