



For Growth on the Earth

FEBRUARY / 2024

# NEWSLETTER

investments & development

accounting & finance

law & tax

agri estate



Investment experts  
in agriculture of Latvia





# Greetings

As we bid farewell to the winter chill and eagerly await the blossoming of spring, the agricultural community finds itself at a crucial juncture. Across Europe, including here in Latvia, farmers are calling for simpler and more predictable Common Agricultural Policy plans from the European Union. The burdensome bureaucracy often hampers their ability to work efficiently and plan effectively for the seasons ahead. It's time to streamline regulations and empower our farmers to thrive.

Farmers' voices echo in protests against certain policy implementations. Their concerns reverberate, emphasizing the need for policies that foster growth and sustainability while respecting the realities of agricultural life.

Furthermore, as the war in Ukraine continues, Latvia takes a decisive stand by banning grain imports from Russia and Belarus. This underscores the interconnectedness of geopolitical events with agricultural policies, highlighting the importance of resilience and adaptability in the face of external challenges.

In this newsletter of February we would like to inform you on the topicalities in Latvian agricultural sector and at the second part of the newsletter you will find selected agricultural real estate offers.

May this upcoming season of spring herald a period of growth, resilience, and shared prosperity for all!

*ActusQ team*

## NEWS

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# European farmers exempted from rules on land lying fallow

The European Commission officially adopted a regulation which grants a partial exemption for European farmers from the conditionality rule on land lying fallow. This follows the Commission's proposal presented on 31 January, and discussions with Member States in committee meetings.

The Regulation entered into force on 14 February, and will apply retroactively as of 1 January for one year – that is, until 31 December 2024.

The partial exemption accommodates several requests for more flexibility, as requested by Member States to better respond to challenges facing EU farmers.

Instead of keeping land fallow or keeping unproductive features on 4% of their arable land, EU farmers growing nitrogen fixing crops (such as lentils, peas, or favas) and/or catch crops without plant protection products on 4% of their arable land will be considered as meeting the so-called GAEC 8 requirement. Those farmers who so decide can, however, continue fulfilling the requirement with land lying fallow or non-productive features.

*Ursula von der Leyen, President of the European Commission, said: "Only if our farmers can live off their land will they invest in the future. And only if we achieve our climate and environmental goals together, will farmers be able to continue to make a living. Our farmers are well aware of this. This measure offers flexibility to farmers while continuing to reward them for their crucial work to drive EU food security and sustainability. We will soon come forward with more proposals to help alleviate the pressure our farmers face."*

Information source: European Commission

# Latvia's State support for the agricultural sector in 2024

EUR 8.72 million are planned for state aid in agriculture in 2024. Animal breeders' organizations, accredited milk laboratories, farmers' organizations and other institutions will receive support. Application deadlines are different for each type of support, current information about the deadlines will be published on the website of the Rural Support Service.



## Estimated distribution of funding:



EUR 6.079 million

For development of livestock farming, breeding



EUR 489 thousand

For crop cultivation development



EUR 731 thousand

For international and mutual cooperation



EUR 696 thousand

For market promotion



EUR 127 thousand

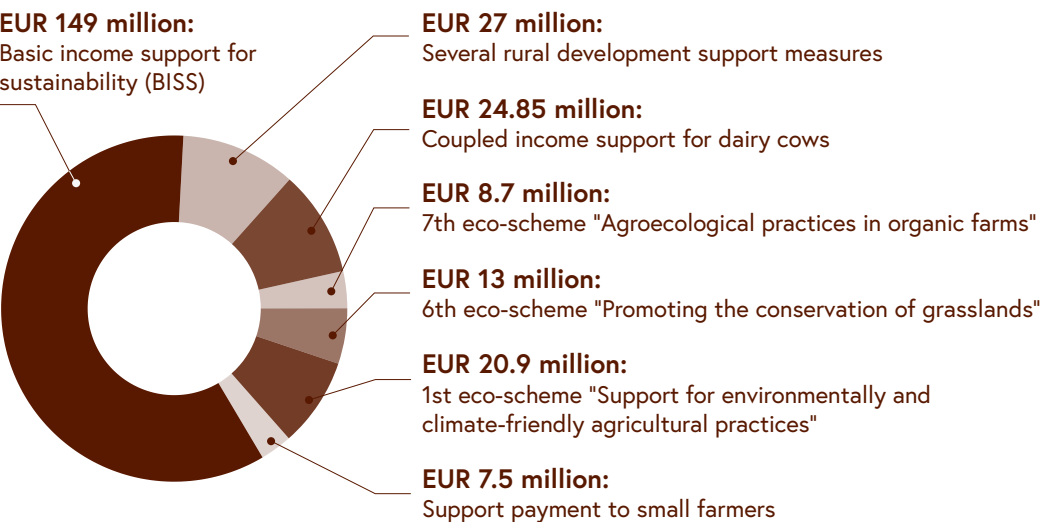
For promotion of food quality schemes

Information source: Rural Support Service

# EUR 295 million have already been paid in area payments

The Rural Support Service (RSS) has paid out EUR 295 million (80% of the available funding) in various types of area payments until February 2024.

If in the previous period payments were made to farmers in 36 different support measures, then in this period there are 62 different rates - support measures. To make payments in these many complex schemes, the RSS had to perform significantly more controls as well as develop new IT systems.



Information source: Rural Support Service

## Update of field blocks

From February 26 to April 2, 2024, customers have the opportunity to start clarifying rural blocks by submitting a request for clarification in the Electronic Application System (EPS) of the Rural Support Service.

A request for update of field blocks can be submitted for the necessary corrections in field blocks, as well as for the creation of new landscape elements or the deletion of existing ones. Landscape elements can include ponds, clumps of trees or bushes, rows of trees, piles of stones, individual growing trees, large trees, alleys, large stones, etc.

