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BALTIC INSTITUTE OF CORPORATE GOVERNANCE

Baltic Business Forum

Baltic Business Leadership Report

From confidence to execution

2026

Foreword



Rainers Vilāns

Managing Partner
KPMG in Latvia

Growth starts with clear choices

This report invites us to look beyond growth expectations and consider what it takes to deliver them. Business leaders must decide where to invest, how to develop their people and how to remain flexible in uncertain conditions. We believe Baltic competitiveness depends on both businesses' ability to act and a predictable operating environment. We hope this report helps leadership teams sharpen their priorities and engage in more focused dialogue with policymakers.



Indrek Alliksaar

Managing Partner
KPMG in Estonia

From technology experimentation to results

Technology becomes a competitive advantage only when it changes how a business works and creates measurable value. Investment in AI and digitalisation therefore needs to go hand in hand with skills development, clear accountability and a willingness to rethink established processes. This report encourages leaders to assess not only what their companies are already doing, but also what needs to change to take the next step with confidence.



Edvinas Žukauskas

Managing Partner
KPMG in Lithuania

Turning opportunities into investment

Long-term growth requires more than an attractive opportunity. It needs a sound investment case, the right capabilities and confidence in execution. A shared Baltic perspective allows us to learn from one another and explore opportunities for collaboration while recognising the differences between our markets. We hope this report encourages business leaders to translate broad growth ambitions into concrete projects, partnerships and long-term investment.



Rytis Ambrazevičius

President

Baltic Institute of Corporate Governance

Corporate governance should help businesses move forward

Good governance is about more than oversight and risk control. It should help businesses make informed decisions, seize opportunities and maintain a long-term direction. Effective dialogue between boards and management requires clear responsibilities, reliable information and a willingness to ask difficult questions. We invite readers to use this report as a starting point for discussing how corporate governance can better support business growth, innovation and resilience.

Executive Summary

The Baltic Business Leadership Report 2026 captures the priorities and judgements of 101 business leaders across Latvia, Lithuania and Estonia. The results present neither a story of unqualified optimism nor one of retreat. They point instead to disciplined confidence: respondents expect their own organisations to grow, while remaining alert to costs, talent constraints, technological change and geopolitical exposure.

Confidence is company-led

Two-thirds of respondents expect company revenue to increase over the next 12 months. The macroeconomic outlook is more measured: half expect their national economy to increase slightly, while 38% expect it to remain unchanged. The contrast suggests that leaders see company-specific routes to growth even without anticipating a powerful economic tailwind. Their confidence appears to rest more on their own companies' ability to grow than on expectations of stronger economic conditions.

Opportunity and friction coexist

The region's investment proposition is credible but not compelling for all respondents. A combined 54% describe their country as moderately or very attractive for investment, yet only 10% choose "very attractive". At the same time, 35% identify lower administrative burden as the most important competitiveness improvement, and 56% select reducing bureaucracy as the single reform most likely to improve the business environment. The opportunity agenda is therefore inseparable from the conditions of execution.

Baltic leaders see routes to growth, but delivery will depend on capability, resilience and institutional conditions

Skills and technology define the operating agenda

Talent shortages constrain growth at least to some extent for 84% of respondents. Technical roles are hardest to fill in: IT and engineering roles are selected by 41%, data and analytics by 33%, and skilled manufacturing roles by 31%. AI engagement is also widespread: 52% of respondents use it partially, 33% are piloting it and 7% use it extensively. Yet only 14% believe their company is moving fast enough in digital transformation compared with domestic peers and competitors.

Resilience is both defensive and commercial

Geopolitical awareness is high: 83% of respondents are moderately or very concerned. 34% of respondents report that geopolitical developments have influenced investment decisions, while the same share report an impact on supply-chain decisions.

At the same time, 81% of respondents expect increased defence spending to create new business opportunities. Interview discussions suggest that these opportunities are not necessarily expected to arise directly within the defence sector itself, but may also emerge through related investments in infrastructure, technology, energy and supply chains.

Together, these findings suggest that business leaders increasingly view geopolitics through two lenses: as a source of risk that requires greater resilience, and as a driver of investment and growth opportunities in selected sectors.

Sustainability investment remains a growing priority

Nearly two-thirds of respondents (64%) report moderate or significant investment in green energy or climate initiatives. The findings suggest that sustainability is becoming an established part of the investment agenda, although commitment levels vary across organisations.

Corporate governance structures are viewed positively, but board focus varies by topic

Corporate governance structures are rated as effective or very effective in supporting strategic objectives and risk management by 59% of respondents. Board engagement, however, differs across strategic priorities: 14% report that supervisory boards are involved in innovation and digital transformation to a great extent, compared with 32% reporting high involvement in resilience and risk management. This suggests that boards remain more strongly focused on risk and resilience than on innovation and transformation.

