

General notes: Latvia

Source for Table 1: Eurostat.

Source for all other tables: Latvijas Banka, unless otherwise indicated.

Conventions for data conversion from LVL to EUR: the data conversion is consistent with the approach applied by the ECB for all euro area member states, and is as follows.

For payment statistics purposes, data for periods prior to 2014, when Latvia joined the euro area, have been converted into EUR by applying either the end-of-period or average exchange rates and not taking into account the data on amounts in euro.

For the purposes of MFI balance sheet statistics, data for periods prior to 2014, when Latvia joined the euro area, have been converted into EUR by applying the official conversion rate and taking into account the data on amounts in euro.

As a result of this approach, some inconsistencies between data could be observed in the case of "of-which" positions, which may exceed the total position. Likewise, the data published by the ECB might differ from the data published by Latvijas Banka.

Because of the fact that the figures are published in millions and billions, a "zero" value does not always mean that the given phenomenon does not exist. There are cases where the amount or value of transactions is bigger than zero, but too small to show up.

Table 1: Basic statistical data

Population

Annual average. In 2011 a population census was carried out in Latvia. The 2010 data have been revised in view of the results of the census.

Table 2: Settlement media used by non-MFIs

Currency in circulation outside MFIs

Following the changeover to the euro on 1 January 2014, these figures are provided solely at an aggregated euro area level.

Value of overnight deposits held at MFIs

Overnight deposits held at MFIs (excluding the ECB). The counterpart sector “non-MFIs” includes the component sectors “Central government” and “Rest of the world”. Thus, this indicator is not synonymous with the same term used in the ECB concept of narrow money supply (M1).

Value of overnight deposits held at MFIs, of which transferable deposits

The data shown for this item may exceed the total position “Value of overnight deposits held at MFIs” owing to rounding discrepancies as they are reported in whole millions.

Narrow money supply (M1)

Following the changeover to the euro on 1 January 2014, these figures are provided solely at an aggregated euro area level.

Outstanding value on e-money storages issued by MFIs

Covering MFIs without derogations under Article 9(1) of Regulation ECB/2013/33 (where applicable).

Table 3: Settlement media used by credit institutions

Overnight deposits held at other credit institutions

Value for the last quarter of the period.

Overnight deposits held at other credit institutions, of which transferable deposits

The data shown for this item may exceed the total for the item “Overnight deposits held at the central bank” owing to rounding discrepancies, as these data are reported in whole millions.

Non-intraday borrowing from the central bank

Compared with 2007, at the end of 2008 confidence in the interbank market declined and banks resorted to Latvijas Banka's monetary operations for both deposits and credits. The decline in confidence was the result of:

- the heightened risk perception in the interbank market, which caused problems with borrowing in the interbank market for many banks;
- the concern that some banks might not be in a position to refinance their syndicated loans;
- the continuous uncertainty regarding the impact of the slowdown in the global economy and Latvian economic growth on the Latvian financial market.

By the end of 2009, the situation in the domestic financial market had stabilised and liquidity conditions in the banking system improved significantly, largely as a result of the successful implementation of the international financial assistance programme led by the IMF. Hence, market participants no longer needed to have recourse to central bank operations.

Table 4: Banknotes and coins

Total coins in circulation

In December 2007 Latvijas Banka changed its accounting policy for commemorative coins. As a result, from December 2007 onwards those commemorative coins that were previously treated as coins in circulation and included in the item "Total coins in circulation" are shown under the item "Commemorative coins" in Table 4. The respective nominal amount was LVL 243,553.

Until October 2002, monthly data on coins in circulation, with the exception of end-of-year data, are estimates and include a component of commemorative coins and souvenir sets of circulation coins, as no breakdown is available for monthly data on these two coin categories during that period.

As of 2014 Latvia is part of the euro area.

Commemorative coins

Commemorative coins are not included in the item "Lats in circulation", as the repurchasing probability of those coins is low or the value of precious metals used exceeds the repurchase (nominal) value.

