

ESTONIA

Powered by Manufacturing and Logistics

ESTONIAN LOGISTICS CLUSTER
Illimar Paul, Development Manager

Why Estonia?

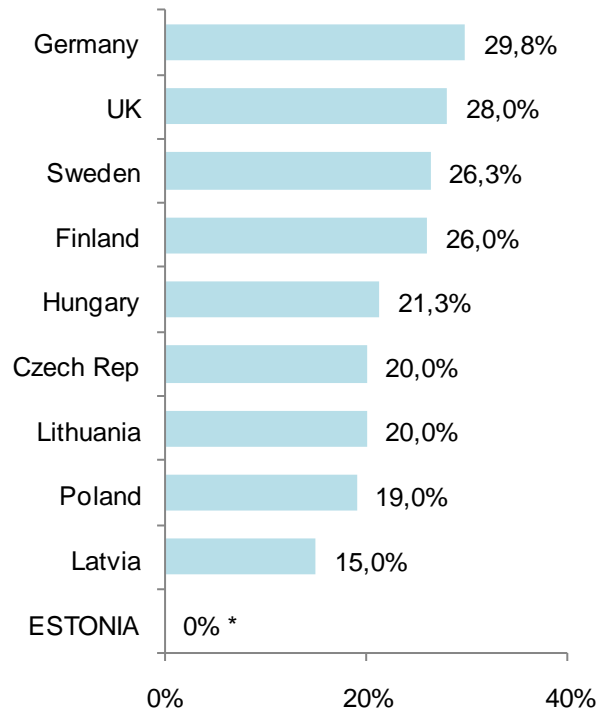
- Effective and efficient logistics system 24/7@365
- Liberal trade and price policy
- No restrictions to the free movement of capital
- Simple and proportional tax system. 0% corp. income tax
- A unique location combining Nordic roots and Eastern influences
- A highly progressive environment that offers an efficient way of doing business
- Highly developed infrastructure that supports business development
- Among the most successful countries in the world in attracting inward investment