The minimum area of a field block is 0.30 hectares, while the minimum area of a field is 0.10 hectares. Only well-kept areas can be specified, that is, they are in good agricultural condition at the time of the specification application.

Information source: Rural Support Service





# Around 2000 farmers have participated in protests across Latvia

In order to draw attention to many issues in the agricultural sector, which are stuck in political and bureaucratic corridors, around 2000 farmers participated in protests throughout Latvia on February 5, according to the organizers of the campaign, the association "Farmers' Parliament".



Farmers with tractors, posters and Latvian flags had taken to the streets in a total of 16 Latvian cities.

Farmers have put forward several demands to the government and the Ministry of Agriculture:

- immediate ban on imports of food products from Russia and Belarus without a transition period;
- restoration of the 5% reduced VAT rate for fruits, berries and vegetables grown in Latvia; promotion of competitiveness of the sector;
- reducing red tape in the agricultural sector;
- broader access to financing and working capital programs;
- waiver of national-level land encumbrances or other land use restrictions.

*Photo author: Kaspars Siliņš*

## Latvia bans grain imports from Russia and Belarus

On February 22, Latvian Parliament accepted in two readings the ban on imports of agricultural products from Russia and Belarus into Latvia until at least July 2025.

Latvia is the first European Union country to impose restrictions on the use of agricultural products originating in Russia and Belarus.

Amendments supported by Parliament prohibit the import into Latvia of agricultural and fodder products from Russia and Belarus, as well as the import into Latvia of agricultural and fodder products originating in Russia or Belarus from other third countries.

Within 14 days from the date of entry into force of these amendments, the government shall determine in the regulations a list of specific products that are prohibited from being imported into Latvia.

*Armands Krauze, Minister for Agriculture: "National security is not limited to external military security - economic security is also an essential aspect of national security. The economy is one of the areas that can most significantly influence national security, thus it is important to strengthen Latvia's independence from Russian agricultural products."*

*Information source: Ministry of Agriculture*



# Invest in agriculture in Baltic States - Latvia and Lithuania

## Selected Agri Estate offers

### Financial investments:

- 4400 ha land portfolio in Latvia 5
- 1500 ha forest and land portfolio in Natura 2000 area 6

### Operational investments:

- Grain farm (1000 ha) 7
- Farm with 3 integrated production directions in Lithuania · 690 ha 8
- Medium size farm (200 ha) 10

### Agriland and forests:

- in Vidzeme region 11
- in Kurzeme region 15
- in Zemgale region 16



For  
sale



3870 ha  
FARMLAND



330 ha  
FOREST



200 ha  
NATURE AND  
INDIVISIBLE  
PARTS

FOR MORE  
INFORMATION  
CLICK **HERE**

OR SCAN CODE:



# 4400 ha in Latvia

We offer for sale a private farmland and forest holding of 4400 hectares of land in Latvia.

Acquisition of this portfolio provides an opportunity to enter the farmland market of a Baltic State – Latvia – in a one step, short go, and continue the long-term development of the portfolio using well-structured existing system.

## Opportunities:



### Experienced team

Portfolio is managed by a highly experienced and trustful team and the new owner will benefit from this experience with little efforts.



### Active farming

Currently, farmland is leased out to local farmers on a long-term basis. The new owner has opportunity to engage and develop active farming initiatives.



### Intensive forest management

Forests are managed on customary basis and more active, commercial strategies can be introduced post sales.



### Alternative energy projects

Several compositions of the portfolio lie in areas with opportunities to develop middle- and large-scale alternative (green) energy projects, i.e., farming fiber, solar, wind or hybrid and have been requested by energy developers.



For  
sale

# Forest and land portfolio

< 1500 ha *in the Natura 2000 area*



56,5%  
**FOREST\***



9,5%  
**AGRILAND**  
*mostly biologically  
valuable grasslands*



34%  
**OTHER LAND**  
*incl. 19,5% swamp*

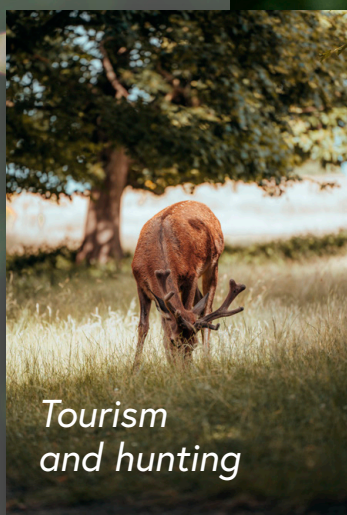
EU area  
payment support:  
~ 180 000 EUR  
per year

Annual return on capital:  
3,6% of sales price  
*(annual value appreciation  
of property not included)*

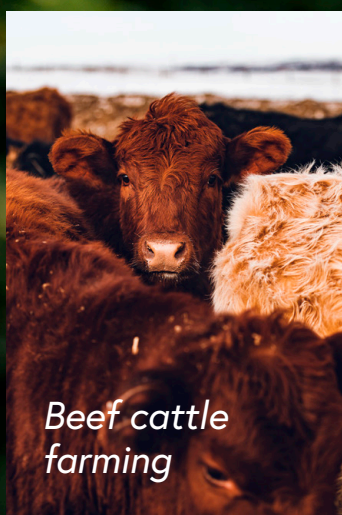
Sales of  
Real estate ownership  
or  
100% shares of Ltd,  
which owns real  
estate properties

*Possible use of property:*

*\* Forestry activities are limited*



*Tourism  
and hunting*



*Beef cattle  
farming*



*Beekeeping*

ORGANIC  
FARMING



# Crop farm > 1000 ha

 **87%**  
**AGRILAND**

 **4%**  
**FOREST**

## Description:

- Experienced local management and team
- Established supply and sales channels
- Traditional crop rotation - summer and winter wheat, barley, canola (rape)
- Farmsite with necessary infrastructure
- Grain treatment and storage facilities on site
- Annual subsidies ~ EUR 160 000