In the data that refer to periods prior to December 2007, some commemorative coins were treated as coins in circulation and were, therefore, included in the item "Lats in circulation". These coins were of the denominations LVL 5 and LVL 1.

As of December 2007, the item “Commemorative coins” also includes gold coins in circulation of the denomination LVL 100. Although they are in circulation, they are not included in the item “Lats in circulation” because their nominal value is directly supported by their gold content. The nominal value of these coins was LVL 1,988,200 in 2007; LVL 1,988,100 in 2008; LVL 1,988,100 in 2009; LVL 1,988,400 in 2010; LVL 1,988,600 in 2011; LVL 1,988,700 in 2012; and LVL 1,988,700 in 2013.

Until October 2002, only end-of-year data are available.

As of 2014 Latvia is part of the euro area.

Table 5: Institutions offering payment services to non-MFIs

Central bank: value of overnight deposits, of which transferable deposits

The data shown for this item may exceed the total for the item “Value of overnight deposits” owing to rounding discrepancies, as they are reported in whole millions.

Credit institutions irrespective of their legal incorporation: number of institutions and offices

As of 2014, only credit institutions (banks, branches of foreign banks, and credit unions) that are payment service providers are included in the number of credit institutions.

Credit institutions irrespective of their legal incorporation: value of overnight deposits, of which value of transferable deposits

The data shown for this item may exceed the total for the item “Value of overnight deposits” owing to rounding discrepancies, as they are reported in whole millions.

Credit institutions legally incorporated in the reporting country: number of offices

Pre-2008 data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

Credit institutions legally incorporated in the reporting country: value of overnight deposits

In some periods data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

Branches of euro area-based credit institutions: number of offices

In some periods data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

For the same reason, data for the years 2008-14 are not broken down to show information on “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”.

The data cover only those institutions and offices that de facto provide payment services to customers.

Branches of euro area-based credit institutions: value of overnight deposits

In some periods data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

For the same reason, data for the years 2008-14 are not broken down to show information on “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”.

Branches of EEA-based credit institutions outside the euro area: number of offices

In some periods data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

For the same reason, data for the years 2008-14 are not broken down to show information on “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”.

The data cover only those institutions and offices that de facto provide payment services to customers.

Branches of EEA-based credit institutions outside the euro area: value of overnight deposits

Pre-2008 data are not broken down into “Credit institutions legally incorporated in Latvia”, “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”, as this would allow the identification of individual reporting agents.

For the same reason, data for the years 2008-14 are not broken down to show information on “Branches of euro area-based credit institutions” and “Branches of EEA-based credit institutions”.

Branches of non-EEA-based credit institutions: number of offices

There were no branches of non-EEA-based banks in Latvia in the period under review.

Branches of non-EEA-based credit institutions: value of overnight deposits

There were no branches of non-EEA-based banks in Latvia in the period under review.

Electronic money institutions: number of institutions

There were only two electronic money institutions in Latvia in 2005, therefore data are confidential. Prior to 2005, no electronic money institutions were identified in Latvia.

Until 2014 only those electronic money institutions that have issued e-money are included. Electronic money institutions that have only informed the Bank of Latvia on the commencement of their business are excluded.

As of 2014 only licensed electronic money institutions are included.

At the end of 2018, there were three licensed electronic money institutions in Latvia, and two of them had issued e-money.

At the end of 2019, there was only one licensed electronic money institution in Latvia.

Electronic money institutions: outstanding value on e-money storages issued by electronic money institutions

There were only two electronic money institutions in Latvia in 2005, therefore data are confidential. Prior to 2005, no electronic money institutions were identified in Latvia.

Until 2014 only those electronic money institutions that have issued e-money are included. Electronic money institutions that have only informed the Bank of Latvia on the commencement of their business are excluded.

As of 2014 only licensed electronic money institutions are included. At the end of 2017, there were three licensed electronic money institutions in Latvia, and two of them had issued e-money.