Estonia – your way to Europe, Russia, CIS and Central Asia



Simple and favourable tax system

Statutory tax rate on corporate income, 2009

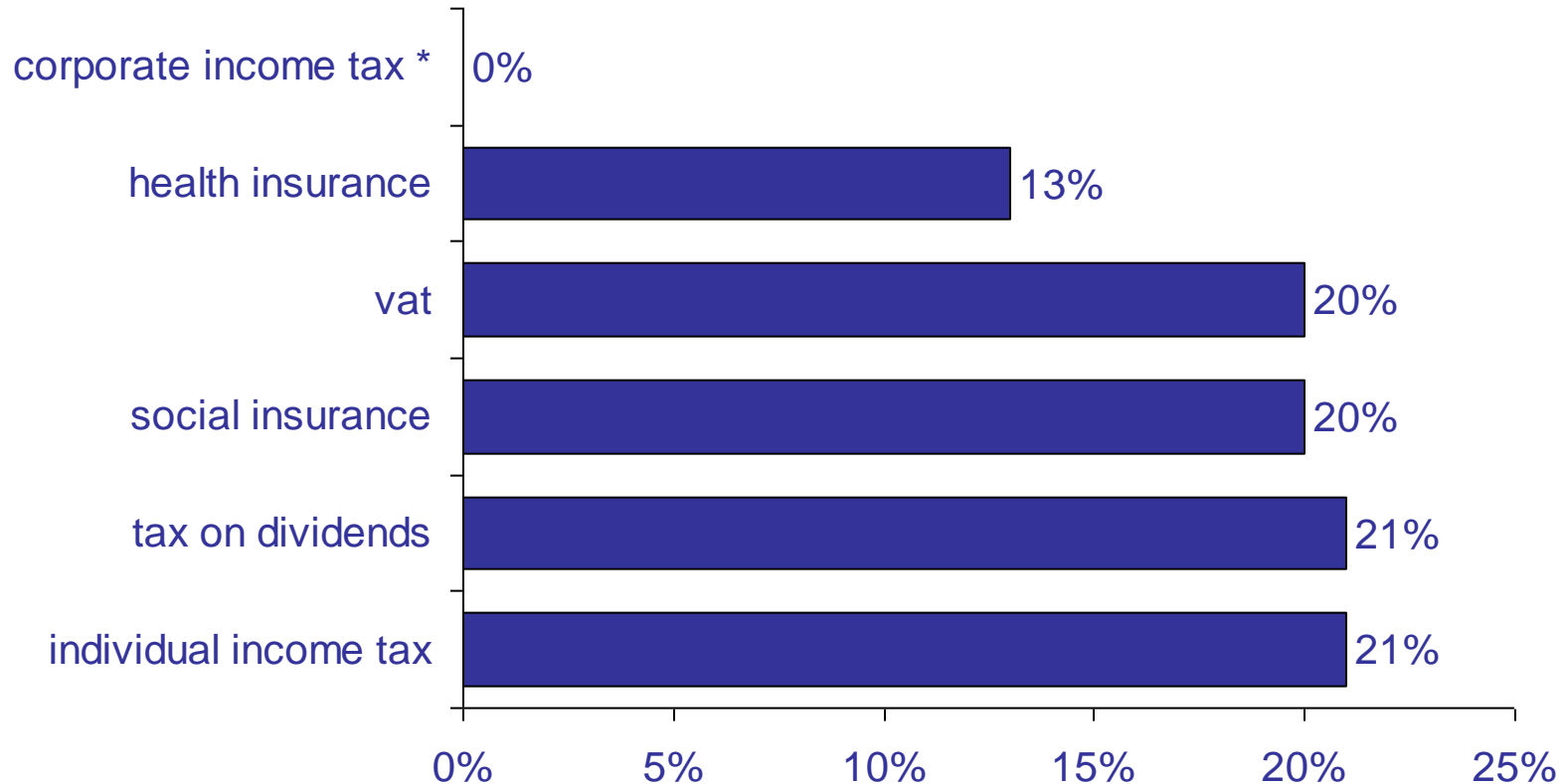


Source: European Commission

- * **0% Corporate income tax** on reinvested profits
- All distributions are subject to income tax at the rate of 21% of the amount of taxable payment
- **Personal income tax:** flat rate 21% (20% from 2015)
- **VAT:** 20%
- **Social tax:** 33% (20% for social security and 13% for health insurance)
