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Factsheet for case **LV-2020-11/622**

Support measures to re-orient business toward the production of disinfectants

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| Country | Latvia, applies nationwide |
| Time period | Open ended, started on 12 March 2020 |
| Type | Legislation or other statutory regulation |
| Category | Re-orientation of business activities – Change of production/innovation |
| Case created | 15 April 2020 (updated 27 April 2020) |

Background information

The measure has been established by Section 7 of the law “On Measures for the Prevention and Suppression of Threat to the State and Its Consequences Due to the Spread of Covid-19” (adopted on 20 March 2020, valid from 22 March 2020).

It is finalized to support local manufacturers, supporting their conversion in disinfectants producers. This initiative is then aimed to improve, at the same time, population's access to disinfectants.

More in detail, it provides changes regarding turnover of excise goods (strong alcohols). Furthermore, it introduces simplifications in the procedures for production of disinfection means.

Content of measure

The measure establishes that during the emergency situation related to the spread of Covid-19, the excise tax should be reduced with reference to denatured alcohol which is used in the production of disinfectants. In the light of the above, during the Covid-19 epidemic no financial excise duty is required to obtain a security certificate, for disinfectant manufacturers importing alcohol from another Member State.

Furthermore, the State Revenue Service may grant a reduction of the general excise duty in the amount of up to 90 % to companies which have a special permit (licence) for the operation of an approved warehouse and which carries out production of alcohol.

Additionally, the Ministry of Economy is elaborating a simplified procedure to admit into the market individual protection means against Covid-19 infection, encompassing disinfectants. The ones produced locally and

recognized in the simplified procedure could be used only in Latvia, and they will not need to meet EU standard and EU mark. Such products will not need evaluation from the third side; they will be recognized by the producer's certificate, sample of a product and laboratory test.

Use of measure

No information on usage of measure, but a number of local producers are producing disinfectants.

Actors, target groups and funding

| Actors | Target groups | Funding |
|---------------------|----------------------------------|----------------|
| National government | Sector specific set of companies | National funds |

Social partners

| | |
|-------------------------|----------------|
| Role of social partners | No involvement |
| Form of involvement | Not applicable |

No involvement

Sectors and occupations

This case is sector-specific.

| Economic area | Sector (NACE level 2) |
|-------------------|------------------------------|
| C - Manufacturing | C11 Manufacture of beverages |

This case is not occupation-specific.

Sources

- 25 March 2020: Konfiscēto spirtu dezinfekcijas līdzekļos brīvprātīgi pārstrādās «Madara Cosmetics» (www.lsm.lv)
- 09 April 2020: Law On Measures for the Prevention and Suppression of Threat to the State and Its Consequences Due to the Spread of COVID-19 (likumi.lv)
- 09 April 2020: State Revenue Service informative page on COVID-19 (www.vid.gov.lv)