About the findings

The findings presented in this report reflect the views, expectations and experiences of the business leaders who participated in the survey. They provide insight into how respondents perceive the opportunities, risks and challenges facing their organisations and the wider business environment.

As with any survey-based research, the results should be understood as a reflection of respondent perspectives rather than a definitive assessment of economic, business or policy conditions. The report is intended to highlight priorities, concerns and areas for discussion among business leaders, policymakers and other stakeholders.

Key Findings at a Glance

Nine themes emerging from the survey

The survey's strongest Baltic-level findings form a connected picture of confidence under constraint.

Growth

67% of respondents expect company revenue to increase, while half **(50%)** expect the national economy to increase slightly.

67%

Investment

54% of respondents rate their country as moderately or very attractive for investment. However, only **10%** describe it as very attractive.

54%

Business Environment

56% of respondents identify reducing bureaucracy as the single reform most likely to improve the business environment.

56%

Talent

84% of respondents say talent shortages constrain growth at least to some extent, while **56%** support increased skilled immigration.

84%

AI

92% are using AI partially or extensively, or are at pilot stage, though extensive use is reported at **7%**.

92%

Geopolitics

83% are moderately or very concerned about the geopolitical situation.

83%

Defence economy

81% expect increased defence spending to generate new business opportunities.

81%

Sustainability

64% of respondents report moderate or significant investment in green energy or climate initiatives.

64%

Corporate governance

59% of respondents rate their company's governance structures as effective or very effective in supporting strategic objectives and risk management.

59%

Economic Outlook and Business Growth

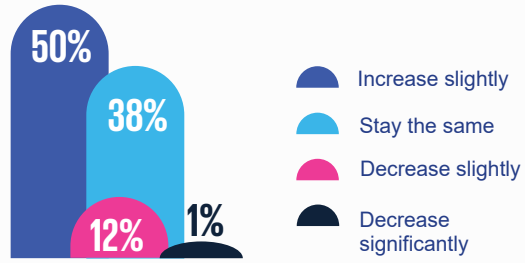
Company confidence is running ahead of the economic mood

At the time of the survey, Baltic business leaders reported a measured macroeconomic outlook but a more positive view of their own organisations' prospects.

A cautious economic baseline

Half of respondents expect the national economy to increase slightly over the next 12 months. A further 38% expect no change. The result is best understood as guarded confidence rather than a strong upswing.

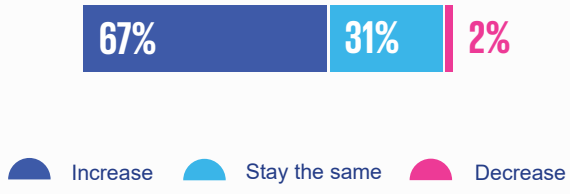
How do you expect economic growth in your country to change over the next 12 months?



Businesses see their own routes to growth

Revenue expectations are more positive than the broader economic outlook: 67% of respondents expect company revenue to increase, while only 2% expect a decline. The survey cannot explain the mechanism, but the contrast suggests that leaders are relying on company-specific strategies, market choices, productivity, investment or execution, rather than macroeconomic momentum alone.

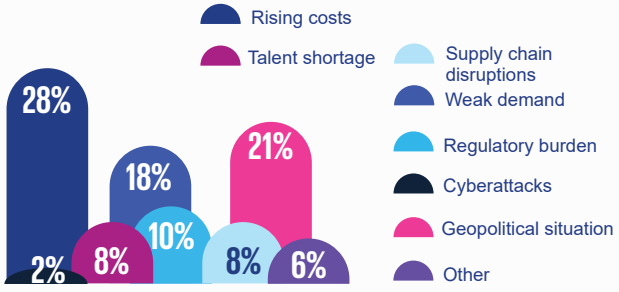
Do you expect your company's revenue in your country to increase, stay the same, or decrease in the next 12 months?



Risk remains close to the growth plan

Rising costs are the most frequently selected single biggest growth risk, at 28%, followed by the geopolitical situation at 21% and weak demand at 18%. These pressures require leaders to maintain flexibility while continuing to invest.

What is the biggest risk to your company's growth over the next 12 months?



Implications for business leaders

01 Translate growth expectations into clear investment priorities and execution plans.

02 Strengthen the capabilities that support growth, including talent, technology and operational resilience.

03 Regularly review growth assumptions in light of changes in demand, costs and the geopolitical environment.

Implications for policymakers

01 Maintain a stable and predictable policy environment that encourages business investment, expansion and long-term economic growth.

02 Accelerate investments in infrastructure, digitalisation and energy resilience to strengthen national competitiveness and productivity.

03 Address labour market challenges through education, reskilling and targeted talent policies that help businesses grow and innovate.