- **Unemployment insurance:** 4.2% of the gross salary. (The employer pays 1.4% of the salary and deduction from employees salary is 2.8%.) – will be decreased from 2013
- **no property tax**
- **The land tax** is from 0,1% to 2,5% on the assessed value of the land, rate established by local government (i.e in Tallinn 1,5%).
- All the taxes can be declared via E-tax/e-customs (an electronic service desk of the Estonian Tax and Customs Board)



Taxes in Estonia



Source: Enterprise Estonia

unemployment insurance 1.4 (employer)
2.8 (employee)

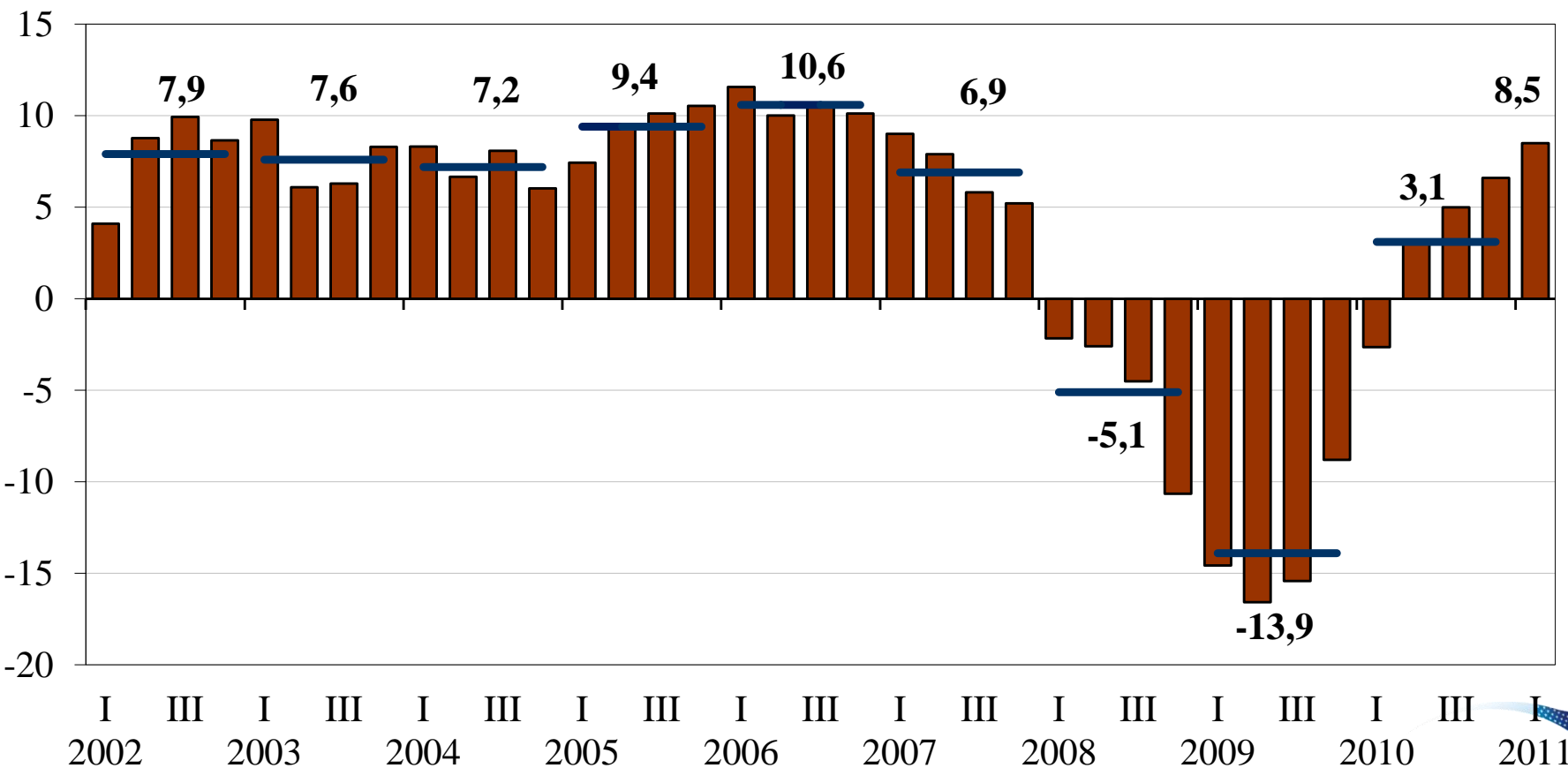
* no corporate income tax on reinvested earnings