Soil fertility  
above average:  
40-55 points



Well-consolidated  
land portfolio:  
3 large blocks  
of fields

## Sales versions:

Sold on cash and debt free basis on closing date

Total  
sales

Operating part  
+  
long term land  
lease with  
gradual buyout

Operating part,  
~ 200 ha land  
+  
long term land lease  
with gradual  
buyout

For  
sale

RĪGA ••••• 240 km •••••  
RĒZEKNE

## Key features:



Complete  
machinery fleet



Grain treatment  
and storage  
facilities, including  
weighbridge



Local team



Sold as ongoing  
business

## Production:

Average harvest results of 2022

Winter wheat	6.0 t/ha
Summer wheat	4.0 t/ha
Summer barley	5.0 t/ha
Rape (canola)	3.3 t/ha

# Organic farm with three integrated production directions

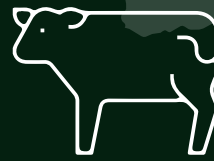
— in Lithuania



*Grain and feed production*

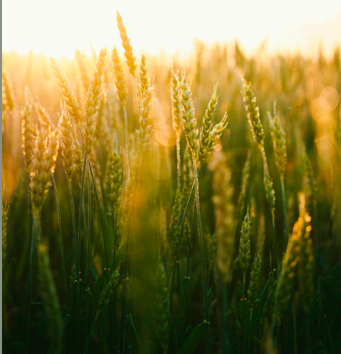


*Modern poultry farm*



*Beef cattle farming*

*Grain production*



- 690 ha of fertile agricultural land (+180 ha leased land)
- Well-consolidated farmland, conveniently situated just 5-7 km from the farm center
- All land is privately owned and suitable for arable farming
- Most of the land is equipped with an efficient drainage system to optimize crop yields
- 1 000 tons grain warehouse that has an integrated grain cleaning plant with sieves for different crops.
- The warehouse also has an integrated feed production line



690 ha  
Agricultural land



Soil fertility  
index: 40 points



Machinery  
fleet available



1000 t grain  
storage



Integrated feed  
production line



### Poultry farm



Modern 3700 m<sup>2</sup>  
poultry farms (2 buildings)



Automated systems,  
slaughterhouse

- Farms are designed to meet all **organic standards**
- **Efficient operation with just one person required to manage it** - fully automated, with all control systems (feeding, watering, ventilation, bird analysis)
- Slaughterhouse capability - processing up to 500 chickens per hour
- In addition - cooling room (26 m<sup>2</sup>) and freezer (41 m<sup>2</sup>) for the produced goods.



### Beef cattle farming



110 Limousin breed cattle



5 500 m<sup>2</sup> cattle barns

- All cows are young and have been mated. In the upcoming spring and summer, the herd will be delivering
- The barns are scheduled for renovation and the installation of new technological equipment is planned



For  
sale

# Medium size farm

Total area: 200 ha

Owned: 135 ha

Leased: 65 ha

## Key features:



Fertile farmland,  
soil quality index:  
50-55 points



Well-developed region,  
close access  
to main roads



Set of basic  
machinery fleet



2 storage buildings,  
each 1000 m<sup>2</sup>

## Description:

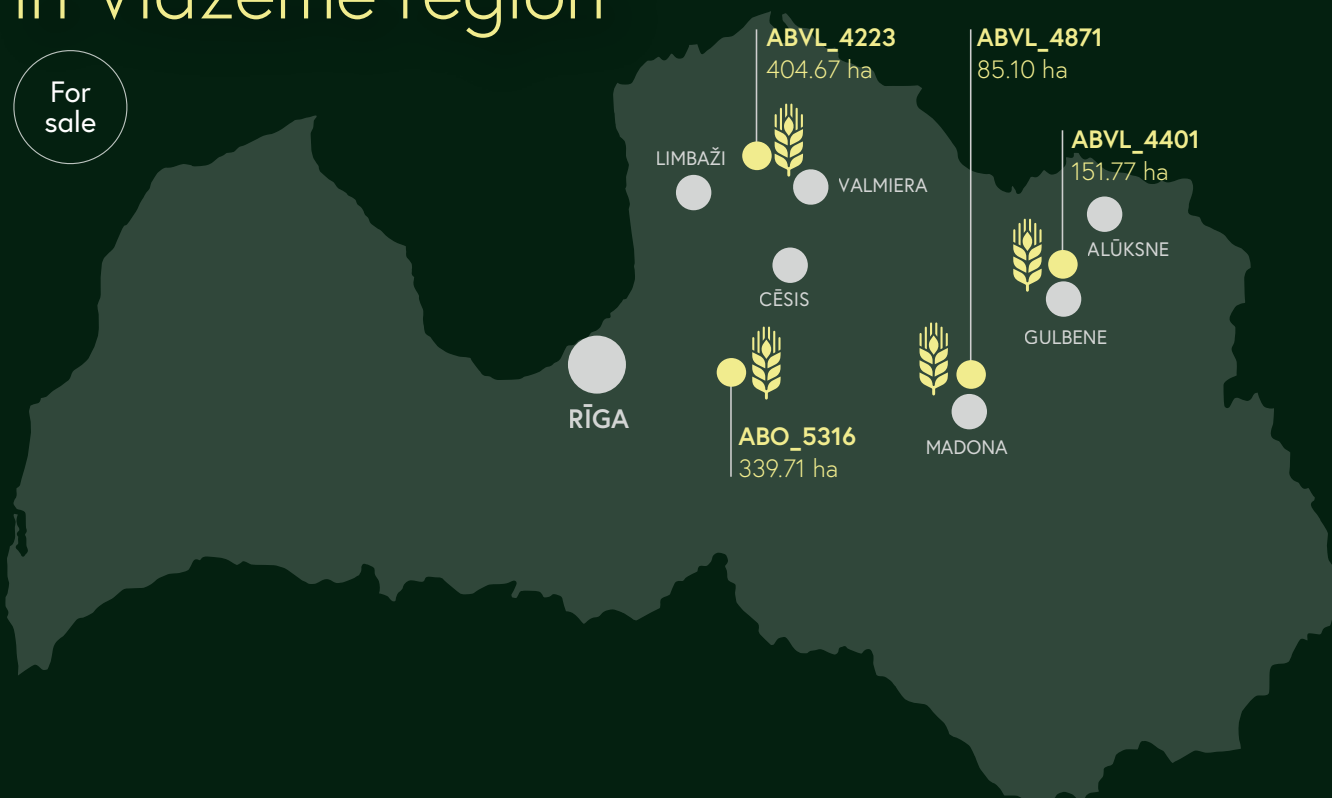
- Farm is relatively young and requires professional management for further development. It has relatively new basic set of machinery necessary to operate the current size of the farm.
- Farm base with two basic storage buildings is in geographically very good location with close access to main regional roads and close proximity to well-developed supply and delivery infrastructure.
- Region is one of the best developed regions in Latvia with several larger towns in 15–30-minute distance, which offers good quality both for business development and quality life.