"If sales are growing, you can improve efficiency, invest in automation and optimise processes. Geopolitical shocks or an economic downturn, however, are things businesses cannot control. If people stop spending and start saving instead, it becomes extremely difficult to compensate for that.



Vaidas Lukoševičius
RIMI Country Managing Director, Lithuania



"We expect growth because we have invested heavily. Now it is time to see the results of those investments.

Vladimir Mkhitaryan
CEO of Balticovo

Investment Attractiveness and Competitiveness

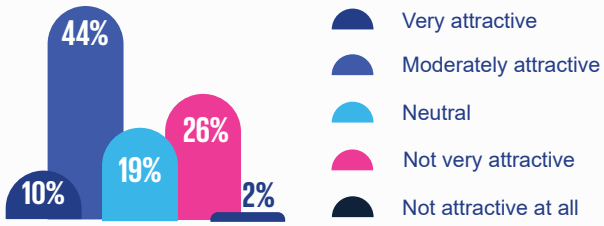
The region has opportunities – the challenge is turning it into investable propositions

Respondents see credible growth opportunities in several sectors and view their countries as broadly attractive places for investment.

Attractive, but rarely compelling

A combined 54% of respondents rate their country moderately or very attractive for investment. The balance matters: 44% choose moderately attractive and 10% very attractive. Meanwhile, 28% rate their country as not very attractive or not attractive at all. The challenge is not only to maintain current strengths, but also to create the conditions that encourage greater investment confidence.

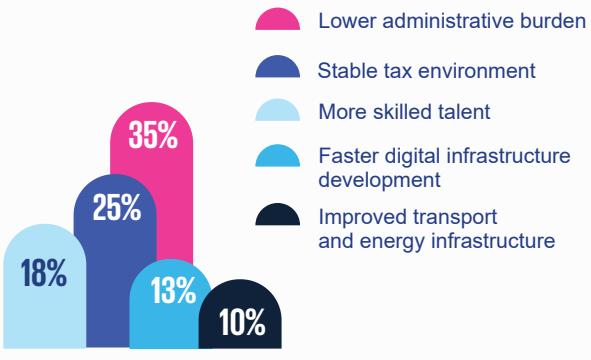
From your perspective - how attractive is your country as a place to invest?



Competitiveness is an execution question

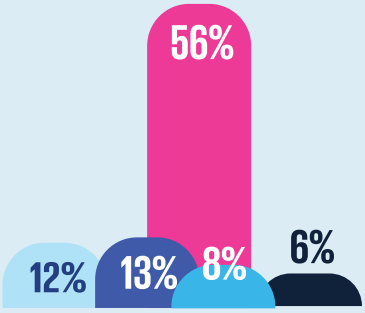
Lower administrative burden is the leading priority for improving the country's attractiveness and competitiveness as an investment destination, selected by 35% of respondents, followed by a stable tax environment at 25% and more skilled talent at 18%. The answer is reinforced elsewhere: 56% of respondents choose reducing bureaucracy as the single reform that would most improve the business environment. The relationship is descriptive, but unusually consistent.

What would most improve your country's competitiveness for investors?



What is the single biggest reform needed to improve your country's business environment?

- Reduce bureaucracy
- Faster permitting/approvals
- Improve workforce skills
- Strengthen digital infrastructure
- Improve the tax system



Growth expectations cluster around defence and technology

Defence is selected as the sector with the strongest future growth potential by 36% of respondents, followed by technology/ICT at 31%. These responses signal perceived opportunity, not guaranteed returns or readiness to invest.

> *Data centres, heating and transport are the three main areas where electricity consumption will increase. In the area of data centres, a major new wave of development is now beginning.*

Rolands Irklis
CEO of Augstsprieguma tīkls



Implications for business leaders

01 Translate broad sector themes into specific investment cases, partnerships and capability requirements.

02 Assess how regulatory requirements affect the cost and speed of planned investments.

03 Engage policymakers with concrete, prioritised reform requests.

Implications for policymakers

01 Target measurable and visible reductions in administrative burden.

02 Protect policy predictability and strengthen skills pathways.

03 Test which practical changes would move investors from moderate to strong conviction.

The Baltics are no longer low-cost labour markets, so our competitiveness must increasingly come from productivity and efficiency. That requires investment whose return often depends on a business being able to grow beyond its domestic market. For three small economies, predictable rules and greater consistency across the region have a very practical value: they give companies a stronger basis for investing for the long term and building the scale to compete internationally.



Rūta Ežerskienė

Chair of the Management Board, CEO of Citadele Group



Dainius Vilčinskas

CEO of Lithuanian National Development Bank ILTE

Consumer spending and public investment are currently supporting business activity and creating a solid order pipeline, which is strengthening companies' expectations for growth. At the same time, concerns remain around insufficient investment, rising labour costs and persistently high employee expectations.

