estonia at a glance

Updated: March 2023

estonia – the most advanced digital society in the world

+ an active member and contributor to NATO, the European Union and the Eurozone
+ a strong economy with an unprecedented level of transparency in governance
+ Estonia’s education system is one of the best in Europe
+ Estonian GDP contribution to national defence is approaching 2.5%
+ the NATO Cooperative Cyber Defence Centre of Excellence and the eu-LISA headquartered in Tallinn

estonian investment agency

+ information services and investment preparation
+ investment proposals and visits (including virtual visits)
+ consulting and project management
+ facilitating contacts, negotiation with authorities
+ mediating recruitment services and identifying suitable properties
+ post-investment and aftercare services

estonian investment agency

Top Investment Agency
2018 — 2020
by Site Selection Magazine

2020 — 2022 Invest Estonia
in top of Emerging Europe's
annual investment
promotion report

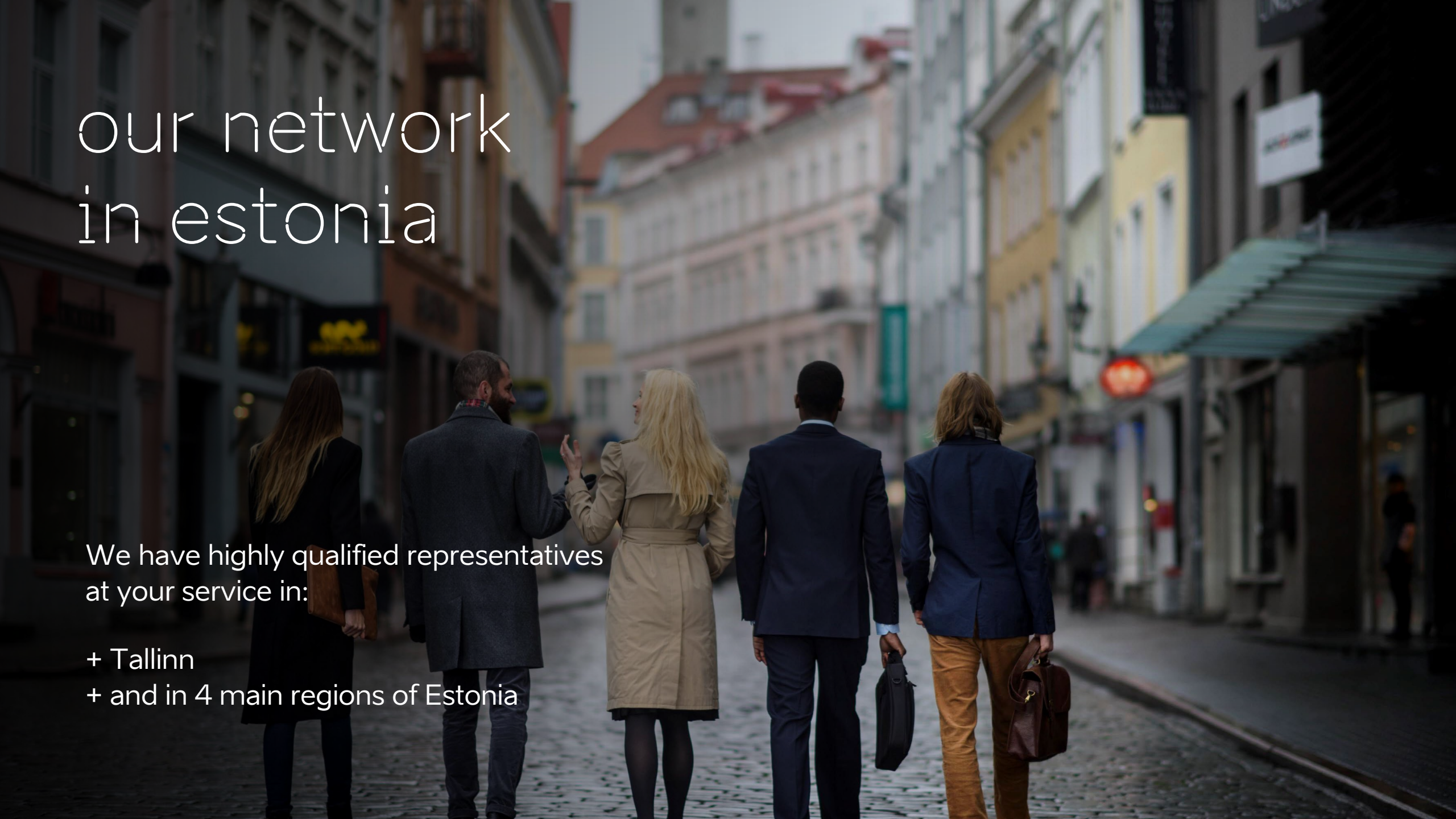
Automation at Invest Estonia
listed among UNESCO's
global top 100 AI projects
in 2022

our global network

We have a real global reach with representatives in following countries:

+ Finland
+ Sweden
+ Norway
+ Germany
+ Benelux
+ the UK
+ the US (Silicon Valley and East Coast)
+ the United Arab Emirates
+ Japan
+ India
+ Singapore

our network in estonia



We have highly qualified representatives at your service in:

+ Tallinn
+ and in 4 main regions of Estonia

business environment

© Annika Haas

key benefits of estonia

‘the most advanced digital society in the world’ by Wired

0% corporate income tax on retained and reinvested profits

low red tape, transparent and stable legislation

attractive environment for research and development

one of the world’s most open and competitive business environments

highly competitive infrastructure, salary and operating costs

information society indicators

entire country is covered
with a broadband connection

99% of public services
are online

99% of Estonians have
an ID-card

1st country to use blockchain
on a national level

5 days and 2% of GDP per year
is saved with digital signatures

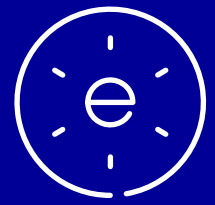
0% income tax on retained
and reinvested profits