# Agriland and forests in Vidzeme region

For sale



## 85.10 ha

**ID:** ABVL\_4871

**Locality:** Cesvaine parish

Farmland:	Forests:	Other land:
56.19 ha	11.20 ha	17.71 ha

The offer consists of one property with several land units located next to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 35-40 points

## 151.77 ha

**ID:** ABVL\_4401

**Locality:** Beļava parish

Farmland:	Forests:	Other land:
120.18 ha	2.67 ha	28.92 ha

The offer consists of one property with several land units located next to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 35-43 points

## 404.67 ha

**ID:** ABVL\_4223

**Locality:** Dikļi parish

Farmland:	Forests:	Other land:
317.74 ha	65.24 ha	21.69 ha

The offer consists of several properties located near to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 37-50 points

## 339.71 ha

**ID:** ABO\_5316

**Locality:** Mālpils parish

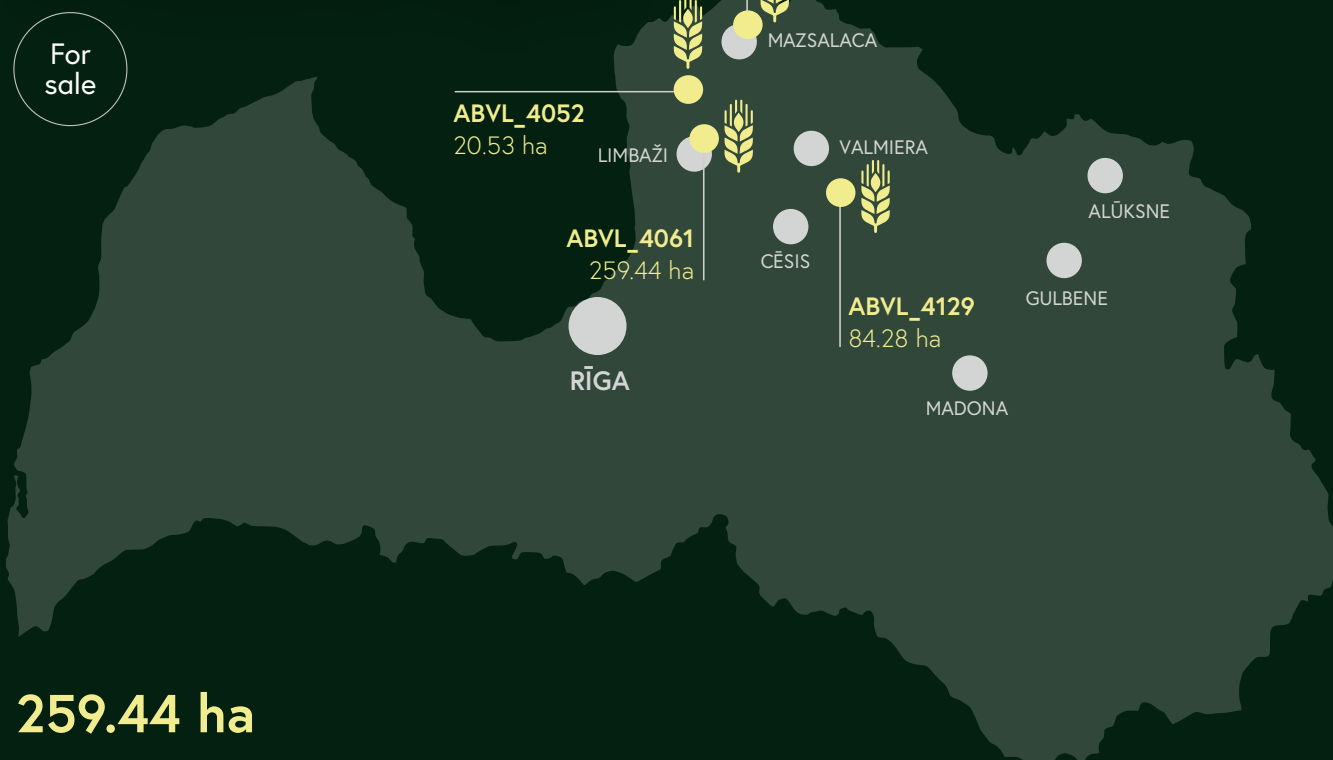
Farmland:	Forests:	Other land:
289.62 ha	34.59 ha	15.50 ha

The offer consists of several properties located within radius of 8 km.