When challenges arise, we adapt and move forward. Following the outbreak of the war, many companies became more cautious about investment decisions. We maintained our long-term focus, continuing to invest and develop our business, with more than EUR 150 million invested over the past three years. The results we are seeing today reflect the importance of consistency and long-term planning.



Vladimir Mkhitaryan

CEO of Balticovo

Talent, Skills and Workforce Transformation

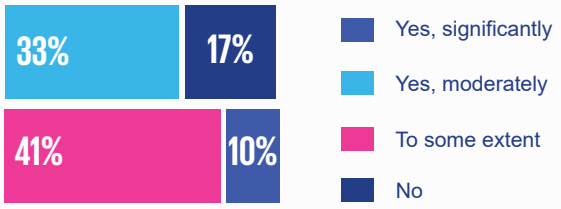
Skills are becoming the binding constraint on execution

Talent pressure cuts across the growth, competitiveness and technology agendas. The survey indicates broad constraint and a need for a portfolio response.

A widespread growth constraint

41% of respondents say talent shortages constrain growth to some extent, 33% moderately and 10% significantly. Combined, this means 84% experience at least some constraint. The finding describes reach, not a common root cause.

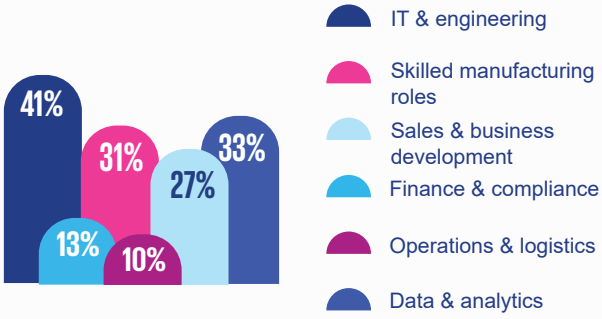
Is talent shortage currently limiting your company's growth?



Technical roles are hardest to fill

IT and engineering roles are selected by 41% of respondents, data and analytics by 33%, and skilled manufacturing roles by 31%. The pattern links workforce pressure directly to digital and industrial ambitions.

Which roles are hardest to fill in your country today?



> *We are competing for the same talent not only with companies in Latvia and Lithuania, but increasingly with employers across Europe. The challenge is no longer simply finding people - it is remaining competitive in a much broader talent market.*

Modestas Sudnius
CEO of Eleving Group



Immigration is supported, but not as a standalone answer

56% of respondents support increasing skilled immigration, while 24% are unsure and 20% oppose it. This suggests that skilled immigration is viewed as part of the response to talent shortages, although no clear consensus exists among respondents.

Should your country increase skilled immigration to address labour shortages?



Implications for business leaders

01 Build integrated workforce plans covering reskilling, retention, automation, partnerships and selective international recruitment.

02 Define shortages by role, proficiency, location and time horizon.

03 Ensure business leaders and people managers are accountable not only for filling vacancies, but also for developing the capabilities needed for future growth.

Implications for policymakers

01 Develop a clear and predictable strategy for attracting skilled international talent, including efficient and transparent immigration procedures aligned with labour market needs.

02 Align education, reskilling and employer-led training with business demand for IT, engineering, data and other critical technical skills.

03 Strengthen collaboration between government, employers and education institutions to address long-term skills shortages and workforce development needs.

> *We need to attract more highly skilled international talent. For established companies bringing in qualified employees, the process should be significantly simpler.*



Modestas Sudnius
CEO of Eleving Group

> *Today, the real shortage is not limited to specific professions. There is a shortage of talent in general.*



Pranas Kuisys
CEO of Bitė Group

AI and Digital Transformation

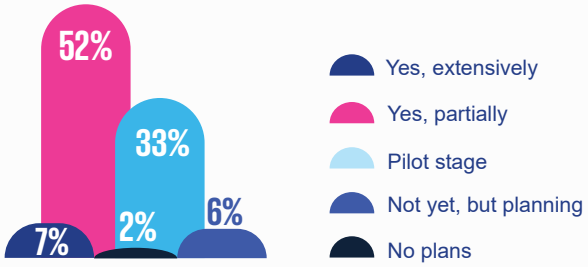
AI adoption is broad, but depth and competitive pace remain limited

AI is already part of the operating agenda for most respondents. The challenge now is to move from experimentation and partial use to governed, measurable scale.