digital business environment

98% of companies established online

99% of banking transactions are done online

98% of people declared their income online



92% of population use the internet on a regular basis

international rankings

#1

International Tax Competitiveness Index
Tax Foundation 2022

#1

Digital Health Index
Bertelsmann Foundation 2021

#2

Internet Freedom
Freedom House 2022

#7

EU Digital Economy and Society Index
European Commission 2021

#7

Index of Economic Freedom
The Heritage Foundation 2022

#18

Ease of Doing Business
World Bank 2020

ease of doing business

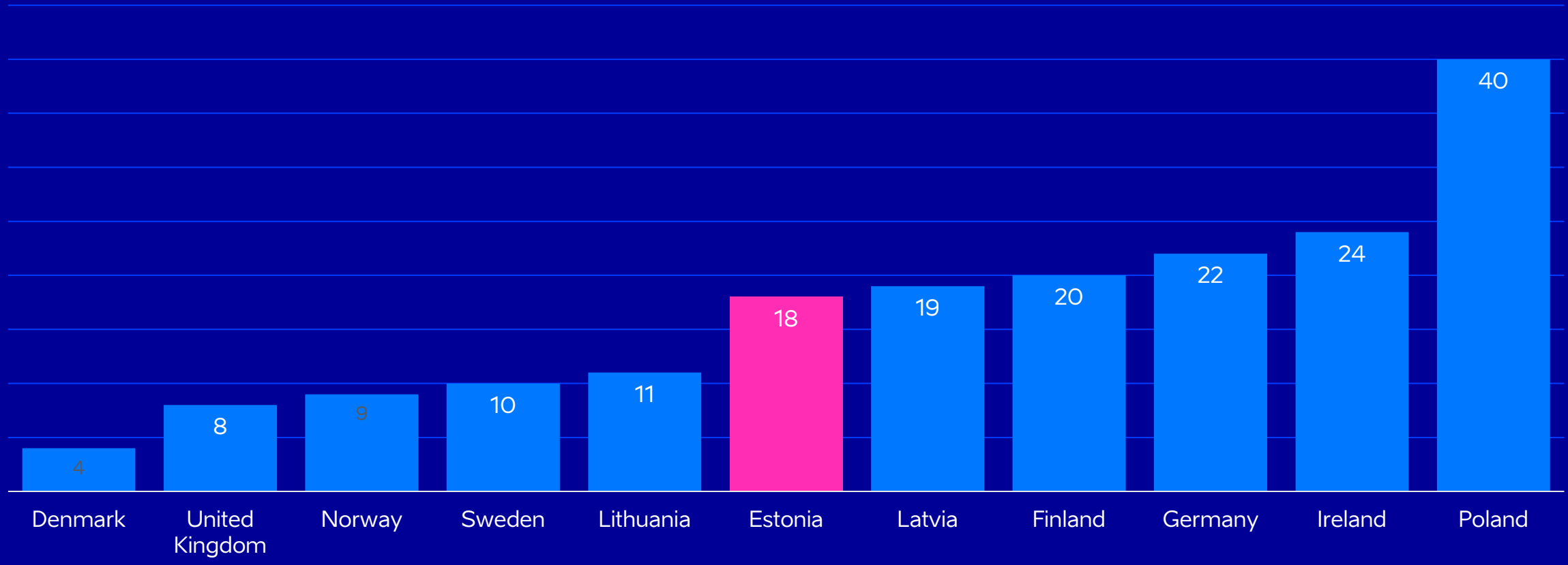
The simplest and fastest business environment

+ 15 minutes to start a company
+ hassle-free e-taxation
+ full automatization in tax reporting
+ e-Residency — Estonian e-services to every world citizen

