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Economic review, Lithuania.

And a comment about the Baltic Countries.

The population of LT is only 3 mio, and the overall situation of the shopfitting industry is a positive growth due to successful exports.

The unemployment rate is ca. 10% due to a quiet home industry market, which however is bettered by a little home industry, e.g. car renovation etc.

The LT retailers were satisfied in 2012.

Shopping Malls build in the boom years 2003 and on, went down to 80% in 2009, why they have been forced to revamp and modernize heavily to get back into business, to the point of forcing the industry to refuse orders this year, due to lack in capacity.

Good news in the local retail market is that neighboring Russia and Belorussia (the latter with 10 mio population, and no Malls so far) are sending busloads of customers to Lithuania to go "border shopping" in the Baltic Malls. However, in the next 2 years or so, the Belorussian Retail is expected to reach the LT level. A number of new Shopping Malls are under planning and establishment, and as they also demand a high degree of modern design, it's a good market for our members.

Except for the competitive labor cost advantage LT manufacturers' price level is getting close to the German level, UK is considered cheaper at present, Scandinavia and Belorussia more expensive. The same applies to Russia, but other matters (like customs, payments etc.) can create problems.

Summary: The situation of the Lithuanian shopfitting industry is good, mainly due to exports. The consumer furniture industry is the same, but maybe fragile, as up to 95% (?) is believed to be depending on IKEA. Hourly cost per work hour: ca. 7 Euro.

The situations in Estonia and Latvia are different, Estonia being much related to Finland and the St.Petersburg region of Russia, Estonia being the richest of the 3 Baltic States.

Latvia is more like Lithuania.

All are more competitive, but also less developed (so far) than Poland.

Resume of verbal report by

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