Estonian
Logistics Cluster

Estonia – NO corporate income tax

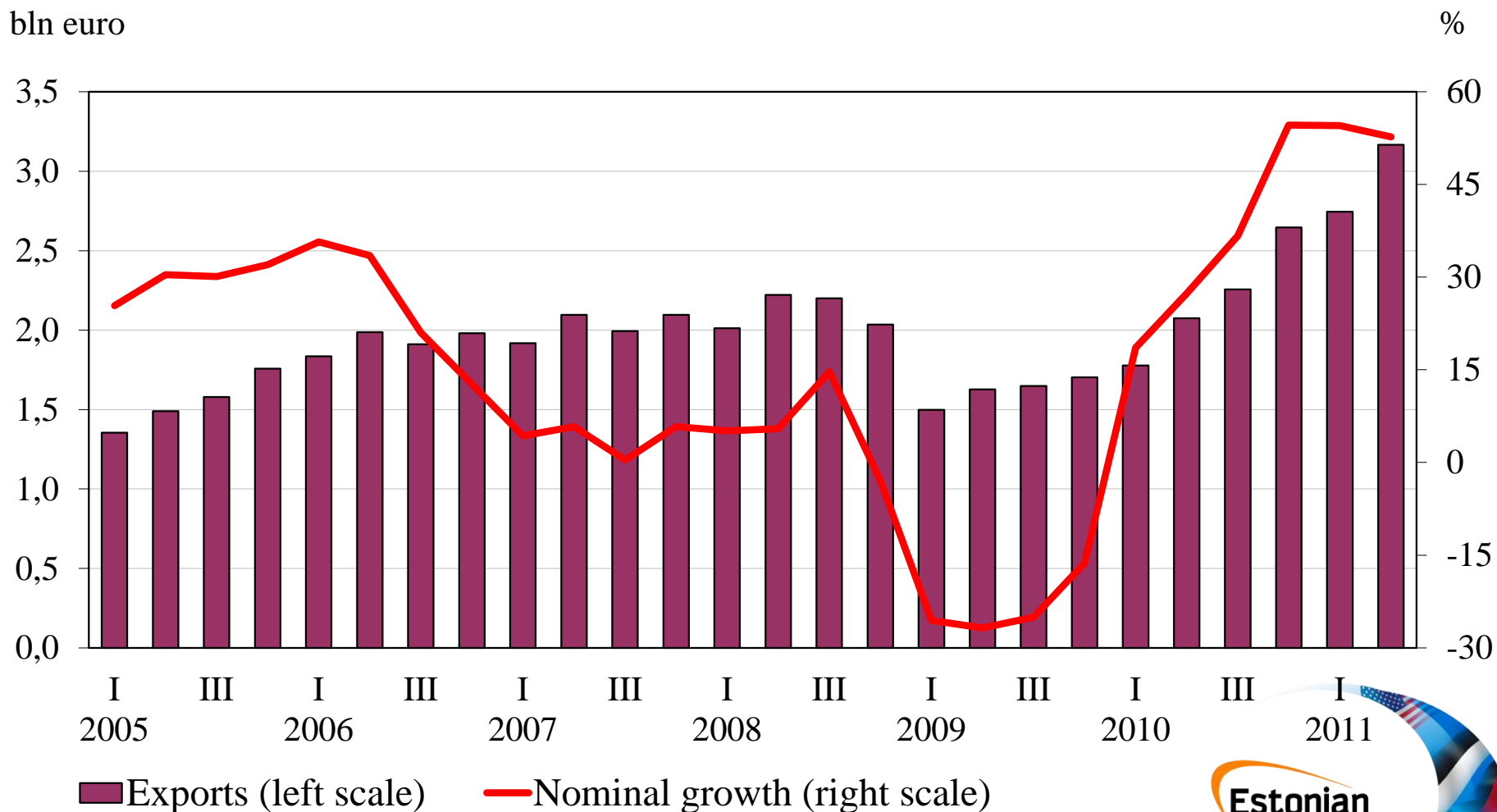
Estonia— currently the fastest growing economy in Europe

