



invest  
estonia

Embassy of Republic of Turkey in Estonia, Embassy of Estonia in Turkey, and Enterprise Estonia are honored to invite Turkish investors in cooperation with Estonian private consultancy firms to a

## **JOINT BUSINESS WEBINAR on September 3<sup>rd</sup>, Thursday 2020**

### **“Estonia – a great investment opportunity for Turkish investors: STOCK BREEDING, MEAT PROCESSING & PACKAGING, DAIRY FARMING “**

#### **I. Briefly about Estonia**

Estonia is located on the eastern coast of the Baltic Sea in Northern Europe. It is bordered to the north by the Gulf of Finland across from Finland, to the west by the Baltic Sea across from Sweden, to the south by Latvia, and to the east by Russia. In addition to the official language Estonian, English, Russian and Finnish are widely spoken.

|                   |                                  |
|-------------------|----------------------------------|
| Capital           | : Tallinn                        |
| Official language | : Estonian                       |
| Government        | : Unitary parliamentary republic |
| Area              | : 45.227km <sup>2</sup>          |
| Population        | : 1.328.976                      |
| GDP (nominal)     | : € 28.038 billion (2019)        |
| GDP per capita    | : € 21.163 (2019)                |
| Currency          | : Euro                           |

#### **II. Business environment and the advantages of doing business in Estonia:**

Estonia is a member of European Union since 2004 and has been one of the fastest growing economies in the region. Quick reforms, westernization of the economy, innovation and openness to foreign capital have attracted numerous international companies to Estonia – Ericsson, ABB, Kuehne + Nagel, Stora Enso, Symantec, Stoneridge and to name some from food industries HKScan, Atria, Orkla, Valio. Also, a Turkish investor (Akinal Group) has been awarded as the best foreign direct investor to Estonia in 2018.

The country has completed its technical, digital infrastructure and passed to smart people level. Positions in various indexes are as follows:

1st – OECD Tax Competitiveness Index 2019

1st – Entrepreneurial Activity, World Economic Forum 2017

1st – Internet Freedom, Freedom House 2018 (sharing 1st place with Iceland)



EMBASSY OF ESTONIA  
IN ANKARA



REPUBLIC OF ESTONIA  
E-RESIDENCY



[www.wpspartners.ee](http://www.wpspartners.ee)



[www.sirel.com](http://www.sirel.com)



[www.artudor.eu](http://www.artudor.eu)

7th – Index of Economic Freedom 2018, The Heritage Foundation  
 9th – Digital Economy and Society Index 2017, European Commission  
 15th – Ease of Doing Business 2019, The World Bank  
 Estonia has some of the highest international credit ratings in the region:  
 Standard & Poor's: AA-, Moody's: A1, Fitch IBCA: A+

### III. Agriculture sector in Estonia:

Estonia is influenced by a humid continental climate due to its geographical location. Therefore, the country has four distinct seasons and large seasonal temperature differences. This is a considerable advantage of Estonia while global warming is affecting the southern countries. The main crops grown in Estonia are barley, oats, wheat, rye, potatoes, legumes, field grasses and fodder crops. Also, cold resistant fruits like apple, pear, plum and berries are grown in the country.

In the animal farming sector, Estonia is one of the most productive countries in EU, which is the result of modernization, usage of high technologies and state support. Foreigners are allowed to purchase land in the country and there are also practices to rent a land from the State or existing farms.

23% of Estonia's agricultural lands are organic and covering over 220 000 ha (5% annual growth rate). Around 2/3 of these lands were for fodder crops and field grasses. In 2019 there were over 2000 organic agricultural producers in Estonia. There are also special grants in place for organic farmers.

### IV. Opportunities in the stock breeding, meat processing&packaging, dairy farming sectors in Estonia:

- Agriculture sector is highly developed and productivity especially in cattle breeding is one of the highest in EU
  - Country is self-sufficient for feeding of cattle
  - Real state supports to the farmers
  - Possibility to hire temporary workers non-EU countries e.g. Turkey, Ukraine etc.
  - Considering the almost 4 million Turkish population in Europe, production of meat and delicatessen in Estonia and exporting to EU countries without customs
  - Exporting live cattle and meat to Turkey and other countries
  - Russia which is the eastern neighbor of Estonia, is a big consumer of milk and milk products
- Considering its population which is over 140mln people
- Global warming is making northern countries more attractive for agriculture

### V. CONCLUSION

Considering the business environment and trade possibilities of Estonia, investments into stock breeding, meat processing & packaging and dairy farming sectors have a high potential of sales. Also, B2B technology transfers from Finland on food technology can increase the efficiency significantly

Such an investment can also be structured tax efficiently for Turkish tax resident investor e.g. having a holding company in the Netherlands or Sweden which have advantageous double tax treaties with Turkey would create excellent profit distribution and/or exit scenarios in the future. Estonian corporate income tax would be finalized at 14% in way of proper dividend distribution without any withholding tax at Estonian side.

**JOINT BUSINESS WEBINAR on September 3<sup>rd</sup>, Thursday 2020 at 15:00****“Estonia – a great investment opportunity for Turkish investors: STOCK BREEDING, MEAT PROCESSING & PACKAGING, DAIRY FARMING “**

|               |  |
|---------------|--|
| 15:00         | Moderator – Andres Läbi, Investor Consultant in Central and Eastern Europe, Enterprise Estonia<br>Welcoming speeches (to audience and introducing speakers)                        |
| 15:05 – 15:15 | Welcome speeches<br>Inan Ozyildiz – Ambassador of Turkey in Estonia<br>Annely Kolk – Ambassador of Estonia in Turkey   |
| 15:15 – 15:30 | Speaker-1: Asso Uibo, Investment Adviser in South Estonia, Enterprise Estonia<br>Investment opportunity in Stock breeding, meat processing and packaging, dairy farming in Estonia |
| 15:30 – 15:40 | Speaker-2: Turgay Kuleli, International Business Development and Tax Specialist, Sirel and Partners Law Firm, Estonia<br>Taxation advantages of Estonia                            |
| 15:40 – 16:00 | Q & A  |

**Please send an e-mail for your interest to participate to the webinar to any of the below e-mails:**

Enterprise Estonia: [Andres.Labi@eas.ee](mailto:Andres.Labi@eas.ee)

Turkish Embassy in Tallinn: [Inan.Ozyildiz@mfa.gov.tr](mailto:Inan.Ozyildiz@mfa.gov.tr) and/or [Emrah.Yavuz@mfa.gov.tr](mailto:Emrah.Yavuz@mfa.gov.tr)

Sirel and Partners Law Office, Estonia: [Turgay.Kuleli@sirel.com](mailto:Turgay.Kuleli@sirel.com)