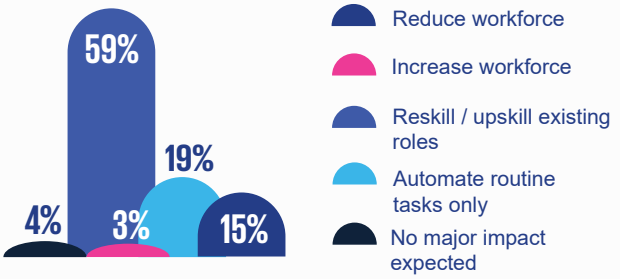
Engagement is widespread, but maturity is not

Half (52%) of respondents report partial AI use and one third (33%) are piloting it. Only 7% report extensive use. A further 6% plan to start, while 2% have no plans. Combining pilots and partial use should not be treated as equivalent to scaled transformation.

Is your company already using AI in core business processes?



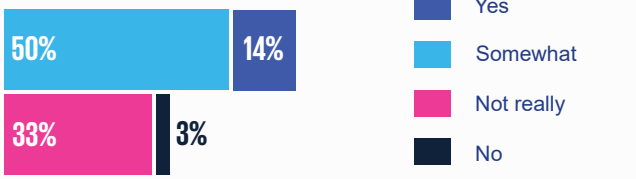
What impact will AI have on your workforce over the next three years?



Workforce adaptation is the dominant expectation

59% of respondents expect AI primarily to require reskilling or upskilling. 19% expect routine-task automation only, while 15% expect workforce reduction. Leaders therefore anticipate workforce role redesign more often than reduction.

Is your company moving fast enough in digital transformation compared to its peers and competitors in your country?



The pace question exposes a confidence gap

Only 14% of respondents say their company is moving fast enough in digital transformation compared with domestic peers and competitors. Meanwhile 50% say somewhat, and a combined 36% answer not really or no. Widespread AI activity and restrained confidence in pace can coexist: one measures current engagement, the other perceived company pace relative to domestic peers.

Implications for business leaders

01 Set clear criteria for scaling successful AI initiatives beyond pilot projects.

02 Establish corporate governance frameworks that address AI-related risks, accountability, data quality and responsible use.

03 Track business outcomes and value creation, not adoption activity alone.

Implications for policymakers

01 Support applied digital skills and adoption capability.

02 Focus on helping businesses implement and scale digital technologies, rather than only improving access to them.

AI is often first seen as an efficiency tool, but its growth potential becomes clearer when we consider what a business could offer customers that was previously too costly or complex to deliver. A clearly defined use case gives that ambition direction. Realising it requires leaders to reconsider how the business works and develop people's ability to make sound decisions with the technology. For the Baltics, the wider economic benefit will depend on smaller businesses being able to make that transition too.



Rūta Ežerskienė
Chair of the Management Board, CEO of Citadele Group



Pranas Kuisys
CEO of BITĖ Group

The earlier an organisation starts experimenting with AI, the sooner it becomes a natural part of the business. Those who start later may benefit from more mature solutions, but the transformation itself will still take time.

Geopolitics, Resilience and Defence Economy

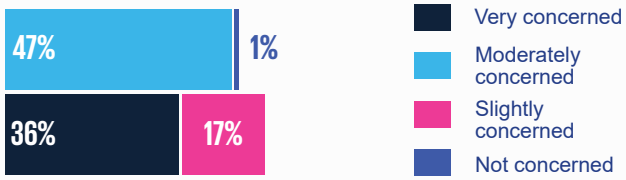
Resilience is moving from risk control to strategic positioning

Geopolitical developments shape executive attention and, for many, business decisions. The same context is also associated with expectations of commercial opportunity in the defence economy.

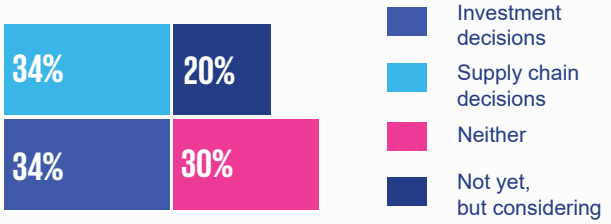
Concern is close to universal

Almost half (47%) of respondents are moderately concerned and 36% very concerned, a combined 83%. A further 17% are slightly concerned. Concern is not itself evidence of action, but it establishes the strategic context.

How concerned are you about regional geopolitical risks affecting business in your country?



Have geopolitical tensions influenced any of the following decisions in your organization?



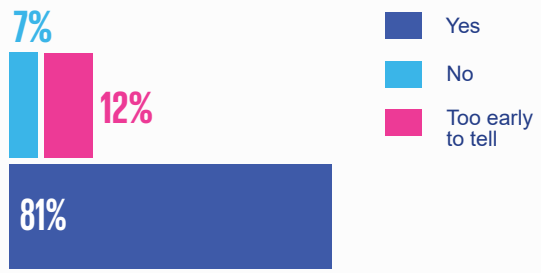
Decision impacts are already visible

Geopolitical tensions are already influencing business decisions. 34% of respondents say geopolitical tensions have influenced investment decisions, while an identical share report an impact on supply-chain decisions. A further 20% say they are considering changes but have not yet acted, while 30% report no influence on these decisions. Because respondents could select more than one answer, percentages may exceed 100%.