%, y-o-y



Source: Statistical Office of Estonia

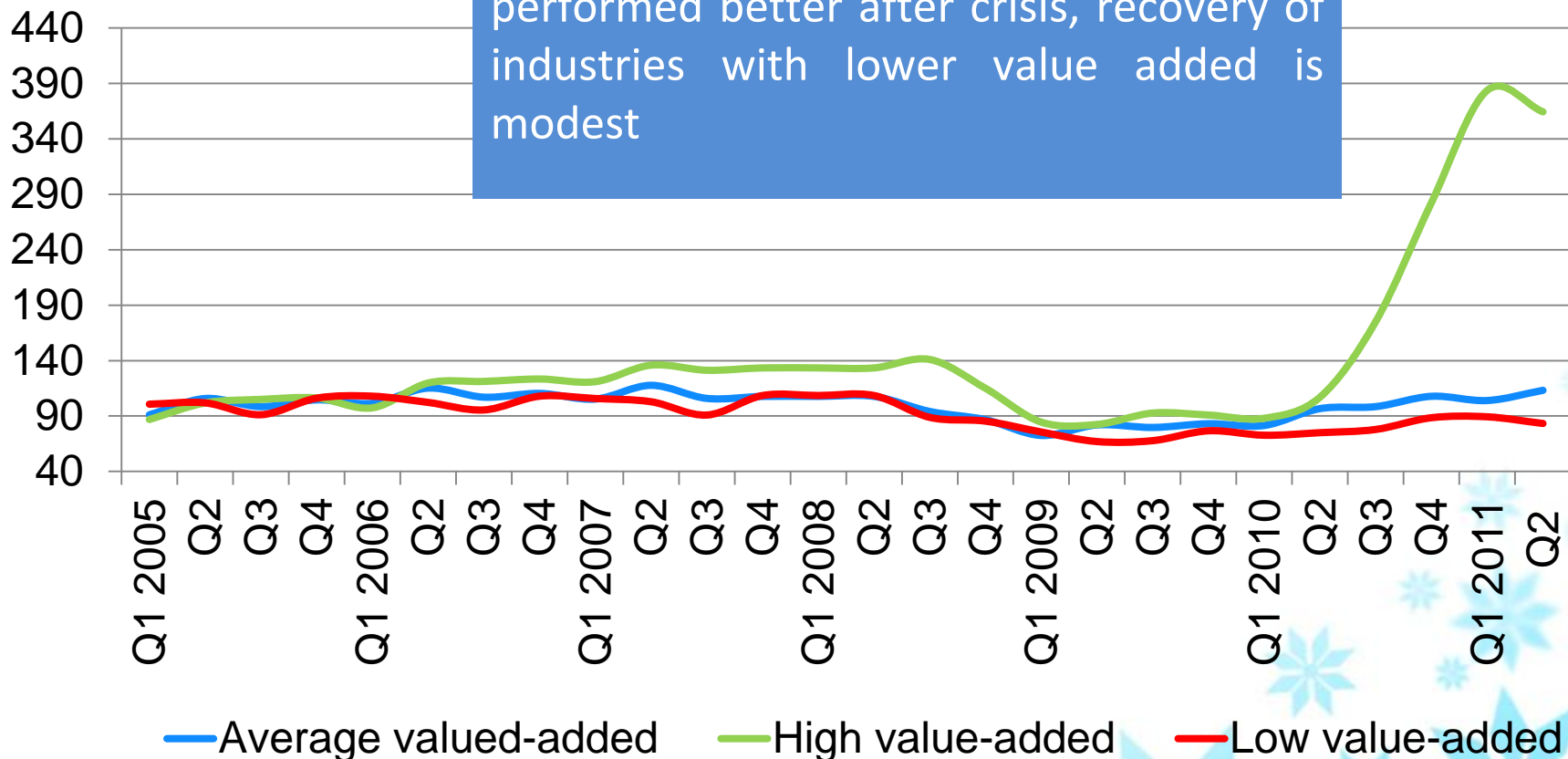
Estonian growth is now based on exports



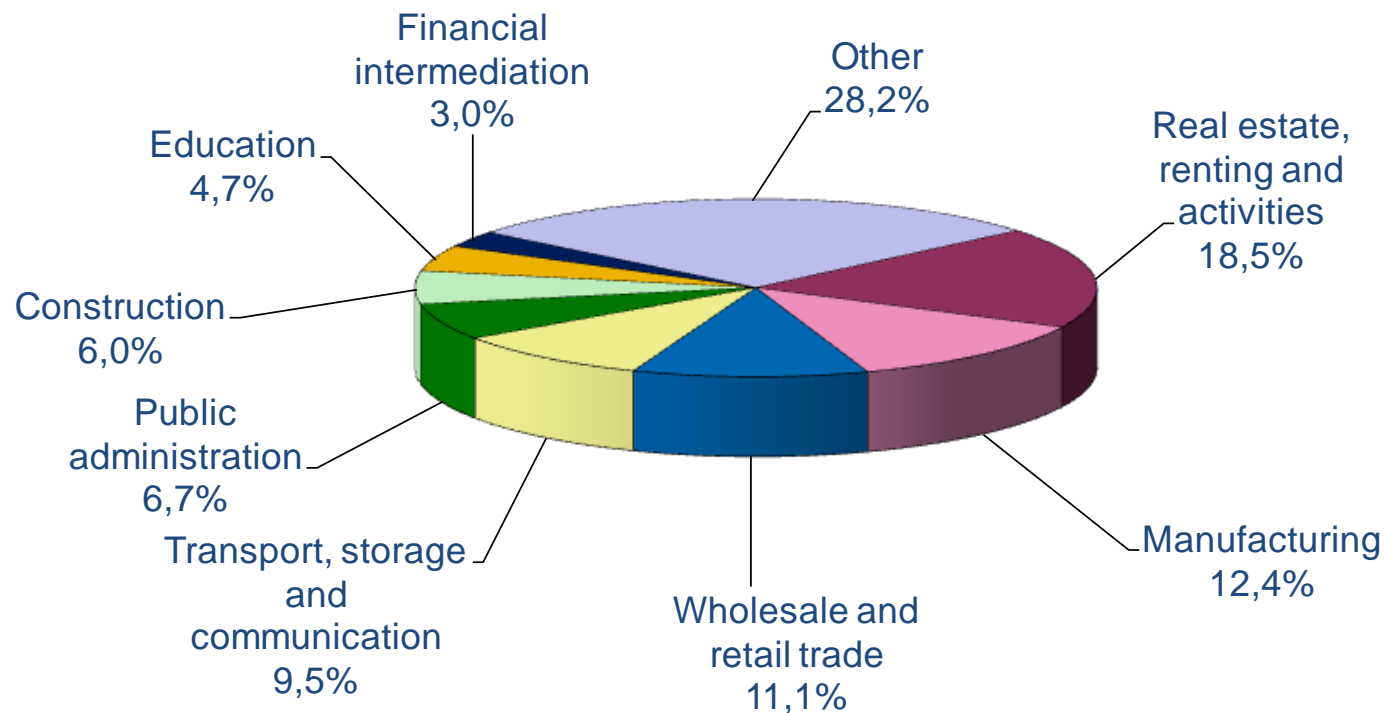
...especially in high-value products

Production
index,
2005=100

Sectors with high productivity have performed better after crisis, recovery of industries with lower value added is modest