© EAS

ease of doing business ranking

Source: World Bank — Doing Business, 2020



credit ratings

AA–	AA–	A1
Standard & Poor’s	Fitch IBCA	Moody`s

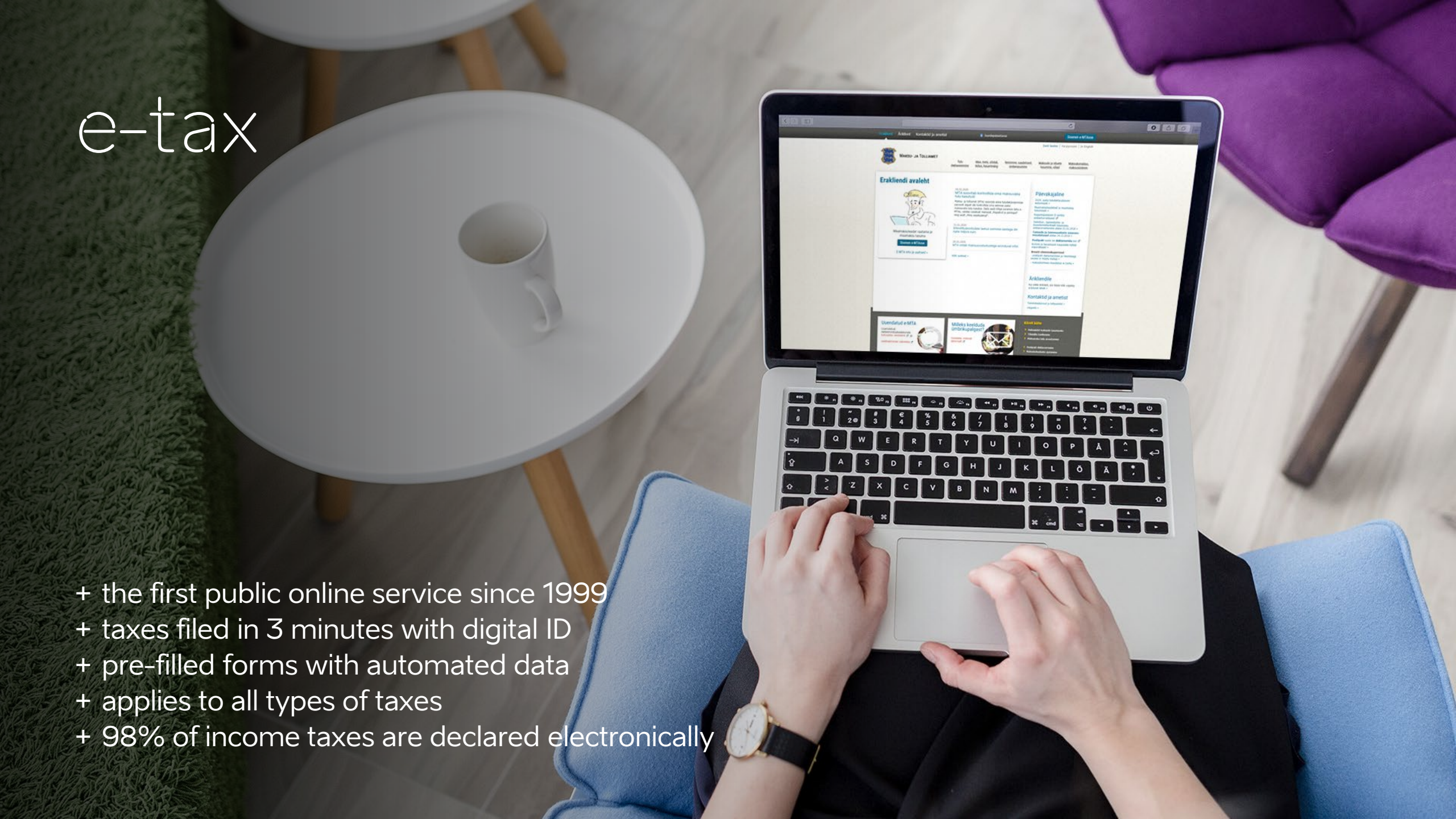
political and economical stability

low red tape and corruption

the lowest government debt in Europe

a balanced and future oriented state budget

e-tax



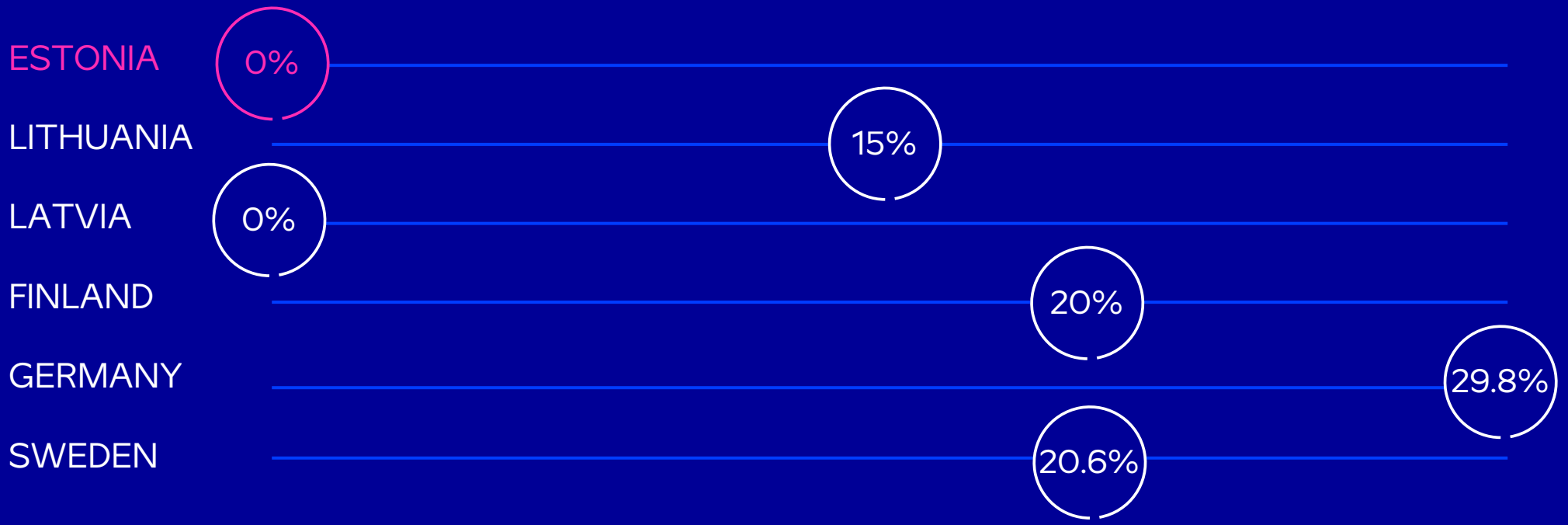
+ the first public online service since 1999
+ taxes filed in 3 minutes with digital ID
+ pre-filled forms with automated data
+ applies to all types of taxes
+ 98% of income taxes are declared electronically

simple and favourable tax system

0%	FROM 20% TO 14%	20%	20%	33%	FROM 0.1% TO 2.5%
Corporate income tax on retained and reinvested profits	Corporate income tax on distributed profits	Personal income tax	The standard rate of VAT The reduced rate is 9% and 0% in some cases	Social tax Plus 2.4% unemployment insurance tax	The land tax rate of the taxable value of the land

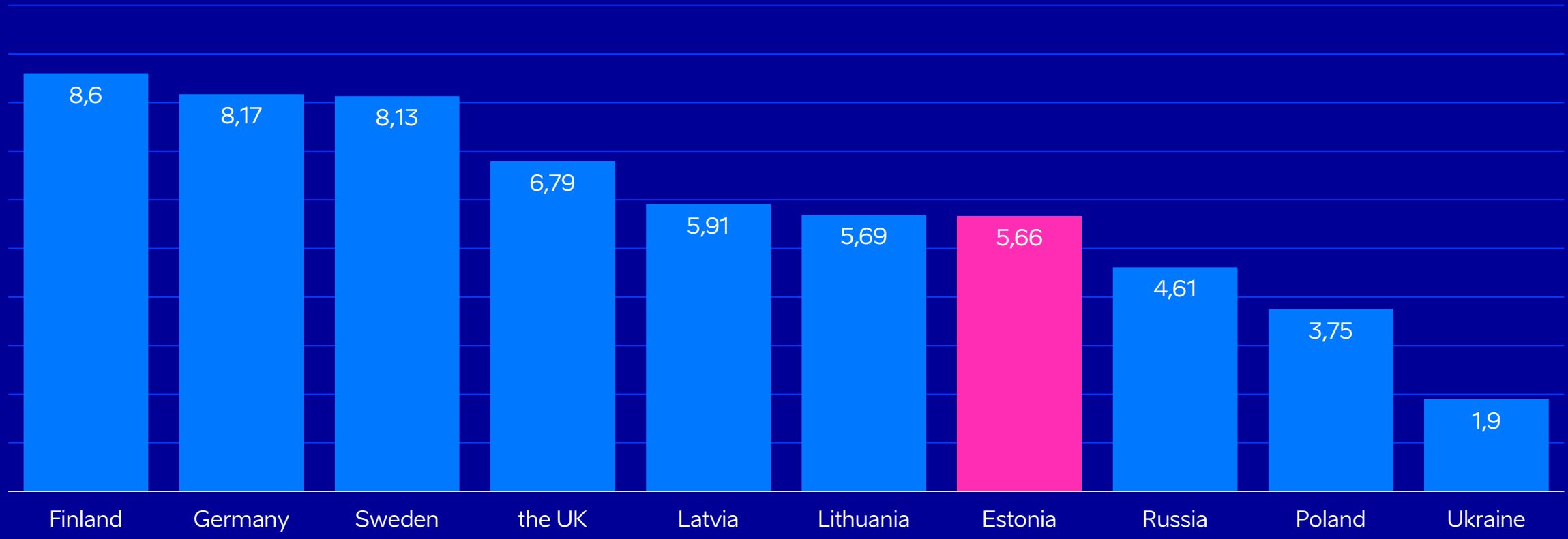
corporate income tax on retained and reinvested profit

