



UBINODES

ESTONIA



Estonia.



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Some of us recognize the value of Estonia and the opportunities it presents, particularly for manufacturers. Behind the veil of mystery surrounding this relatively modest and possibly somewhat secretive country lies a wealth of possibilities waiting to be explored. Estonia, having regained independence in 1991 after the collapse of the Soviet Union, has emerged as one of the most successful capitalist Eastern European nations.

While Estonia may be small in size (45,227 km²) and population (1.3 million), its versatility spans from agriculture and industry to high-end digital services and products, exemplified by innovations like e-residency and e-Estonia. This article provides a glimpse of Estonia's offerings and illustrates how your business can reap significant benefits from them.

1. The benefits of Estonia.

As a member state of the EU since 2004 and a participant in the eurozone since 2011, Estonia enjoys access to a broad market. The Indicator of Economic Freedom underscores Estonia as an excellent country for business, securing the 6th position globally and 2nd in the region according to the 2017 Index of Economic Freedom by the Heritage Foundation. Estonia boasts stable public finances, with preliminary 2017 data from Statistics Estonia indicating a general government deficit of 0.3% and a gross debt level of 9% of GDP, marking the lowest national debt-to-GDP ratio in the entire EU (see source 2).

Estonia exhibits a remarkable openness to trade, reaching 155% of GDP according to the World Bank in 2016, solidifying its reputation as one of the most liberal countries globally. With an overall ranking of 12th out of 190 economies worldwide, and a trade across border rank of

17, as indicated (by source 4), these figures provide additional evidence that Estonia stands as one of the premier destinations for conducting business.

2. What to import from Estonia.

Despite placing emphasis on exports in recent years, Estonia maintains a structurally negative trade balance. In 2017, the statistics reveal an 8% growth in goods exports (€12.8 billion) and a 9% increase in imports (€14.7 billion), resulting in a trade deficit of €1.9 billion. This rise in the trade deficit can be attributed to the import of transport equipment, including ships, as detailed in source 1.

Here is an overview of the main export articles in 2017:

- Electric and electronic equipment.
- Wood and articles of wood.
- Mineral fuels, oils, distillation products.
- Nuclear reactors, boilers, machinery, etc.
- Furniture, lighting, signs, prefabricated buildings.
- Articles of iron or steel.
- Optical, photo, technical, medical apparatus.
- Plastics and articles thereof.

(see source 3).

The primary export articles from Estonia currently include electric and electronic equipment, base metal and articles of base metal, miscellaneous manufactured articles (prefabricated wood buildings, furniture), mineral products (motor spirit, electricity), transport equipment (motor cars), and mechanical appliances, according to statistics from source 5. Additionally, there is a notable increase expected in the export of dairy products such as milk and skimmed milk powder, driven by high demand, as indicated by source 8.

The growth of entrepreneurship in Estonia is evident in the Total Early-Stage Entrepreneurial Activity (TEA), which stands at 19%, surpassing the global average of 12%. Furthermore, the Activity Established Business Ownership Rate is 11%, exceeding the global average of approximately 8%, according to source 6.

3. What to export to Estonia.

The imports of Estonia have been rising in upward.

Here is the list of main import articles in 2017:

- Electrical and electronic equipment.
- Nuclear reactors, boilers, and machinery.
- Vehicles, excluding railway and tramway.

- Mineral fuels, oils, and distillation products.
- Plastics and related articles.
- Articles made of iron or steel.
- Wood and its articles, including wood charcoal.
- Pharmaceutical products.
- Ships, boats, and other floating structures (refer to source 3).

The current demand for imports highlights the significance of various categories, with notable emphasis on mineral products, metals, and articles of base metal, as well as electrical equipment, according to recent statistics (refer to source 7). Further analysis suggests a growing need for clean energy products in the future.

As Estonia is an EU member, prevailing restrictions and prohibitions adhere to EU legislation, encompassing standard import/export categories such as waste, dangerous chemicals, strategic goods, civilian arms and ammunition, radioactive substances and related equipment, explosives, pyrotechnics, medicine, endangered animal and plant species, plants and plant products, fruits and vegetables, plant protection products, feeds, fertilizers, animals, animal products, food products, certification, and analysis reports for wine, grape juice, and juice, as well as cultural heritage (refer to source 3). Importantly, this list doesn't imply a restriction on your company's products for import into Estonia. For specific details, kindly contact us for further information.

4. Contact us.

Whether you're a manufacturer seeking export opportunities to Estonia or a freelancer looking to import from Estonia or export from your country, please reach out to us.

5. Sources.

1. <https://import-export.societegenerale.fr/en/country/estonia/trade-country-risk>
2. <https://import-export.societegenerale.fr/en/country/estonia/economy-country-risk>
3. <https://comtrade.un.org/labs/DIT-trade-vis/?reporter=233&partner=0&type=C&commodity=TOTAL&year=2017&flow=2>
4. <http://www.doingbusiness.org/rankings>
5. http://andmebaas.stat.ee/Index.aspx?DataSetCode=VK10_3
6. <http://www.gemconsortium.org/country-profile/60>
7. <https://www.stat.ee/news-release-2018-068>
8. <http://www.agri-outlook.org/oecd-and-fao-see-slower-growth-in-demand-keeping-world-food-prices-low.html>