 AVERAGE LAND PRODUCTIVITY INDEX: 40-55 points

# Agriland and forests in Vidzeme region

For sale



## 259.44 ha

**ID:** ABVL\_4061

**Locality:** Katvari, Limbaži, Umurga parishes

Farmland:	Forests:	Other land:
220.67 ha	27.67 ha	11.10 ha

The land portfolio consists of multiple land blocks located near each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 40-50 points

## 84.28 ha

**ID:** ABVL\_4129

**Locality:** Mārsnēni, Rauna parishes

Farmland:	Forests:	Other land:
81.56 ha	-	2.72 ha

The offer consists of several properties located within radius of ~ 6 km.

 AVERAGE LAND PRODUCTIVITY INDEX: 40-50 points

## 57.27 ha

Reserved

**ID:** ABVL\_4215

**Locality:** Mazsalaca, Vecate parishes

Farmland:	Forests:	Other land:
56.17 ha	0.70 ha	0.40 ha

The offer consists of two properties located ~5 km apart.

 AVERAGE LAND PRODUCTIVITY INDEX: 37-50 points

## 20.53 ha

**ID:** ABVL\_4052

**Locality:** Pāle parish

Farmland:	Forests:	Other land:
20.07 ha	-	0.46 ha

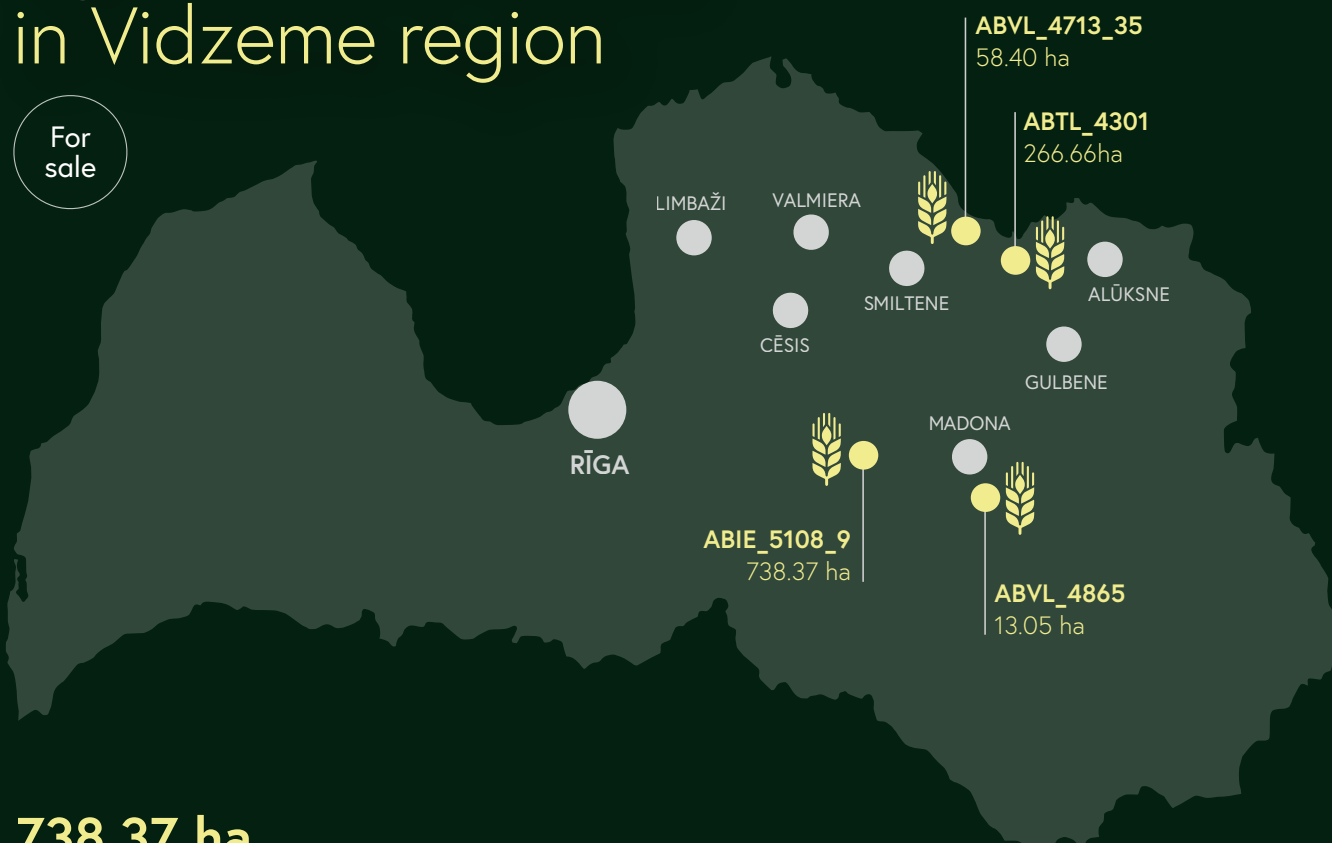
The offer consists of one land block.

 LAND PRODUCTIVITY INDEX: 40 points



# Agriland and forests in Vidzeme region

For sale



## 738.37 ha

**ID:** ABIE\_5108\_9

**Locality:** Irši, Vietalva parishes

Farmland:	Forests:	Other land:
698.87 ha	10.44 ha	29.06 ha

Well-consolidated land portfolio - two large blocks of fields.