GDP by Economic Activity

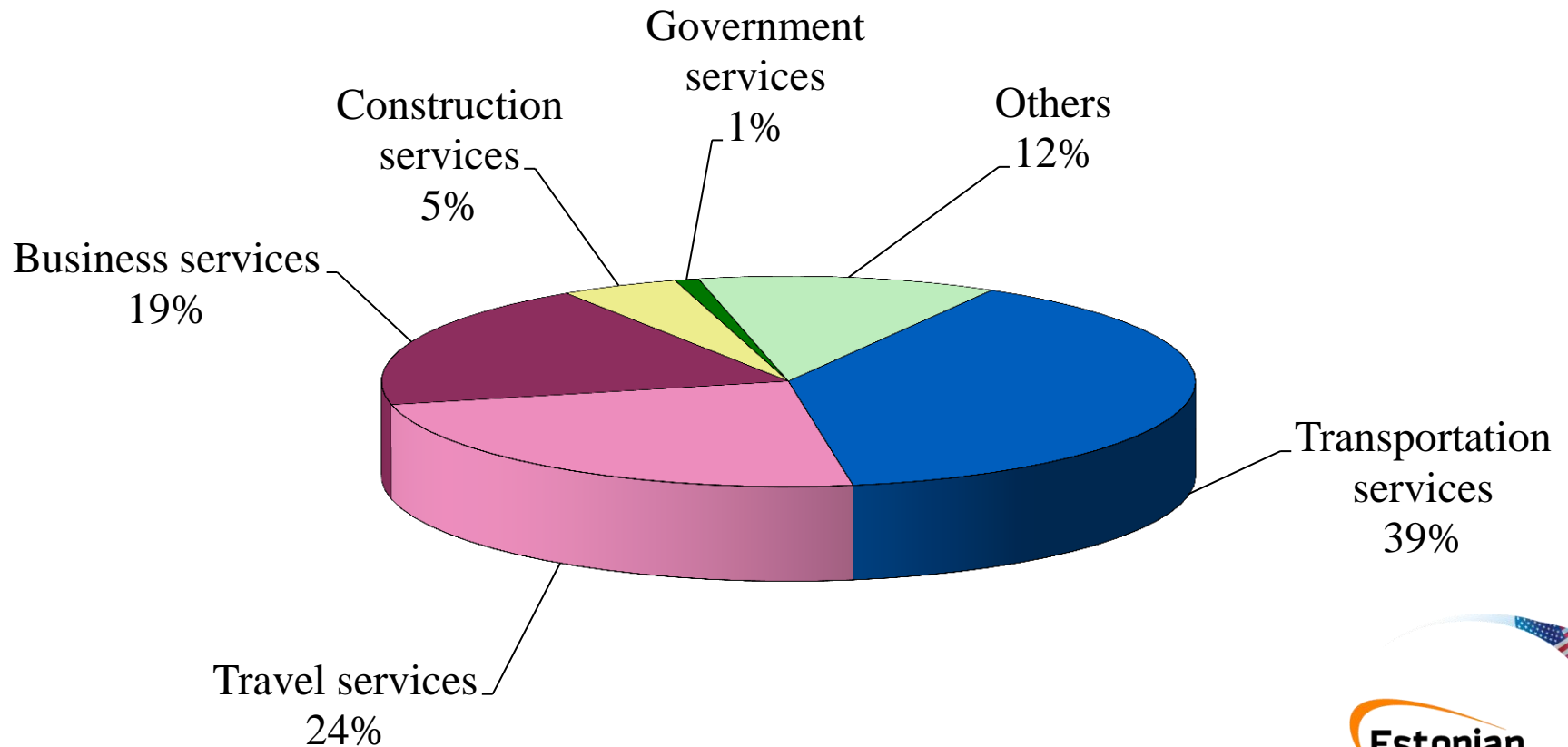


Source: Statistical Office of Estonia

Estonian export is driven by manufacturing and logistics



Exports of Services by Activity



Source: Estonian Bank



ESTONIA

Access to a Market of 300 million Consumers



Estonian Railways belongs to 1520mm network



To: Moscow (Moscow Express)



- Regular block-train from Tallinn to Moscow, operating since year 2007
- Four departures per week from Tallinn
- From Tallinn to Moscow in 2 days
- In one train 41 wagons, 123 TEU's
- Loading capacity at the port is 3 trains per day

To: Central Asia (Baltic Transit)



- Container train from Tallinn to Central Asia, operating since 2003
- Main destinations Kazakhstan, Usbekistan, Afganistan, Tadzikistan, Turkmenistan, Kyrgystan and other countries
- Transit time 10 days from Tallinn to Kazakhstan

To: Black Sea (Container train ZUBR)



- Container train on the route Finland – Estonia – Latvia – Belorussia – Ukraine (– Turkey) operating since 1.11.2009
- Transit time from Tallinn to:
 - Minsk 2 days
 - Kiev 3 days
 - Dnepropetrovsk 4 days