The number of payment accounts and e-money accounts is confidential for 2017, 2018 and 2019, as it covers fewer than three reporting agents.

Table 6: Payment card functions and accepting devices

Cards issued by resident PSPs: cards with a payment function (except cards with an e-money function only)

Cards with a debit function

Pre-2007 data are shown together with data on payments with cards with a debit function. Data on cards broken down by card function are available starting from 2007.

Cards with a delayed debit function

Pre-2007 data are shown together with data on payments with cards with a delayed debit function. Data on cards broken down by card function are available starting from 2007.

In 2017, the decrease in the indicator is related to a change in bank products offered.

Cards with a credit and/or delayed debit function

Pre-2007 data on cards with a credit function and cards with a delayed debit function are available only as a total, as separate data for these two categories were not collected.

As data on these two card categories are available separately as of 2007, this joint category is no longer used.

Cards issued by resident PSPs: cards with an e-money function

The data for 2015 and 2016 are confidential as they cover fewer than three reporting agents.

Cards with an e-money function

Data for 2017, 2018 and 2019 are confidential as they cover fewer than three reporting agents.

Cards with an e-money function which have been loaded at least once

Data for 2017, 2018 and 2019 are confidential as they cover fewer than three reporting agents.

Cards with a combined debit, cash and e-money function

Data for 2017 are confidential as they cover fewer than three reporting agents.

Terminals provided by resident PSPs: e-money card terminals

Not applicable

[Tables 7a and 8a: Payments per type of payment service involving non-MFIs](#)

Payments per type of payment service: credit transfers

Book-entry transactions are not included.

In 2014 the volume of SEPA credit transfers was 130,616,861 and the value was EUR 134,078.4 million.

In comparison with 2015, the number of customer credit transfers in 2016 increased by 6.0%, but their volume decreased by 20,5% as the amount of payments in foreign currencies continued to shrink.

In 2017, the number of cross-border credit transfers sent grew because the classification of credit transfers was improved and customers increasingly started

using internet banking services for cross-border transfers, including for e-commerce purposes.

In comparison with 2017, in 2018 the volume of customer credit transfers grew, while the value decreased primarily on account of a decline in customer credit transfers to third countries. The volume and value of credit transfers in foreign currencies declined, whereas the volume and value of credit transfers in euro continued to follow an upward trend in 2018.

Payments per type of payment service: direct debits

Book-entry transactions are not included. The number of SEPA direct debit transactions was negligible in 2014.

By 1 January 2015, all domestic direct debits were replaced by e-invoices combined with SEPA Credit Transfers.

Card payments with cards issued by resident PSPs (except cards with an e-money function only)

In 2017, the number of cross-border card payments increased due to a change in customer behaviour. Cards are used more and more to make purchases, also outside the territory of Latvia.

Payments with cards with a debit function

Prior to 2005 data are estimates.

Payments with cards with a delayed debit function

Pre-2007 data on payments with cards with a credit function and payments with cards with a delayed debit function are available only as a total, as separate data for these two categories were not collected.

Data on payments broken down by card function are available starting from the second half of 2007; estimations for earlier periods have therefore been made on the basis of the first data collected.

In 2017, payments with cards with a delayed debit function declined as the number of cards with delayed debit function decreased.

Payments with cards with a credit function

Pre-2007 data on payments with cards with a credit function and payments with cards with a delayed debit function are available only as a total, as separate data for these two categories were not collected.

Data on payments broken down by card function are available starting from the second half of 2007; estimations for earlier periods have therefore been made on the basis of the first data collected.

Payments with cards with a credit and/or delayed debit function

Pre-2007 data on payments with cards with a credit function and payments with cards with a delayed debit function are available only as a total, as separate data for these two categories were not collected.

As data on these two card categories are available separately as of the second half of 2007, this joint category is no longer used.

E-money payments with e-money issued by resident PSPs

The 2015 data are confidential as they cover fewer than three reporting agents.

E-money payments are confidential because there are fewer than three reporting agents in 2017.