 AVERAGE LAND PRODUCTIVITY INDEX: 35-45 points

## 58.40 ha

**ID:** ABVL\_4713\_35

**Locality:** Grundzāle, Zvārtava parishes

Farmland:	Forests:	Other land:
47.98 ha	8.19 ha	2.23 ha

The offer consists of several land units located next to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 34-40 points

## 266.66 ha

**ID:** ABTL\_4301

**Locality:** Trapene, Gaujiena, Vireši and Ilzene parishes

Farmland:	Forests:	Other land:
245.95 ha	12.90 ha	7.81 ha

The offer consists of several properties located near to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 35-55 points

## 13.05 ha

**ID:** ABVL\_4865

**Locality:** Mētriena parish

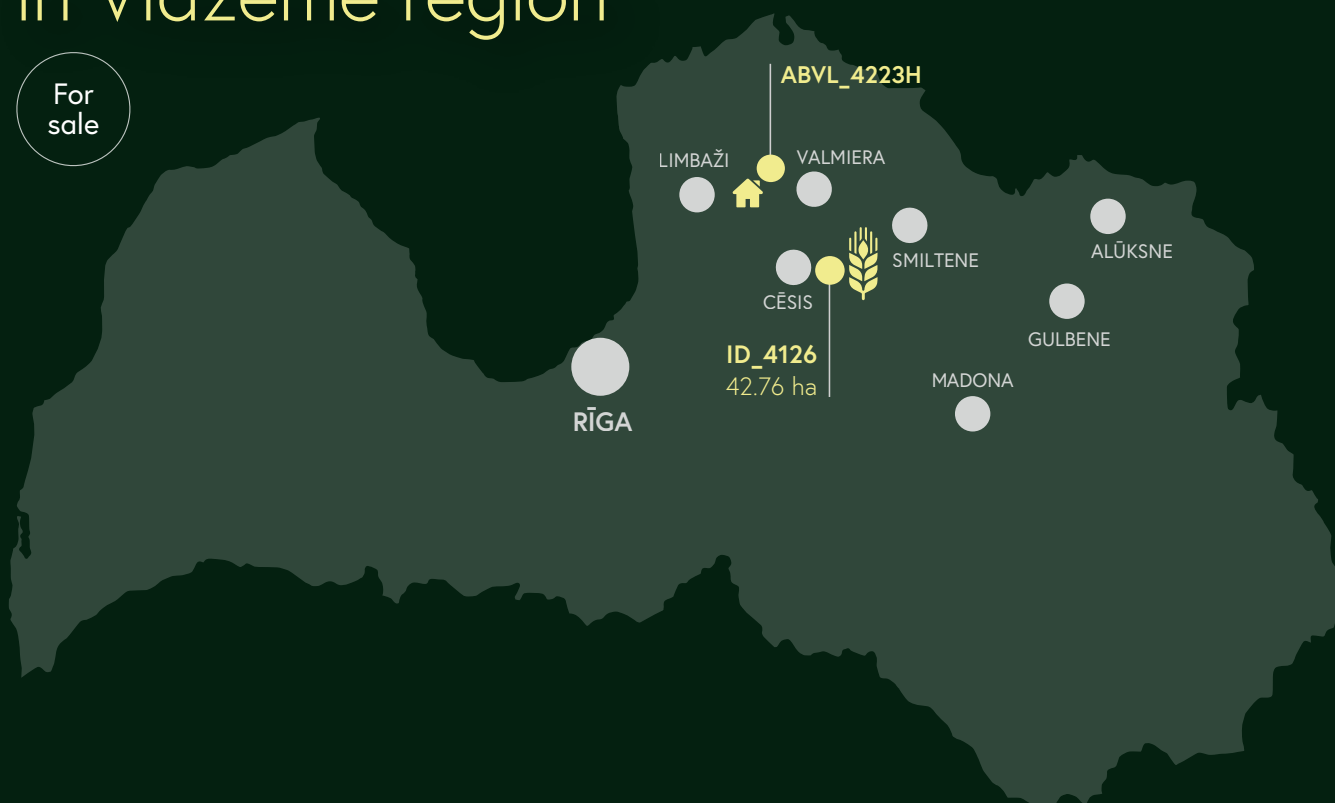
Farmland:	Forests:	Other land:
12.85 ha	-	0.20 ha

The offer consists of one land block.

 LAND PRODUCTIVITY INDEX: 45 points

# Properties in Vidzeme region

For  
sale



## Building, 1.65 ha land

**ID:** ABVL\_4223H

**Locality:** Dikļi parish



### Description:

The property "Krodziņi" includes 1.65 ha of land and a large boulder stone building built in 1924. The supporting structures of the building are in good condition. This offer also includes two other buildings - barn and shed.

It's an excellent opportunity to give new life to this building by renovating it and developing the tourism and hospitality business, or implementing other ideas and activities in the building.

## 42.76 ha

**ID:** 4126

**Locality:** Veselava parish

Farmland:	Forests:	Other land:
38.95 ha	1.30 ha	2.51 ha

Well-consolidated property - 4 land plots bordering each other. Plots are located ~ 600 m from regional highway at the good local road. Buildings placed on property belong to third party.

Average rainfall in area: 691 mm/year  
Vegetation period: 130 days

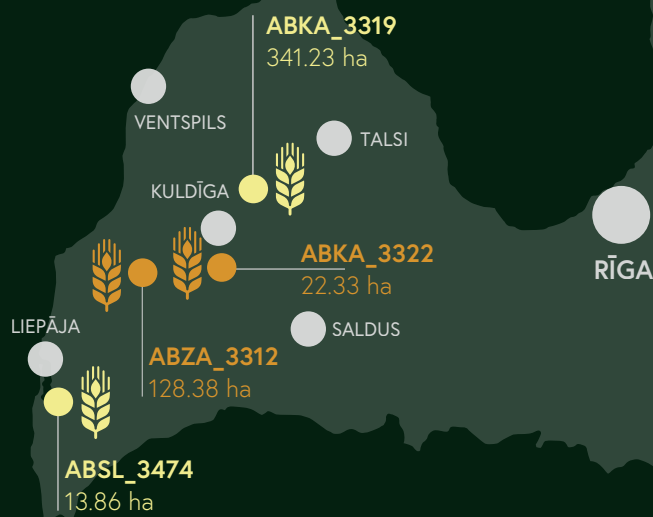


AVERAGE LAND

PRODUCTIVITY INDEX: 38-50 points



# Agriland and forests in Kurzeme region



**13.86 ha**

**ID:** **ABSL\_3474**  
**Locality:** Otaņķi parish

**Farmland:** 13.12 ha  
**Forests:** -  
**Other land:** 0.74 ha

The property consists of one land block.