Destination: RUSSIA

LOADED TO RAIL AND FASTENED IN ESTONIA

Made in Finland

Made in Finland

Made in Finland



GoSwift

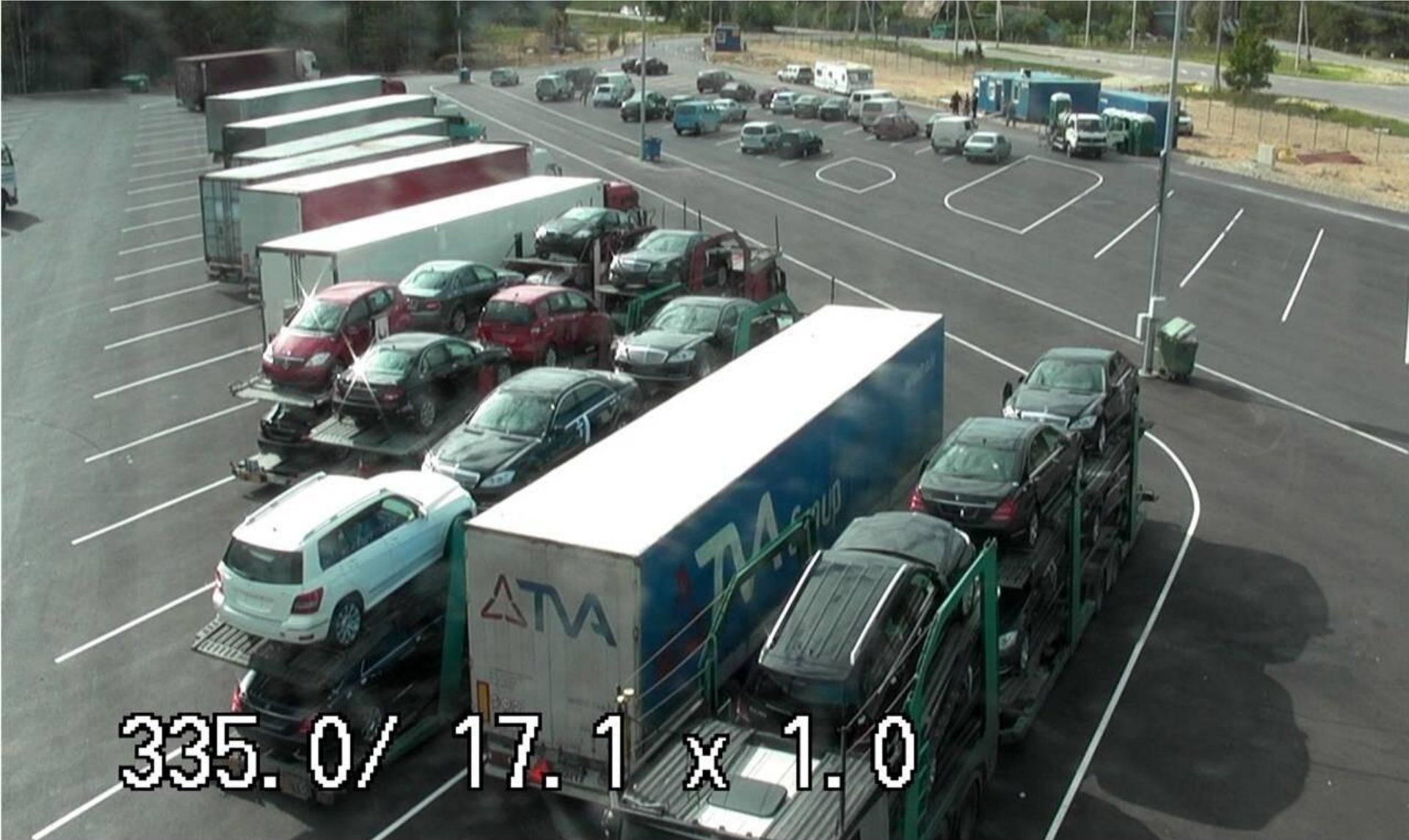
Electronic border queue

3 Road BCP's on the east border





Situation before 01.08.11



335.0 / 17.1 x 1.0

GoSwift

www.estonianborder.eu
www.eestipiir.ee



1

Book a place in the queue

GoSwift | Select desired border

https://www.eestipiir.ee/yphis/preReserveSelectTimeslot.action

GoSwift
www.estonianborder.eu
www.eestipiir.ee

Find my reservation:

Cart is empty

Login
User registration
Reset password

KAART

1 Select your vehicle group

2 Select border crossing point

3 Select preferred queue type

4 Select your border crossing time

5 Driver info

6 Vehicle data

7 Additional services

8 Reservation confirmation

Home

Borders and waiting areas

Reserve

Border queues info

Edit my reservation

Info

Feedback

Select your border crossing time

17.10.2011

17.10.2011 Mon	18.10.2011 Tue	19.10.2011 Wed	20.10.2011 Thu
00-01 Full	00-01 Full	00-01 Available	00-01 Full
01-02 Full	01-02 Full	01-02 Full	01-02 Full
02-03 Full	02-03 Available	02-03 Available	02-03 Available
03-04 Full	03-04 Available	03-04 Full	03-04 Full
04-05 Full	04-05 Available	04-05 Full	04-05 Full
05-06 Not available	05-06 Not available	05-06 Not available	05-06 Not available
06-07 Not available	06-07 Not available	06-07 Not available	06-07 Not available
07-08 Not available	07-08 Not available	07-08 Not available	07-08 Not available
08-09 Available	08-09 Full	08-09 Available	08-09 Available
09-10 Full	09-10 Available	09-10 Full	09-10 Available
10-11 Available	10-11 Available	10-11 Full	10-11 Available
11-12 Available	11-12 Available	11-12 Available	11-12 Available
12-13 Available	12-13 Available	12-13 Available	12-13 Available
13-14 Available	13-14 Full	13-14 Available	13-14 Available
14-15 Available	14-15 Full	14-15 Available	14-15 Available
15-16 Full	15-16 Available	15-16 Full	15-16 Available
16-17 Full	16-17 Full	16-17 Full	16-17 Full
17-18 Not available	17-18 Not available	17-18 Not available	17-18 Not available
18-19 Not available	18-19 Not available	18-19 Not available	18-19 Not available
19-20 Not available	19-20 Not available	19-20 Not available	19-20 Not available
20-21 Full	20-21 Full	20-21 Full	20-21 Full
21-22 Full	21-22 Available	21-22 Available	21-22 Available
22-23 Full	22-23 Available	22-23 Available	22-23 Available
23-00 Available	23-00 Available	23-00 Available	23-00 Available

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www.estonianborder.eu
www.eestipiir.ee



1 Book a place in the queue – payment fee

- ✓ Reservation fee is €1,1 + waiting area fee;
- ✓ Sum of reservation + waiting area services in year 2011:

	A	B	C	D
Narva	€ 2,00	€ 3,00	€ 15,00	€ 15,00
Sillamäe	NA	NA	€ 15,97	NA
Koidula	€ 2,50	€ 5,50	€ 7,00	€ 7,00
Luhamaa	€ 1,05	€ 3,50	€ 10,00	€ 10,00