Defence is viewed as a broad opportunity

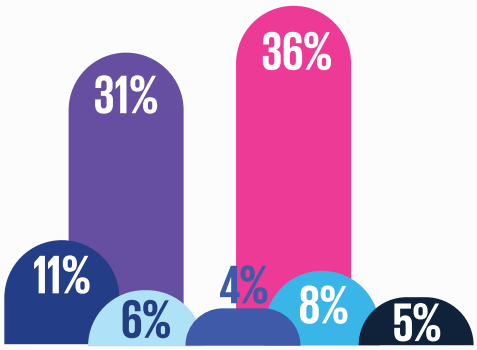
81% of respondents expect increased defence spending to create new business opportunities, while 12% say it is too early to tell. Defence is also identified by 36% of respondents as the sector with the greatest growth potential over the next five years, followed closely by technology and ICT at 31%. Together, these findings suggest that business leaders see future growth opportunities in sectors linked to security, technology and innovation. At the same time, they highlight how organisations are balancing geopolitical risks with opportunities created by changing investment priorities and economic activity.

Do you expect defence spending in the region to create new business opportunities?



Which sector in your country has the greatest growth potential over the next five years?

- Manufacturing
- Technology / ICT
- Healthcare / life sciences
- Financial services
- Green energy
- Logistics & mobility
- Defence
- Other



> *Government spending on defence and building a defence industry are not the same thing. Defence spending is essential for national security and creates opportunities for Lithuanian businesses as suppliers, contractors and manufacturers. However, a strong defence industry emerges when companies develop defence-related products or produce critical components as subcontractors. This includes both hardware and software solutions. The real opportunity is for Lithuanian companies to build these capabilities and become part of international defence supply chains.*



Dainius Vilčinskas

CEO of Lithuanian National Development Bank ILTE

Implications for business leaders

01 Incorporate geopolitical scenarios into investment, supply-chain and business-continuity planning.

02 Strengthen resilience to both cyber and physical risks, including critical infrastructure, operational continuity and supply-chain dependencies.

03 Assess defence-related opportunities against organisational capabilities, partnership requirements and long-term strategic fit.

Implications for policymakers

01 Provide transparent pipelines and procurement processes.

02 Support ecosystem coordination and capability development without assuming every business can or should participate.

For us, the clearest immediate risk is the jet fuel price triggered by the geopolitical situation.



Erno Hilden
President and CEO
of airBaltic



Jurgita Petrauskienė
an Independent Board
Member & Chairperson

The state has obligations toward its citizens, yet businesses also have a role to play. Just as we train employees to recognise cybersecurity threats, we should devote more attention to broader preparedness for crises and emergency situations.

In the current geopolitical environment, these risks have become particularly significant. We recognise that we could be a potential target for sabotage, as well as in the event of a broader conflict.



Rolands Irklis
CEO of Augstsprieguma
tīkls

Sustainability and Green Investment

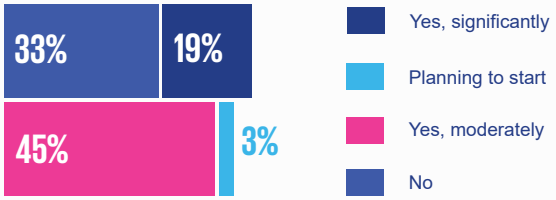
Green investment is becoming a more established part of business strategy, although commitment levels vary considerably across organisations

Sustainability investment is becoming increasingly common across Baltic businesses. While a majority of respondents report investing in green energy or climate-related initiatives, the scale of commitment varies and a significant minority have not yet increased investment. The findings suggest that sustainability is becoming a strategic consideration for many organisations, although approaches remain uneven.

Green investment is present but uneven

45% of respondents report moderate investment and 19% significant investment in green energy or climate initiatives, a combined 64%. Meanwhile, 33% report no increase in investment and 3% are planning to start. The survey measures reported activity rather than the financial value, environmental impact or effectiveness of those investments.

Is your company increasing investments in green energy or climate initiatives?



> *For us, this is partly driven by regulation because there is an increasing requirement to use renewable jet fuel. AirBaltic also has one of the most modern aircraft fleets in the region, so much of that investment has already taken place.*



Erno Hilden
President and CEO of airBaltic

Business implications

01 Integrate sustainability priorities into long-term business and investment planning.

02 Focus on measurable business and operational outcomes rather than activity alone.

03 Evaluate sustainability initiatives alongside broader capital-allocation priorities.

Implications for policymakers

01 Provide stable and predictable policy frameworks that support long-term sustainability investment.

02 Strengthen the availability of infrastructure and financing that enable green transition projects.

03 Work with businesses to understand barriers to investment, including financing, technology adoption and project availability.