**LAND PRODUCTIVITY INDEX:** 40 points

For sale

**157.45 ha**

**ID:** **ABZA\_3312**  
**Locality:** Gudenieki parish  
**For lease:** **128.38 ha**  
**Lease pricing:** 170 €/ha + VAT + land tax

**Farmland:** 119.45 ha  
**Forests:** 17.10 ha  
**Other land:** 20.90 ha

The offer consists of several properties located within a radius of 6.5 km.

**AVERAGE LAND PRODUCTIVITY INDEX:** 42-50 points

For sale and lease

**341.23 ha**

**ID:** **ABKA\_3319**  
**Locality:** Renda, Rumba parishes

**Farmland:** 287.76 ha  
**Forests:** 31.96 ha  
**Other land:** 21.51 ha

The offer consists of one property with several land units located next to each other.

**LAND PRODUCTIVITY INDEX:** 45 points

For sale

**22.33 ha**

**ID:** **ABKA\_3322**  
**Locality:** Pelči parish  
**Lease pricing:** 150 €/ha + VAT + land tax

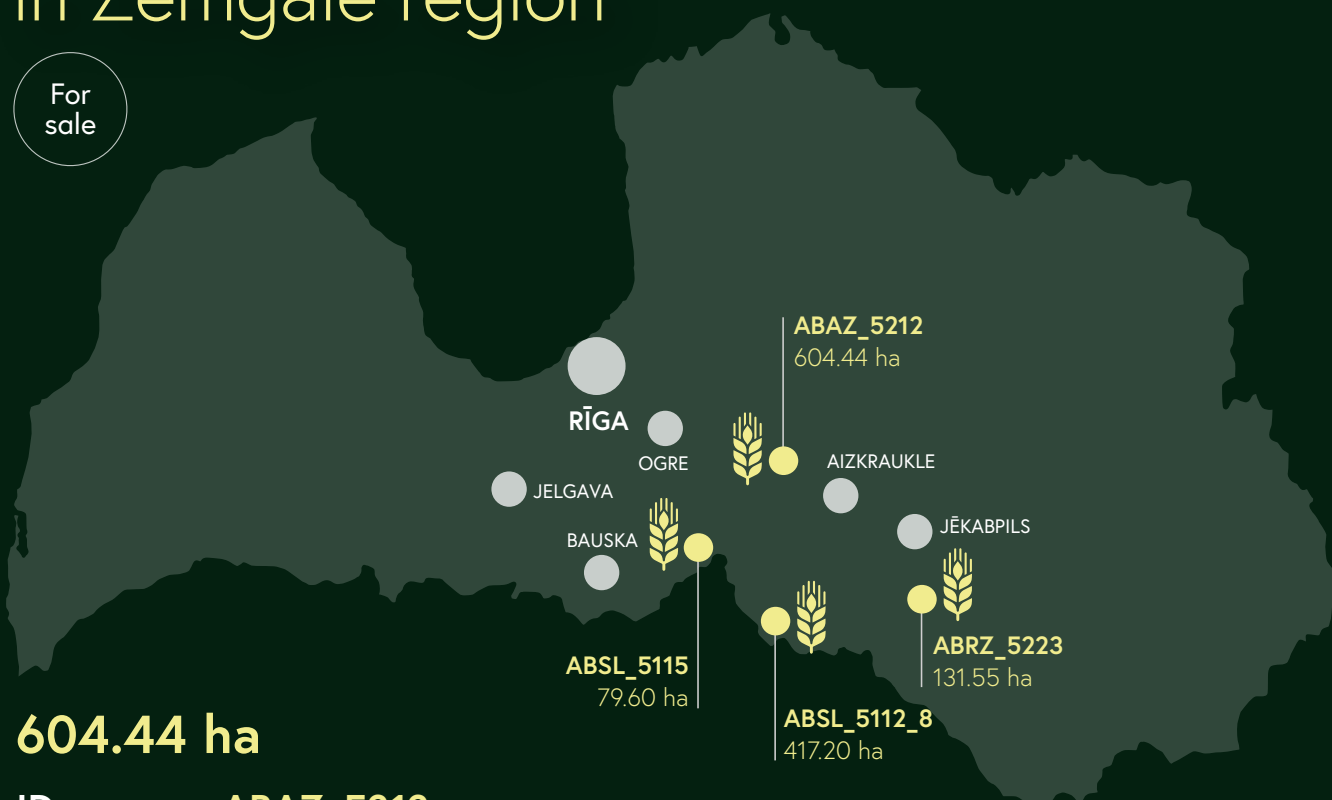
The offer consists of 3 land blocks located near each other.

**AVERAGE LAND PRODUCTIVITY INDEX:** 40-45 points

For lease

# Agriland and forests in Zemgale region

For sale



## 604.44 ha

**ID:** ABAZ\_5212

**Locality:** Lēdmane, Jumprava, Madliena, Skrīveri parishes

Farmland:	Forests:	Other land:
539 ha	43.25 ha	22.19 ha

Well-consolidated land portfolio, possible development of alternative energy projects.