Source: OECD



risk of political instability*

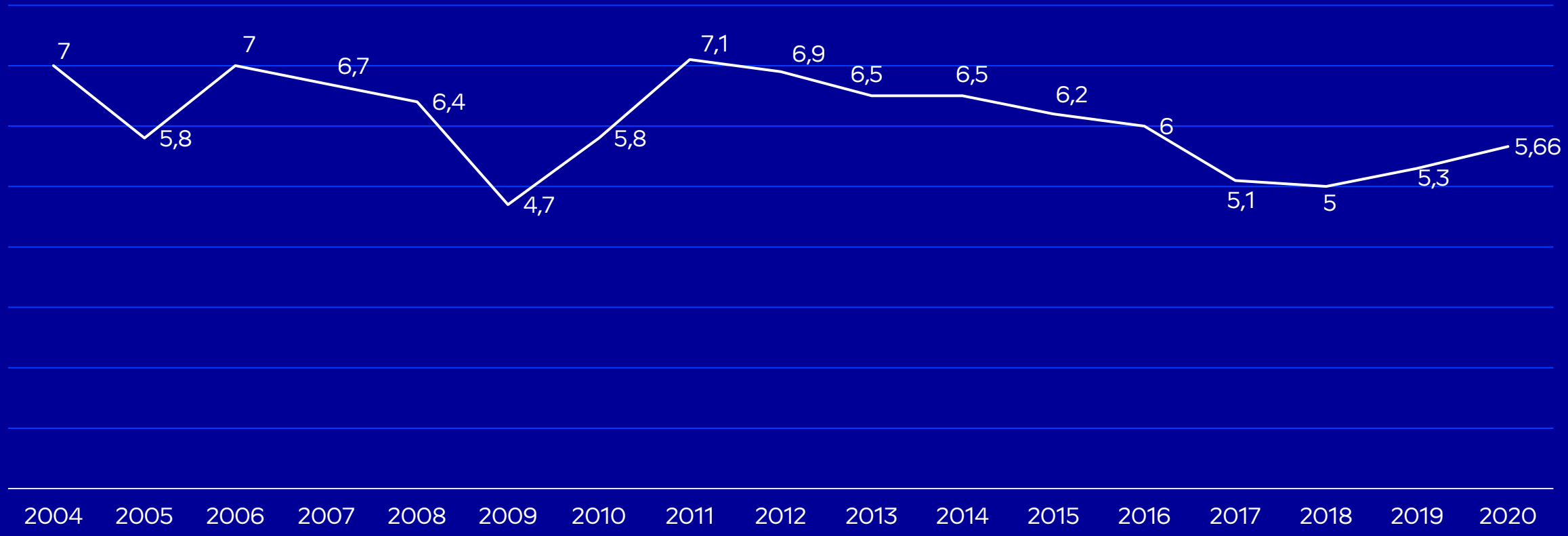
Source: based on IMD World Competitiveness Report 2020



*10=the lowest risk; 0=the highest risk

risk of political instability in estonia

Source: based on IMD World Competitiveness Report 2020



global players in estonia

+ Estonia leads Europe in startups, unicorns and investments per capita
+ blue-chip global investors' increased interest — including The Blackstone Group, Tiger Global Management, Sequoia Capital, Index Ventures, EQT Partners, Apax Partners and others

estonian startup ecosystem

+ 1400+ startups
+ 10 unicorns - #1 per capita in Europe
+ raised over € 4B in funding since 2010
+ Estonian Startup Visa
+ supportive ecosystem

e-residency
e-resident.gov.ee
+ 1st in the world
+ 175+ countries
+ 100,000+ e-Residents to date
+ 25,000+ e-Resident companies
enter e-estonia
© Reinee Altrov

estonia as a testbed

+ self-driving vehicles
+ door-to-door delivery robots
+ smart street lighting
+ smart bicycle parking

© Ajujaht

why nearshore to estonia?

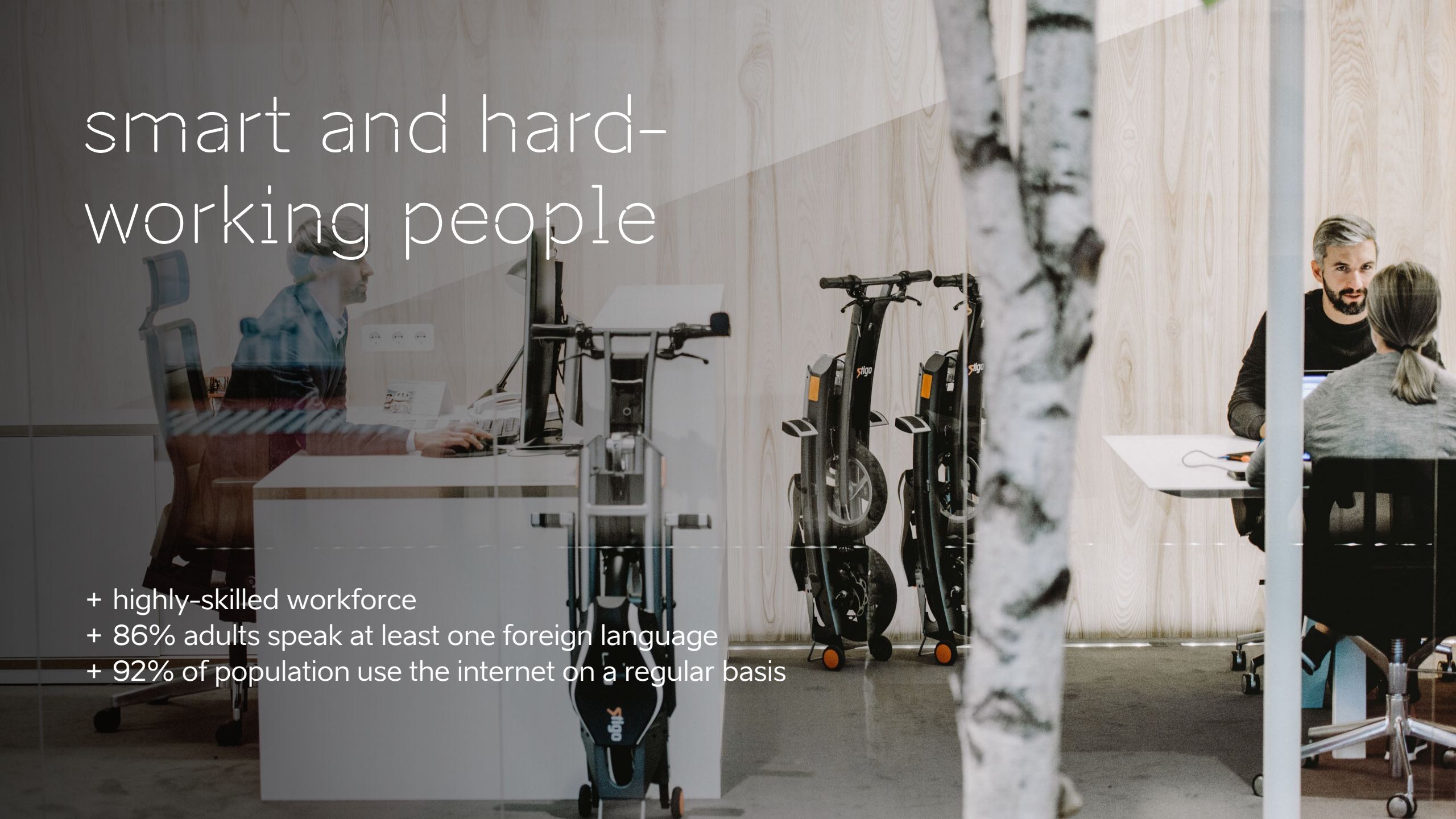
+ long traditions in manufacturing
+ strong logistical infrastructure
+ business-friendly environment
+ competitive and simple tax system
+ reliable, hard-working, and highly skilled workforce
+ tech mindset and ecosystem
+ various grants — 3M EUR for industrial investments

