CHALLENGE CARD 1 DEMOGRAPHIC CHANGE AND DEPOPULATION

Description:

Latvia faces significant demographic shifts characterized by declining birth rates, population aging, and emigration. This impacts regional development and strains social services.

Key issues:

- · Population decline and aging society
- · Regional disparities, especially rural depopulation
- · Impact on social infrastructure and elderly care

Discussion questions:

- · How can policies support rural areas facing depopulation?
- · What strategies can help balance aging population demands?

Quote / Statistic:

"Latvia's population decreased by nearly 20% since 1990, and the oldage dependency ratio is projected to reach 60% by 2050." — OECD Economic Surveys: Latvia 2022

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 2 ECONOMIC INEQUALITY AND OPPORTUNITY GAPS

Description:

Latvia has some of the highest income and opportunity inequalities in the EU, affecting social cohesion and economic growth.

Key issues:

- Income disparity
- · Inequality of access to education and jobs
- · Economic lag compared to neighbors

Discussion questions:

- What policies can reduce income inequality?
- · How to improve equality of opportunity across regions?

Quote / Statistic:

"Latvia ranks among the top three EU countries with the highest income inequality."

— Eurostat

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

QUALITY AND ACCESS IN EDUCATION

Description:

Education quality and access, including skills mismatches and teacher shortages, remain critical challenges affecting youth development and workforce readiness.

Key issues:

- · Declining student performance (PISA scores)
- Teacher workload and shortages
- · Skills mismatch and quality of education reforms

Discussion questions:

- · How to motivate and retain teachers?
- · How to align education with labor market needs?

Quote / Statistic:

"Latvian students' PISA scores have declined slightly over recent years, indicating challenges in education quality." — OECD PISA Report

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 4 TRUST IN GOVERNMENT AND CIVIC PARTICIPATION

Description:

Low trust in political institutions undermines effective governance and civic participation.

Key issues:

- · Low trust in public servants, government, and politicians
- · Low voter turnout and civic participation
- · Rise of gray economy and tax evasion

Discussion questions:

- · How to rebuild trust between citizens and institutions?
- · What role can transparency and communication play?

Quote / Statistic:

Only 29% of Latvians report high or moderately high trust in their national government—10 percentage points below the OECD average. *(OECD Survey, 2024)*

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 5 BUREAUCRACY AND ADMINISTRATIVE BURDEN

Description:

High levels of bureaucracy increase burdens on individuals and enterprises, reducing efficiency and satisfaction.

Key issues:

- · Administrative overload in healthcare and education
- Perceptions of excessive red tape
- · Need for simplification and digitization

Discussion questions:

- · How to streamline public administration?
- · What are effective ways to reduce bureaucratic burdens?

Quote / Statistic:

Excessive bureaucracy, poor coordination among public sector institutions, and overly complex regulatory frameworks are critical factors hampering operations across various sectors, including healthcare and education. (The Foreign Investors' Council in Latvia, FICIL Sentiment Index, 2023)

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 6 REGIONAL DEVELOPMENT AND INFRASTRUCTURE

Description:

Significant regional disparities in infrastructure, services, and economic opportunities affect rural and remote areas.

Key issues:

- · Unequal access to healthcare, education, internet
- · Infrastructure gaps impacting quality of life
- Rural out-migration and economic lag

Discussion questions:

- · What targeted solutions can revitalize rural areas?
- · How to improve service accessibility and infrastructure?

Quote / Statistic:

"Some rural areas have limited mobile internet coverage, impacting business and education."

— Going Digital in Latvia -report, OECD, 2021

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 7 NATIONAL IDENTITY AND CULTURAL INTEGRATION

Description:

Latvia's ethnic diversity requires balancing national identity preservation with cultural integration and inclusivity.

Key issues:

- Language preservation
- · Minority integration (Russian-speaking population)
- · Immigration and cultural cohesion

Discussion questions:

- · How to foster an inclusive national identity?
- · What measures support cultural integration?

Quote / Statistic:

Ethnic Latvians are 62.6% of the population; Russians comprise 23.4%. (Central Statistical Bureau of Latvia, 2024)

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 8 ENVIRONMENTAL SUSTAINABILITY AND ECONOMIC DEVELOPMENT

Description:

Balancing Latvia's environmental goals with a goal for economic growth, including renewable energy and conservation.

Key issues:

- · Greenhouse gas emissions reduction, renewable energy development
- Protecting biodiversity
- Citizen and business awareness and commitment to behaviour change required to achieve Latvian climate neutrality goal by 2050

Discussion questions:

- How can sustainable transformation and regenerative practices be promoted alongside industry and economic development?
- How to support dramatic change in behaviour and structures required for a just and sustainable future?

Quote / Statistic:

"Land-use change and forestry sector turned from carbon sink to source. Latvia's net emissions were still 1.5 times above 2005 levels, compared with an average EU reduction of 30.5 % over the same period. In a 2023 survey, 22 % of Latvians, compared with a 46 % EU average, identified climate change to be one of the four most serious problems facing the world." — European parliament, 2024

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 9 MENTAL HEALTH AND SOCIAL WELL-BEING

Description:

Mental health problems are rising, with a need for better services, awareness, and reducing stigma.

Key issues:

- · Increasing rates of depression and anxiety
- · Limited access to mental health care
- · Social stigma around mental health issues

Discussion questions:

- · How to improve access to mental health services?
- What strategies can reduce stigma in society?

Quote / Statistic:

"Prevalence of mental disorders and suicidal behaviour in Latvia", revealed that 6.4% of the Latvian population had clinically significant symptoms of depression, 3.9% of the Latvian population had generalised anxiety disorder and 13.1% of the population had alcohol use disorders. The prevalence of suicidal thoughts, self-harm, and suicidal behaviour in the last month was 10.6%. (a study between 2019-2023, Rīga Stradiņš University)

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 10 DIGITAL SKILLS AND TECHNOLOGICAL READINESS

Description:

Improving digital literacy and use of new technologies are essential for Latvia's innovation and global competitiveness.

Key issues:

- Digital skills gaps in population
- Uneven technology access in regions and among socioeconomic groups
- Lack of innovation and R&D investment
- Risks and opportunities of new technology

Discussion questions:

- · How to enhance digital skills among the population?
- How to understand risks and embrace opportunities from rapid technological change in the context of the government?

Quote / Statistic:

Latvia's public expenditure on research and development (R&D) is notably low, at 59.0% of the EU average in 2024, which affects the entire research and innovation ecosystem, including human capital development and research outputs. — *European Innovation Scoreboard*, 2024

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration

CHALLENGE CARD 11

Description:

Key issues:

Discussion questions:

Quote / Statistic:

Strategic Innovation Management and Implementation: Future-Oriented Design Leadership in Public Administration