Corporate governance and Board Oversight

Corporate governance structures are generally viewed positively, but board engagement differs significantly across strategic priorities

Respondents generally express confidence in their organisations' governance structures. However, the survey suggests that board attention is not distributed equally across different strategic agendas. Boards are more actively involved in resilience and risk management than in innovation and digital transformation.

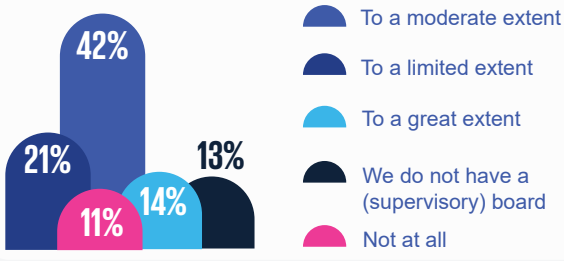
Corporate governance confidence is positive, but not universal

43% of respondents describe their company's governance structures as effective in supporting strategic objectives and risk management, while 16% rate them as very effective, for a combined total of 59%.

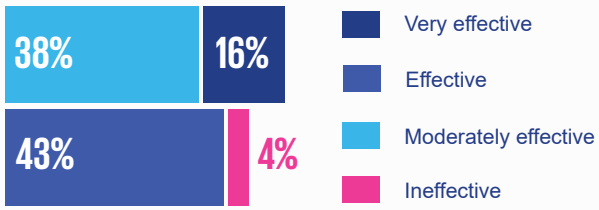
Board engagement differs by topic

For innovation and digital transformation, 14% of respondents report board involvement to a great extent and 42% to a moderate extent. For resilience and risk management, one third (32%) report high involvement and 36% moderate involvement. The findings suggest that board attention remains more strongly focused on risk and resilience than on innovation and transformation.

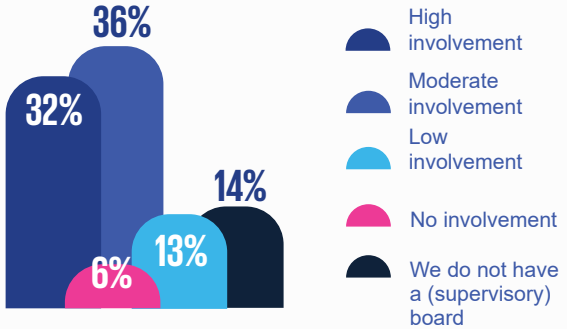
To what extent is the (supervisory) board involved in overseeing innovation and digital transformation?



How effective is your company's current corporate governance structure in supporting the achievement of strategic objectives and effective risk management?



To what extent is the (supervisory) board involved in crisis management and business continuity planning, and in overseeing the company's resilience to external shocks?



Business implications

01 Evaluate and improve the effectiveness of corporate governance and board performance. Review governance practices regularly and continuously identify opportunities for improvement.

02 Strengthen board oversight of innovation and digital transformation, ensuring that these priorities are embedded in corporate strategy, supported by measurable objectives and included in the board agenda on a regular basis.

03 Elevate organisational resilience to a core board responsibility, with systematic oversight of business continuity, crisis preparedness and the company's ability to withstand external shocks.

04 Assess board composition, competencies and working practices to ensure that boards have the capabilities and time required to address emerging strategic challenges.

Implications for policymakers

01 Strengthen the promotion of professional and effective corporate governance practices across all ownership types of companies.

02 Encourage board education and professional development focused on innovation, digital transformation and resilience.

03 Support greater awareness among business owners and investors of the contribution that effective boards can make to competitiveness and sustainable long-term business success.

"Effective governance starts with professional boards. Board members need to understand their role, management needs to understand what a board should and should not do, and the board itself must understand the boundaries of its responsibilities.



Jurgita Petrauskienė
an Independent Board Member & Chairperson

Conclusions for Business Leaders

The leadership agenda is to turn confidence into repeatable execution

Effective corporate governance and high-performing boards are essential for long-term business success in the Baltics, ensuring sound strategic decisions, driving innovation, strengthening organisational resilience and creating sustainable value for shareholders and society at large.

The findings point to five practical disciplines. None depends on a single forecast – each strengthens the organisation's ability to act under uncertainty.

Make growth assumptions explicit

Revenue optimism should be anchored in customer, cost, productivity and investment assumptions. Boards should know which indicators would validate or challenge the plan.

Build capability as a portfolio

Talent shortages, AI adoption and digital pace are interconnected. Recruitment, reskilling, job redesign, automation and partnerships should be managed as one capability system.

Embed resilience in decisions

Geopolitical scenarios should influence capital allocation, supply chains and market choices through defined thresholds, not remain as a periodic risk discussion.