Heinzel Group
Wienerberger
Saint-Gobain
Jeld-Wen
Karl Storz

ABB
Enics
Ericsson
Aquaphor
Stoneridge

world class
human capital

smart and hard-working people



+ highly-skilled workforce
+ 86% adults speak at least one foreign language
+ 92% of population use the internet on a regular basis

human capital overview

Source: Statistics Estonia, 2022

73.3%	5.6%	1,685 EUR	725 EUR	8 HOURS A DAY 5 DAYS PER WEEK	28 days
Labour participation rate of persons aged 15-74 in 2022	Unemployment rate of persons aged 15-74 in 2022	Average monthly gross wages in 2022	Minimum monthly gross wages for full-time work in 2023	General working time	The duration of the annual vacation

new nordic business culture

+ pioneers with innovative approach
+ open-minded with touch of a can-do spirit
+ less words - more actions mentality
+ pragmatic and precise

one of the world's best-educated countries

+ 1st in OECD PISA tests in Europe
+ ICT education from an early stage
+ digital by default
+ lifelong learning strategy with ICT

education system

Source: Statistics Estonia, 2021

HIGHER EDUCATION INSTITUTIONS

ca 45 000 students

VOCATIONAL EDUCATION INSTITUTIONS

ca 26 000 students

GENERAL EDUCATION SCHOOLS

ca 157 000 pupils

sustainable development

+ 10th globally in Sustainable Development Report 2021
+ plan to reach carbon neutrality by 2050
+ Estonia’s air as some of the cleanest air in the world
+ Tallinn crowned the European Green Capital 2023
+ Green Tiger to create a basis for a green economy

economic activity

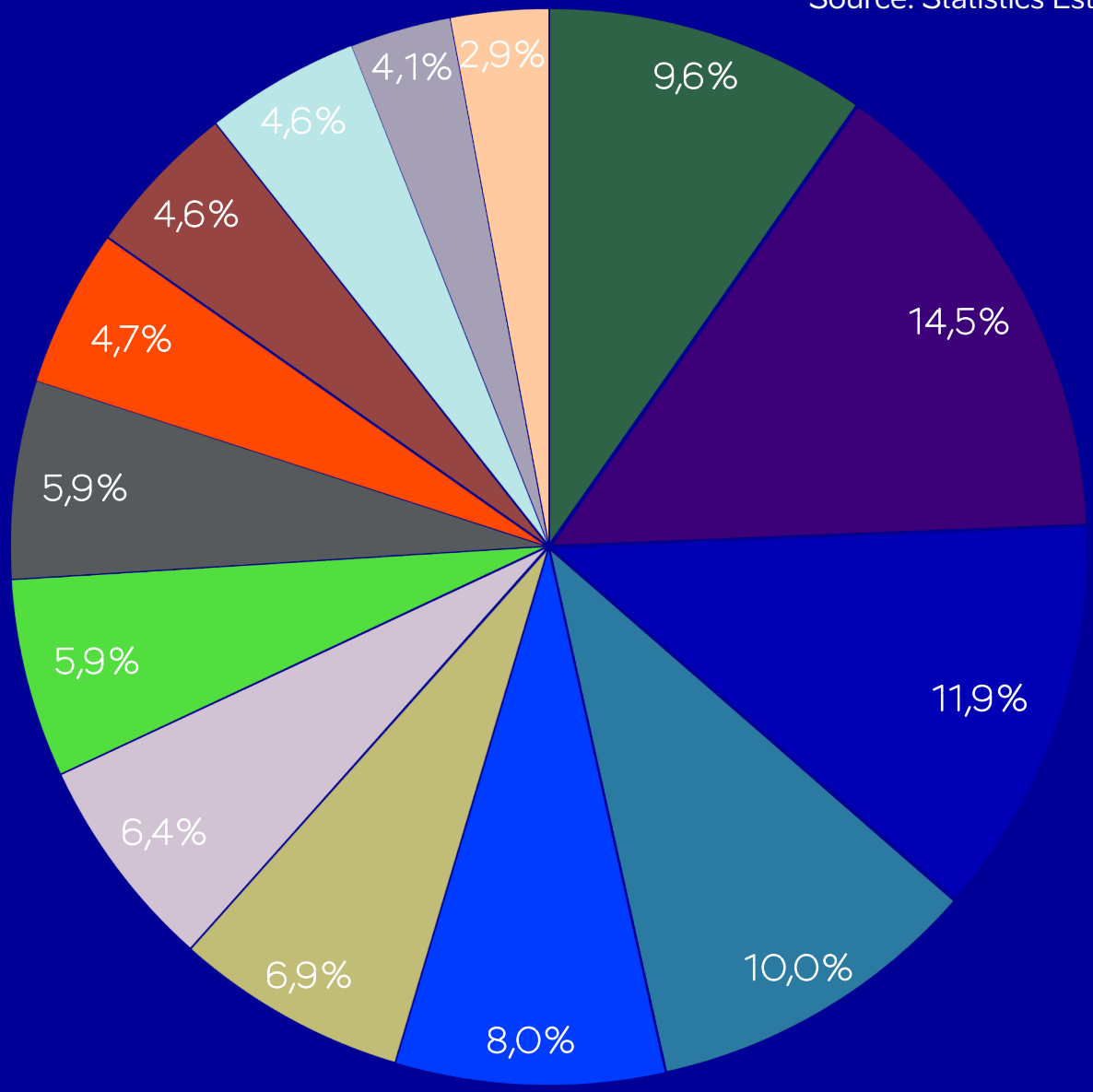
© Rasmus Jurkatam

estonian GDP

by economic activity 2022 (%)