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www.eestipiir.ee



2 Waiting area and border



Arrive to the waiting area



Watch the board until your queue number appears

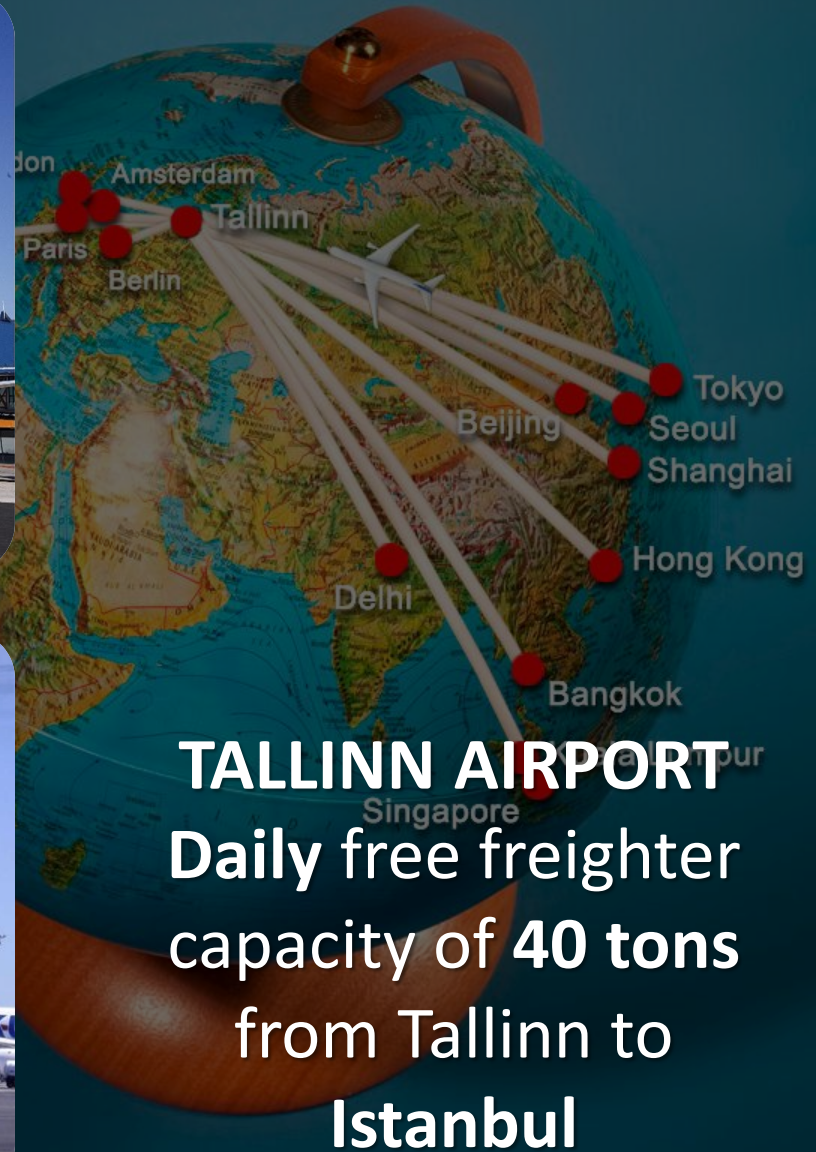


Drive from the waiting area to the border point



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www.estonianborder.eu
www.eestipiir.ee



WELCOME TO ESTONIA!

Pre-developed Industrial Parks

- RRK Logistics Parks
- Harju KEK Industrial Parks
- Port of Tallinn Industrial Parks
- Silport Free Zone



Logistics Parks

The Leading Developer and Landlord in Estonia

- ✓ Total area of land 1 200 000 sqm, total area of warehouses 160 000 sqm.
- ✓ Proximity of main Estonian Ports
- ✓ Existing railway infrastructure and good connection with bigger highways
- ✓ Customers: expeditors, ship agents, logistics, storekeepers, merchants, etc.
- ✓ Categories of goods: consumer goods, cocoa, electronics, metal, etc.

www.rrk.ee

metal, etc.

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HARJU KEK

Industrial Parks

- 100ha of land in three industrial parks, which is intended for production and commercial purposes
- Keila - one of the oldest industrial parks in Estonia (1960's)
- Existing long term customers: ABB, Glamox, Ensto, PKC, Draka Cables, Saajos, VIDA Packaging and others



www.harjukek.ee



Port of Tallinn Business Proposal

Muuga Industrial park

- ca 55 + 20 ha territory
- “Start today” option (roads, gas, power and water supply are ready)
- Sea, rail and road connection
- Free zone



Paldiski South Harbour

- ca 21 + 10 ha territory
- Sea, rail and road connection



www.portoftallinn.com

Silport Business Proposal

Port of Sillamäe (Silport) is a landlord port investing into development of infrastructure and leasing out land to independent operators for a long term (up to 99 years).

Silport new territories for lease:

- 40 ha + 250 ha new terminal & manufacturing territories
- Roads, gas, power and water supply are ready
- Permits for constructions and to operate are granted
- Customs Free zone
- Business Incubator Centre



Thank You and welcome to do business in ESTONIA!

www.transit.ee/estonian-logistics-cluster