Other payment services

Data are confidential as they cover fewer than three reporting agents in 2017, 2018 and 2019.

From 2017, data include also money remittances, OTC cash withdrawals and OTC cash deposits.

Total payments involving non-MFIs: cross-border

Data provided are estimates. Before 2007, estimates were made on the basis of foreign trade data. For the 2007 data, estimates have been made on the basis of the data received in accordance with the new Regulation for Compiling "Credit Institution Payment Statistics Report".

In 2016, the value of total payments involving non-MFIs decreased because of a 22.8% decline in credit institutions' credit transfers.

Total cross-border transactions received (excluding card payments)

Data are available as of the second half of 2007; estimates for earlier periods have therefore been made on the basis of the first data collected.

Memo item: Credits from the accounts by simple book entry

Data are available as of the second half of 2007; estimates for earlier periods have therefore been made on the basis of the first data collected.

In 2017, the increase in the indicator is mainly result of improvements in the classification of transactions.

Memo item: Debits from the accounts by simple book entry

Data are available as of the second half of 2007; estimates for earlier periods have therefore been made on the basis of the first data collected.

In 2017, the increase in the indicator is mainly a result of improvements in the classification of transactions.

Tables 7b and 8b: Payments per type of terminal involving non-MFIs

At terminals provided by resident PSPs with cards issued by resident PSPs

ATM cash withdrawals

For the period 2002-04, no distinction between cards issued in Latvia and those issued abroad is possible; all transactions are therefore included in section a).

POS transactions (irrespective of type of card used)

For the period 2002-04, no distinction between cards issued in Latvia and those issued abroad is possible; all transactions are therefore included in section a).

E-money card loading/unloading transactions

Not applicable.

E-money payments with cards with an e-money function

Not applicable.

At terminals provided by resident PSPs with cards issued by non-resident PSPs:

ATM cash deposits

Data are confidential as they cover fewer than three reporting agents in 2016.

E-money card-loading/unloading transactions

Not applicable.

E-money payments with cards with an e-money function

Not applicable.

At terminals provided by non-resident PSPs with cards issued by resident PSPs:

ATM cash deposits

Not applicable.

E-money card-loading/unloading transactions

Not applicable.

E-money payments with cards with an e-money function

Not applicable.

POS transactions (except e-money transactions)

In 2017, the growth of card payments at POS terminals is due to a change in customer behaviour. Cards are used more and more to make purchases, also outside the territory of Latvia.

Tables 10 and 11: Payments processed by payment systems

TARGET2 component: TARGET2-Latvija

TARGET2-Latvija was introduced on 19 November 2007.

Concentration ratio in terms of volume/value includes central bank data.

LVPS: SAMS

The SAMS system (RTGS for credit transfers) was introduced in September 2000.

Concentration ratio in terms of volume/value includes central bank data.

By 1 January 2015 the settlement of Latvijas Banka's lats payments in the SAMS system were switched to the euro settlement system TARGET2-Latvia.

RETAIL SYSTEM: EKS

Latvijas Banka adheres to the European Payments Council SEPA credit transfer scheme, and has been sending and receiving SEPA credit transfers using EKS SEPA since 9 November 2010. Latvijas Banka is therefore SEPA-compliant in the "bank-to-bank" domain.

Total transactions

Includes transactions in euro.

Credit transfers

Includes transactions in euro.

In 2015 the volume of SEPA credit transfers was 38,030,687 and the value was EUR 52,407.9 million.

Credit transfers, initiated electronically

Includes transactions in euro.

Direct debits

There were no SEPA direct debit transactions in 2014.

By 1 January 2015, all domestic direct debits had been replaced by e-invoices combined with SEPA Credit Transfers.

Concentration ratio in terms of volume (percentages) includes central bank data and transactions in euro.

Worldline Latvia, the local card settlement system

In September 2017, Worldline acquired 100% of the share capital of First Data's fully owned subsidiaries in Lithuania, Latvia, Estonia, thus creating Worldline Baltics.