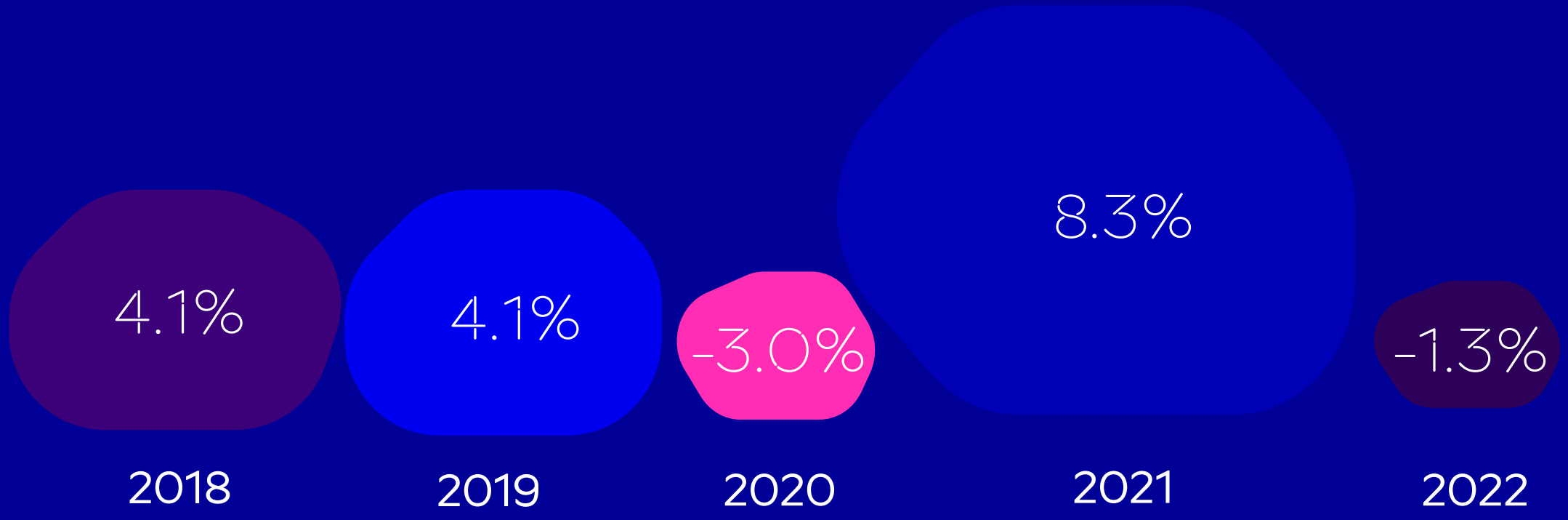
Source: Statistics Estonia

- Other sectors
- Manufacturing
- Wholesale and retail trade
- Real estate activities
- Information and communication
- Construction
- Transportation and storage
- Public administration and defence
- Professional, scientific and technical activities
- Human health and social work activities
- Financial and insurance activities
- Education
- Electricity, gas, steam and air conditioning supply
- Agriculture, forestry and fishing