 AVERAGE LAND PRODUCTIVITY INDEX: 45-60 points

## 131.55 ha

**ID:** ABRZ\_5223

**Locality:** Leimaņi parish

Farmland:	Forests:	Other land:
47.98 ha	8.19 ha	2.23 ha

The offer consists of several properties located near to each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 38-41 points

## 417.20 ha

**ID:** ABSL\_5112\_8

**Locality:** Pilskalne, Zalve, Nereta, Sauka parishes

Farmland:	Forests:	Other land:
339.29 ha	51.78 ha	26.13 ha

Well-consolidated land portfolio, possible development of alternative energy projects.

 AVERAGE LAND PRODUCTIVITY INDEX: 35-55 points

## 79.60 ha

**ID:** ABSL\_5115

**Locality:** Kurmene parish

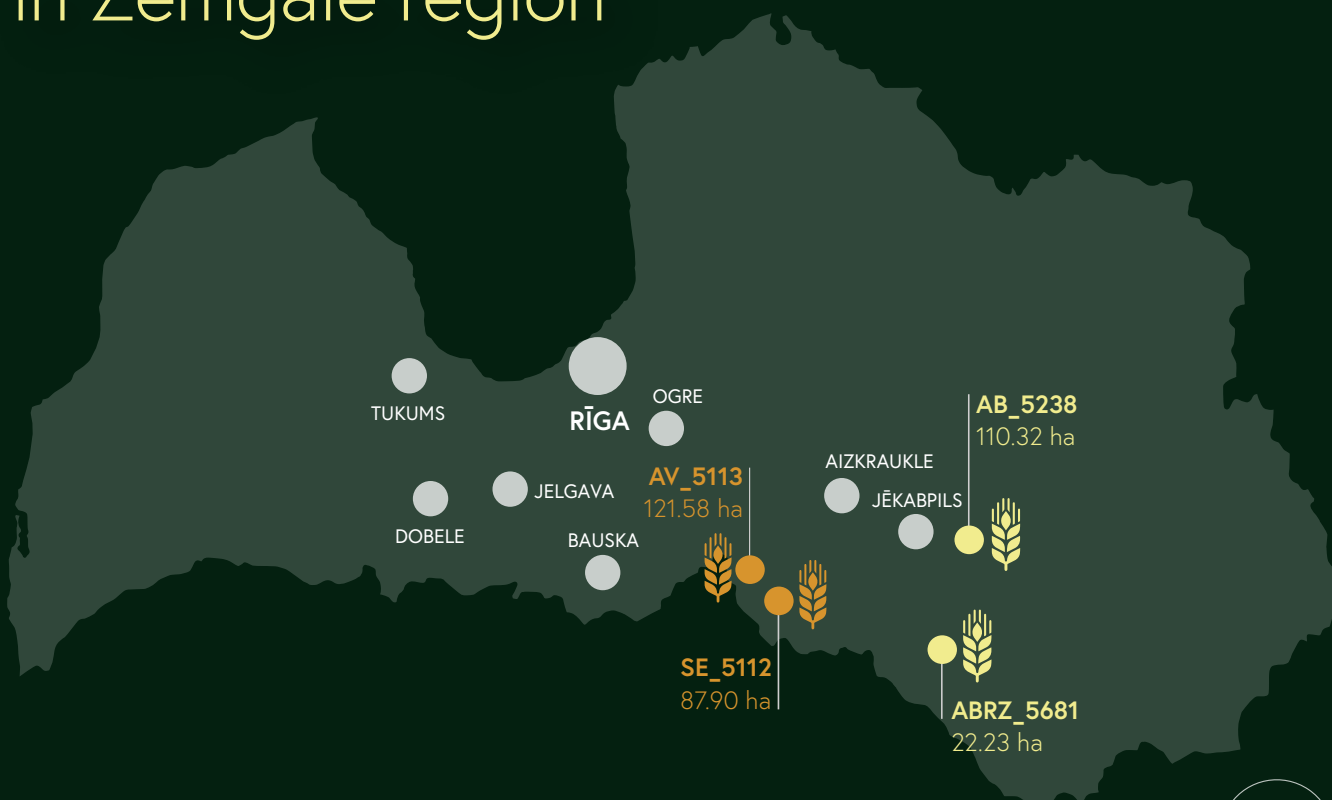
Farmland:	Forests:	Other land:
76.67 ha	0.02 ha	2.91 ha

The offer consists of several land units located near each other.

 AVERAGE LAND PRODUCTIVITY INDEX: 45-50 points



# Agriland and forests in Zemgale region



**110.32 ha**

ID: **ABR\_5238**

Locality: **Vīpe parish**

Farmland: 108.71 ha    Forests: -    Other land: 1.61 ha

The offer consists of one land block.



LAND  
PRODUCTIVITY INDEX: **40 points**

For  
sale

**87.90 ha**

ID: **SE\_5112**

Locality: **Zalve parish**

Lease  
pricing: 200 €/ha + VAT + land tax

Several properties located near each other.



AVERAGE LAND  
PRODUCTIVITY INDEX: **38-41 points**

For  
lease

**22.23 ha**

ID: **ABRZ\_5681**

Locality: **Rubene parish**

Farmland: 18.94 ha    Forests: 1.50 ha    Other land: 1.79 ha

The offer consists of several properties  
located within a radius of 2.5 km.



AVERAGE LAND  
PRODUCTIVITY INDEX: **40-45 points**

For  
sale

**121.58 ha**

ID: **AV\_5113**

Locality: **Mazzalve parish**

Lease  
pricing: 200 €/ha + VAT + land tax

Several land units located near each other.



AVERAGE LAND  
PRODUCTIVITY INDEX: **45-50 points**

For  
lease

*It is possible to lease SE\_5112 and  
AV\_5113 properties together.*



For more information contact:



Web: [agriland.lv](http://agriland.lv)

Phone: (+371) 641 07 185

E-mail: [actusQ@actusQ.lv](mailto:actusQ@actusQ.lv)

Office: Valmieras street 20A, Cesis, Latvia

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