

# why nearshore or reshore to estonia?

For decades, supply chains extended their reach and embraced globalization. But recent developments show the trend of focusing on higher cost control and resiliency in a manufacturer's supply chain. Keeping your production close to your operations provides the advantages required to remain competitive — faster and more reliable delivery, shorter lead times, reduced production and transportation costs, etc. So, nearshoring or reshoring can help you achieve your goals. However, having the right nearshoring destination is also crucial to your ultimate success.

## manufacturing traditions

Estonia has a long tradition in manufacturing and the sector is holding a **15% share of the national GDP**

The country has **the highest concentration of the electronics industry in Europe**

**Tech mindset and ecosystem** make it a great place to test, develop and manufacture new solutions.

### Great examples for smart manufacturing solutions and high-tech industrial operations

- + ABB has more than 1000 staff members in Estonia for motors, drives, etc. production with its unique factory automation workshop.
- + Ericsson has over 2000 people in Estonia for R&D and production of 5G technology.



ERICSSON



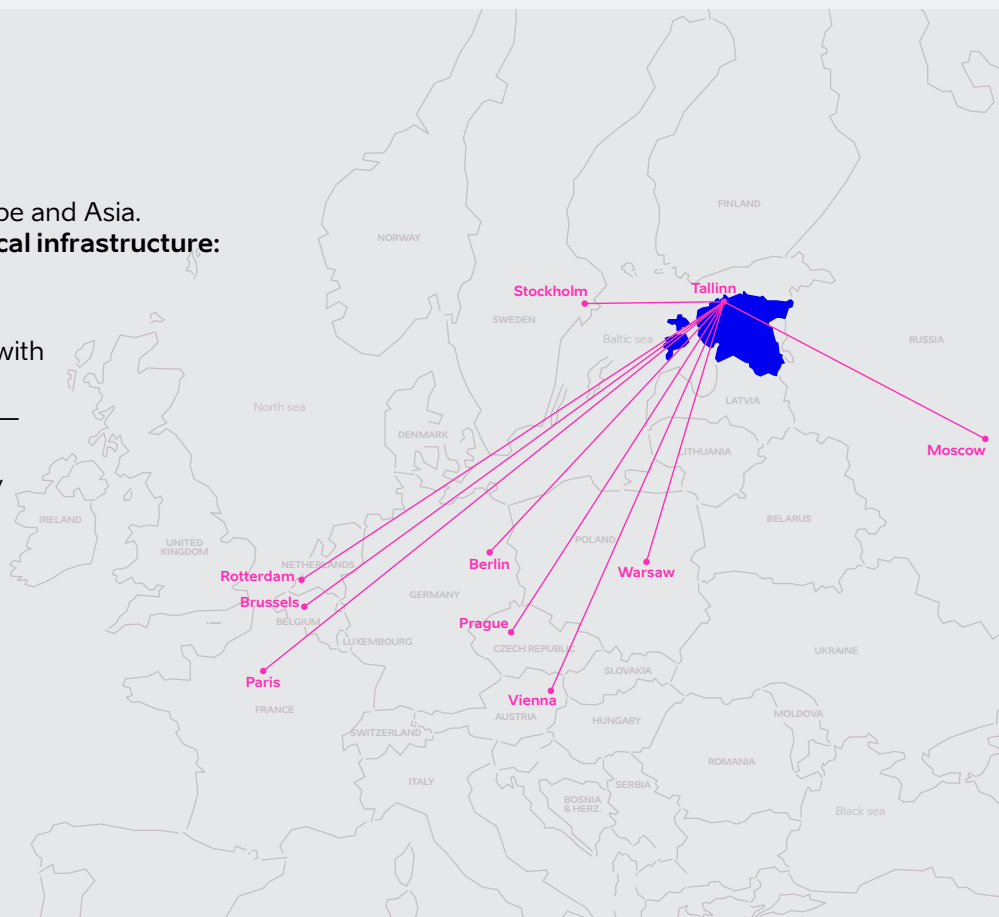
## logistics center

Estonia is a historic gateway between Europe and Asia.

### We have a strong and competitive logistical infrastructure:

- + 3 ice-free deep-water ports
- + railway and highway connections
- + Europe's most efficient cargo terminals with modern infrastructure and technology
- + Estonian harbours are unique in Europe — available land for new terminals
- + free economic zones are located directly at the harbours and new ones can be created by the industrial companies
- + short distance and time both to EU and Central-Asian markets

The goods can be transported in 24h via trucks from Tallinn to Stockholm, Warsaw, Berlin, Rotterdam, Brussels, Paris, Prague, Vienna, Moscow.



# sustainable and affordable electricity

Estonia is ahead of its renewable energy production targets and is developing one of the world's largest offshore wind power sites.

Estonia is also a part of the Northern-Europe open energy market. The government has decided to reach 100% of renewable electricity consumption by 2030.

## market advantages

Estonia is known as Northern Europe's hub for knowledge and digital business, where foreign companies can restructure and digitize their internal operations, products, and services.



### BUSINESS ENVIRONMENT

Foreign investors are attracted to Estonia due to its openness, streamlined government, strong rule of law, and business-friendly environment. **99% of public services are online.**



### TAXATION

**Estonia ranks #1 globally in tax competitiveness** - no corporate income tax on retained and reinvested profits.



### LABOUR FORCE

**The Estonian workforce is reliable, hard-working, and highly skilled.** 73% of the working-age population has a professional qualification and almost 20% of adults participate in different lifelong learning programs. Nearly everyone speaks foreign languages, most commonly English, but also Russian, Finnish, German or Swedish.



### TECH COMMUNITY

**Estonia has over 1,400 startups and 10 unicorns.** Tech companies are wide open to offer their tech skills for collaboration to make investors' business more productive and innovative.

## grants and incentives

**3M EUR  
grant**

for industrial investments  
across Estonia

**+ up to 1M EUR  
grant**

if located in  
Ida-Viru county

**+ over 1M EUR  
grants**

for job creation in support  
services and R&D functions,  
for product development,  
and digitization

**Estonian Investment Agency supports the full life-cycle of a soft landing –**

from building a local supply chain, finding and training staff, partnering with R&D organisations, industry negotiations, and providing continuous support in business development, aftercare and reinvestments.