Source: Statistics Estonia

GDP growth rate



foreign direct investments

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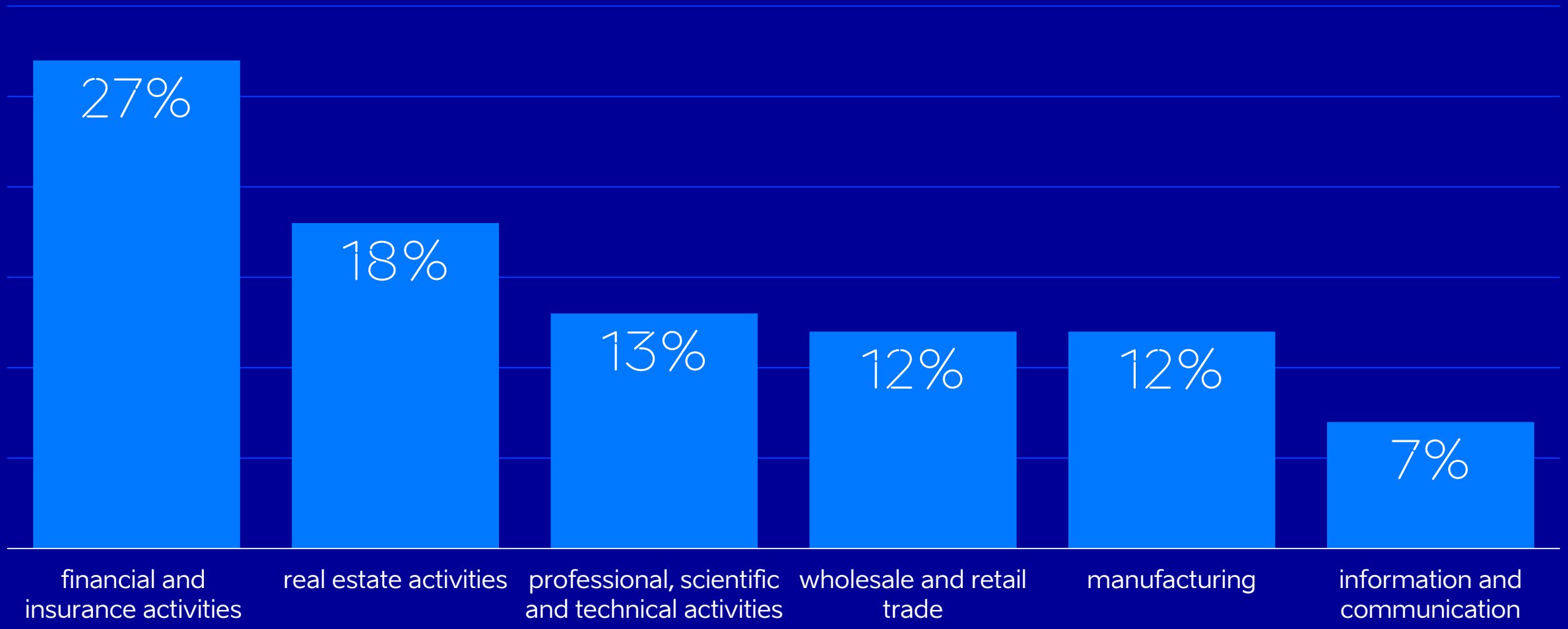
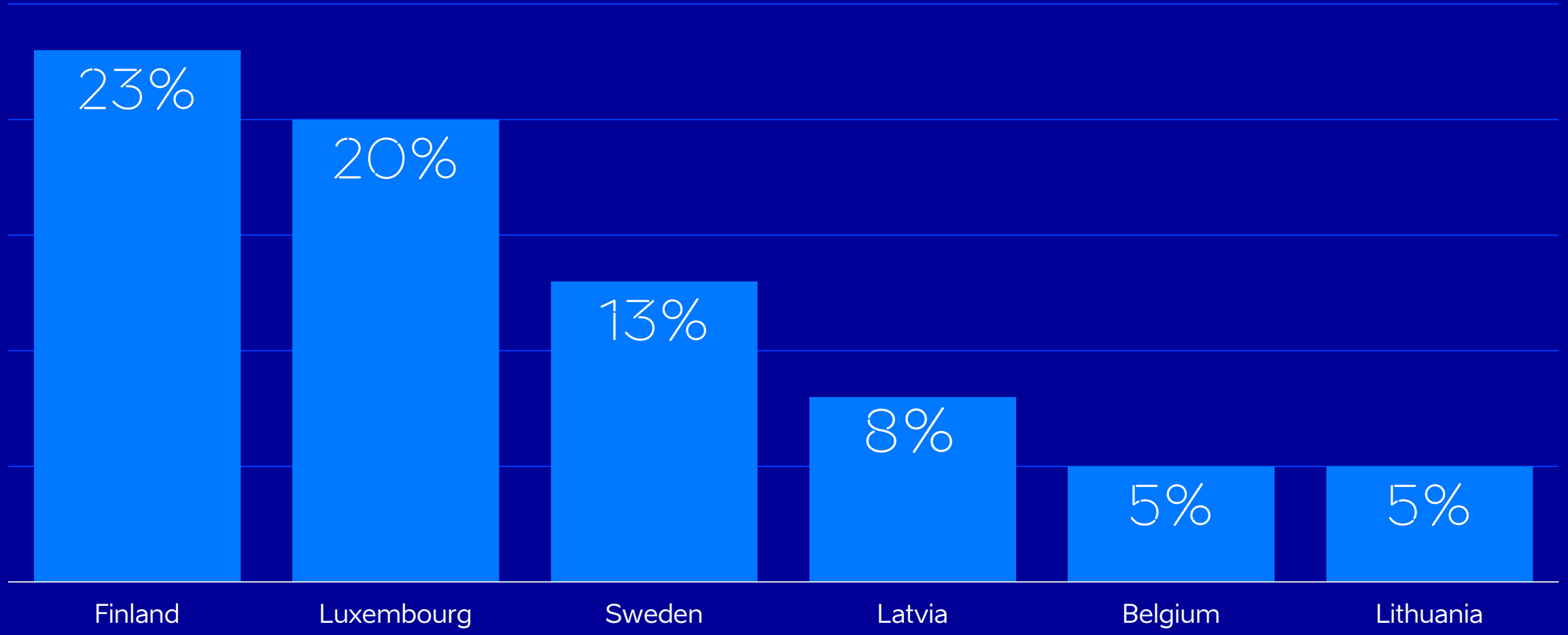
FDI by field of activity