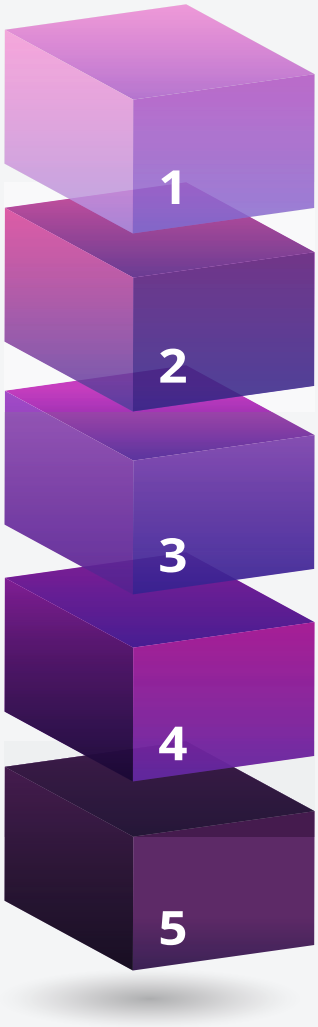
Strengthen strategic corporate governance

Boards should calibrate their involvement to the decision at hand, ensuring that innovation, sustainability and resilience each have clear mandates and measures.

Scale selectively

The breadth of AI activity should not be confused with maturity. Leaders should prioritise use cases with clear business value, supported by appropriate corporate governance, risk management and oversight.

Five disciplines for execution



Growth assumptions
Make customer, cost, productivity and investment assumptions explicit.

Capability
Manage recruitment, reskilling, automation and partnerships together.

Scaling
Prioritise AI use cases with value, ownership and controls.

Resilience
Use defined triggers in capital, supply-chain and market decisions.

Corporate governance
Set differentiated mandates and measures for strategic priorities.

> *I would find it difficult to say that Lithuania is unattractive for investment. Our own example contradicts that notion. An investment of that scale is, in itself, a signal that investors see potential in this region.*



Vaidas Lukoševičius
RIMI Country Managing Director, Lithuania

Conclusions for Policymakers

Competitiveness depends on reducing friction and expanding capability

The survey offers a clear but bounded policy message. Leaders emphasise administrative burden, predictability and skills, however the findings do not by themselves specify which interventions will work best.

Reduce practical friction

Reducing bureaucracy is identified by 56% of respondents as the single reform most likely to improve the business environment. Similarly, lower administrative burden is the leading measure respondents believe would strengthen the country's competitiveness as an investment destination, selected by 35%. Together, these findings suggest that businesses see administrative complexity as one of the main obstacles to investment and growth.

Protect predictability

A stable tax environment is chosen by 25% of respondents as the measure most likely to strengthen the country's competitiveness as an investment destination. The finding suggests that predictability remains an important consideration for businesses and investors.

Expand the skills response

More skilled talent is selected by 18% of respondents as the leading competitiveness improvement, and 56% support increasing skilled immigration. Skills policy should combine domestic development, education-business alignment and well-governed international recruitment.

Enable adoption and resilience

Only 14% of respondents believe their company is moving fast enough in digital transformation compared with domestic peers and competitors. Meanwhile, geopolitical impacts reach investment and supply-chain decisions. Applied adoption capability, transparent processes and ecosystem coordination deserve attention.

Convert defence expectation into credible access

With 81% of respondents expecting defence spending to create opportunities, policymakers should focus on transparent pipelines, qualification requirements and coordination. The survey does not establish the size or distribution of opportunity.

From friction to investment

- Reduce practical friction
- Protect predictability
- Expand skills
- Enable adoption and resilience
- Improve access to strategic opportunities

Methodology

About the Baltic Business Leadership Report 2026

The Baltic Business Leadership Report 2026 combines an online survey of 101 business leaders across Latvia, Lithuania and Estonia with in-depth executive interviews. The survey was conducted in May 2026, and then a number of interviews took place over the summer and continued through September 2026 to get a more in-depth perspective and add to the responses provided during the survey.

The research was conducted jointly by KPMG in Latvia, Estonia and Lithuania, in collaboration with Baltic Institute of Corporate Governance and Baltic Business Forum.

It explores business leaders' perspectives on growth, investment, competitiveness, talent, technology, resilience, sustainability and governance. The interviews provide additional context on the decisions and priorities behind the survey findings

The survey included 58 respondents from Latvia, 26 from Lithuania and 17 from Estonia. Baltic-level results are unweighted and form the basis of the analysis presented in this report. The findings reflect respondent views and experiences and should not be interpreted as representative of the wider business population.

Note: Figures may not total 100 percent due to rounding. For questions allowing multiple answers, percentages may exceed 100 percent. The geopolitical decision-impact question uses a valid base of 97 respondents.