Source: Bank of Estonia, 2022



FDI stock by country

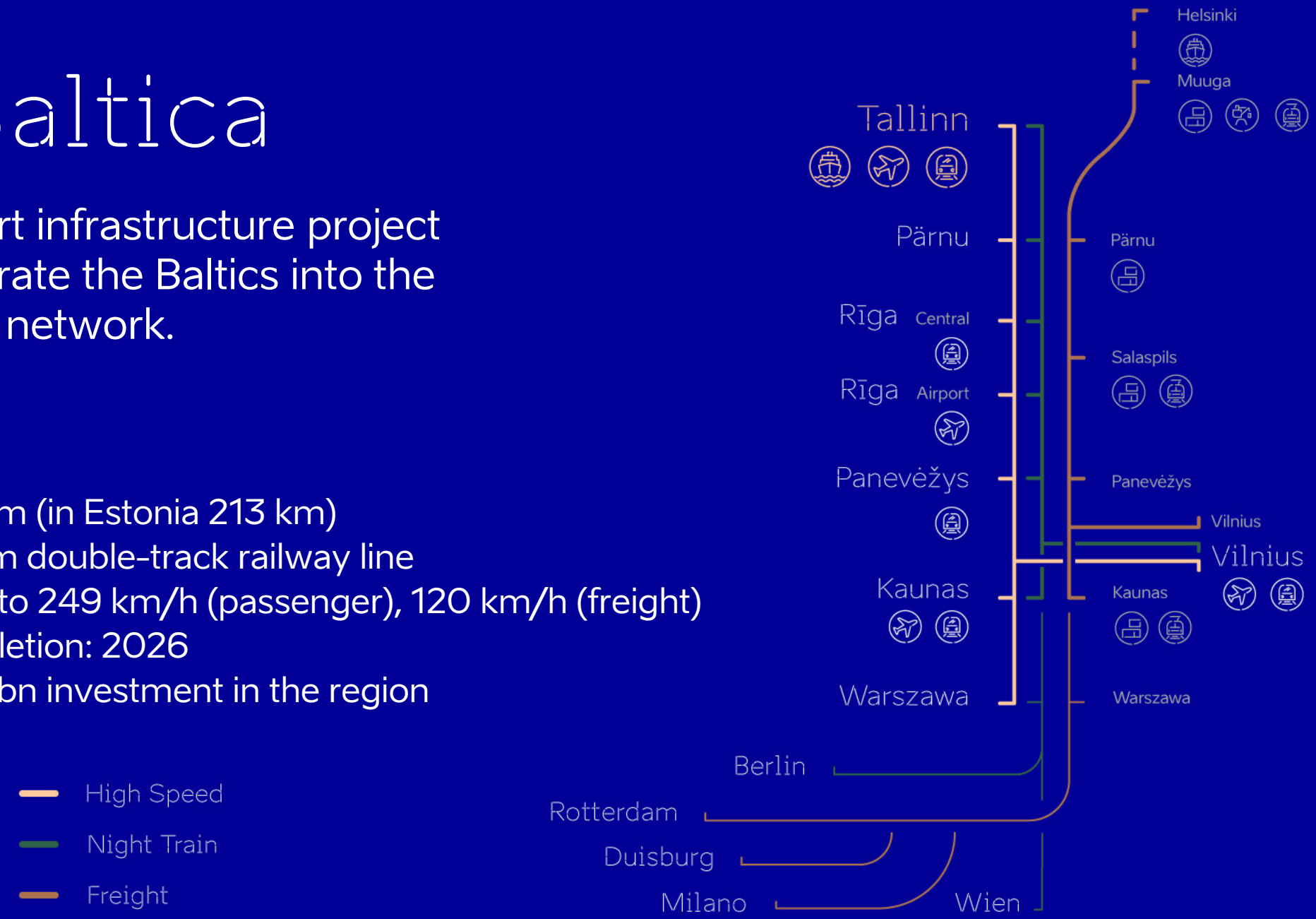
Source: Bank of Estonia, 2022



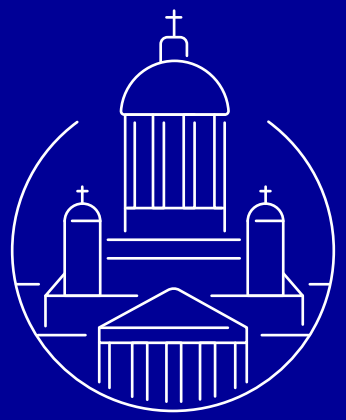
Rail Baltica

A rail transport infrastructure project that will integrate the Baltics into the European rail network.

+ Length: 870 km (in Estonia 213 km)
+ New 1,435 mm double-track railway line
+ Top speed up to 249 km/h (passenger), 120 km/h (freight)
+ Planned completion: 2026
+ More than €5 bn investment in the region

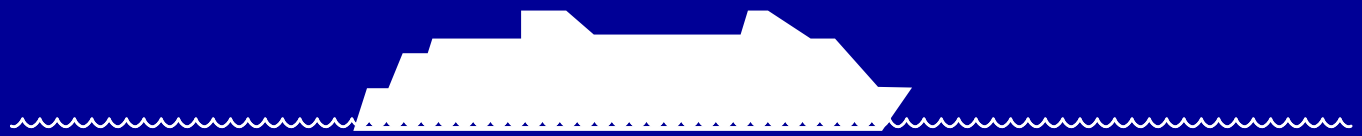


Helsinki-Tallinn Connection

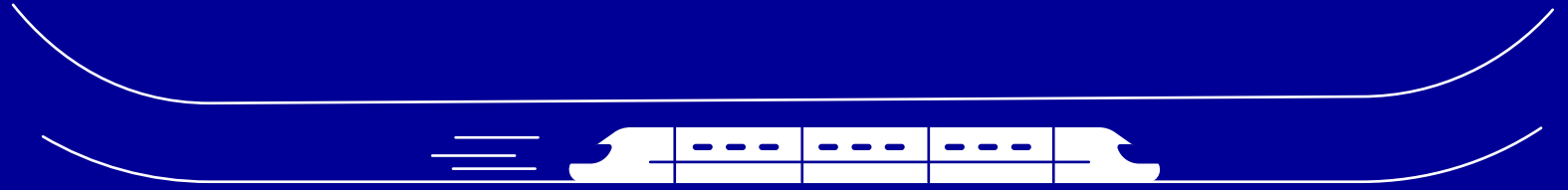


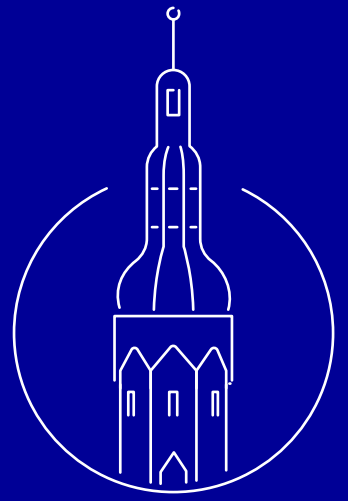
Helsinki
City Center

2h



Around the year





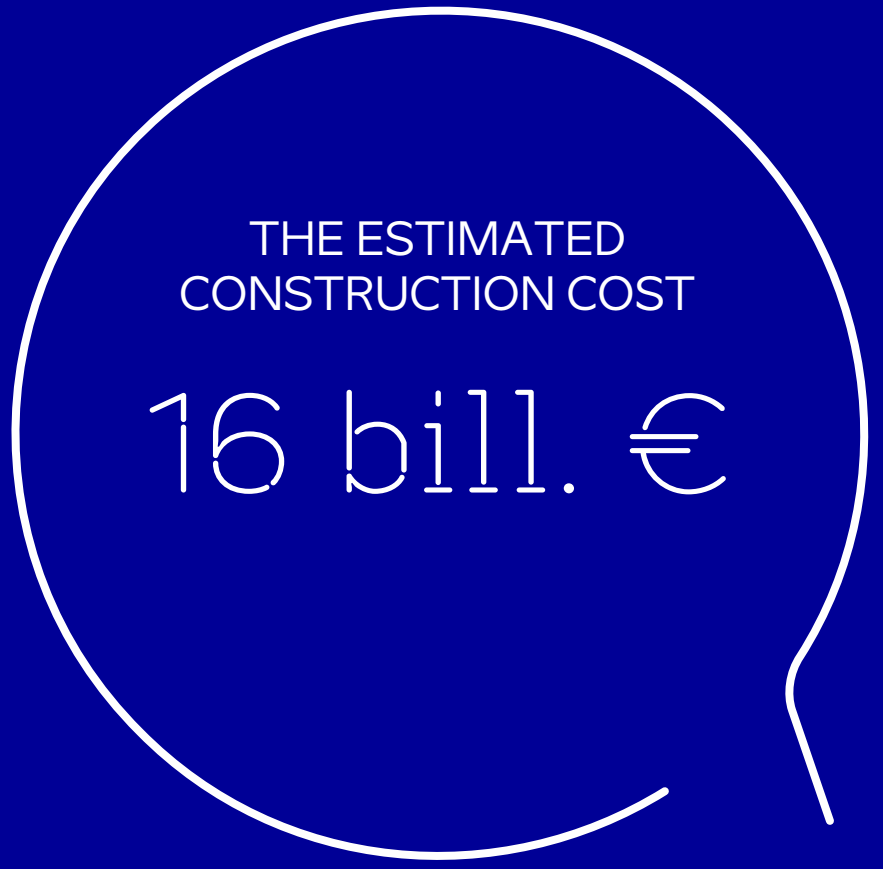
Tallinn
Ülemiste

30 min

in the year 2040?

Helsinki-Tallinn Tunnel

A proposed undersea train tunnel
connecting Finnish and Estonian capitals.



+ Submarine length: 50 km
(the longest of its kind in the world)
+ Diameter: 14 m
+ 215 m below sea level at its deepest
+ Estimated beginning of construction: 2025

thank you!

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