

**Embassy of India
Tallinn

Annual Economic and Commercial Report for the Year 2024: Estonia

A. Trade in goods

a) Total trade in goods during: January 2024- December 2024

0	1	2	0	2	4	-	1	2	2	0	2	4
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	Export (Euros in million)	Import (Euros in million)	Status (F) Final
	(January 2024- December 2024)	(January 2024- December 2024)	
Estonia's trade with India	76.5	81.9	Final

0	1	2	0	2	4	-	1	2	2	0	2	4
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1. Top 10 items of export to India during: January 2024- December 2024

S. No.	6-digit HS Code	Commodity	Value (Euros in million)
1	470500	Semi-chemical wood pulp	25.4
2	842890	Machinery for lifting, handling, loading or unloading	4.75
3	853090	Parts of electrical signalling, safety or traffic control equipment	3.67

4	440910	Coniferous wood	3.49
5	853710	Boards, cabinets and similar combinations of apparatus for electric control or the distribution of electricity, for a voltage <= 1.000 v	3.09
6	842240	Packing or wrapping machinery	2.72
7	854430	Ignition wiring sets and other wiring sets for vehicles, aircraft or ships	2.7
8	841122	Turbopropellers of a power > 1.100 kw	1.98
9	040690	Cheese	1.75
10	720430	Waste and scrap of tinned iron or steel	1.53

2. Top 10 items of import from India during: January 2024- December 2024

S. No.	6-digit HS Code	Commodity	Value (Euros in million)
1	841290	Parts of non-electrical engines and motors	31.32
2	380210	Activated carbon	3.8
3	732690	Articles of iron or steel	3.34
4	282590	Bases, inorganic, and metal oxides, hydroxides and peroxides	3.07
5	732599	Cast articles of iron or steel	1.99
6	761699	Articles of aluminium	1.54
7	293979	Vegetal alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives	1.23
8	520100	Cotton, neither carded nor combed	1.02
9	903090	Parts and accessories for instruments and apparatus for measuring or checking electrical quantities or for detecting ionising radiations	0.99
10	851713	Smartphones for wireless networks	0.99

a) Potential products of imports from India to Estonia

S.No.	<u>Commodity (HS Code)</u>	<u>Rationale</u>
1	Light petroleum distillates nes (271019)	Percentage of Total Imports: 3.49 % Total Value: 709 M € Value Exported from India to Estonia: €0
2	Motor cars and other motor vehicles principally designed for the transport of <10 persons (870340)	Percentage of Total Imports: 2.14 % Total Value: 435.3 M € Value Exported from India to Estonia: €0
3	Light oils and preparations, of petroleum or bituminous minerals (271012)	Percentage of Total Imports: 1.35 % Total Value: 273 M € Value Exported from India to Estonia: €0
4	Gold, incl. gold plated with platinum (710812)	Percentage of Total Imports: 0.9 % Total Value: 182 M € Value Exported from India to Estonia: €0
5	Motor vehicles for the transport of goods (870421)	Percentage of Total Imports: 0.67 % Total Value: 136 M € Value Exported from India to Estonia: €0
6	Reception apparatus for television (852872)	Percentage of Total Imports: 0.3% Total Value: 62 M € Value Exported from India to Estonia: €0

b)Top 10 items of global import to Estonia during: January 2024- December 2024

S. No.	6-digit HS Code	Commodity	Value (Euros in million)
1	271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel	709
2	300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, put up in measured doses	596
3	271600	Electrical energy	516
4	870340	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with both spark-ignition internal combustion reciprocating piston engine and electric motor as motors for propulsion	435
5	851713	Smartphones for wireless networks	407

6	271121	Natural gas in gaseous state	364
7	271012	Light oils and preparations, of petroleum or bituminous minerals which $\geq 90\%$ by volume	273
8	870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only spark-ignition internal combustion reciprocating piston engine of a cylinder capacity $> 1.500 \text{ cm}^3$ but $\leq 3.000 \text{ cm}^3$	221
9	870332	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only diesel engine of a cylinder capacity $> 1.500 \text{ cm}^3$ but $\leq 2.500 \text{ cm}^3$	198
10	710812	Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes	182

Top 10 items of global export from Estonia during: January 2024- December 2024

S. No.	6-digit HS Code	Commodity	Value (Euros in million)
1	851762	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, incl. switching and routing apparatus	495
2	851713	Smartphones for wireless networks	432
3	940610	Prefabricated buildings of wood, whether or not complete or already assembled	329
4	270799	Oils and other products of the distillation of high temperature coal tars	312
5	870340	Motor cars and other motor vehicles principally designed for the transport of <10 persons	273
6	271600	Electrical energy	253
7	440131	Wood pellets	236
8	271121	Natural gas in gaseous state	233
9	440910	Coniferous wood	207

10	270300	Peat, incl. peat litter, whether or not agglomerated	192
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c) Top items of service import during: January 2024- December 2024

S. No.	EBOPS	Service	Value (Euros in million)
1	SJ	Business	2,918.7
2	SC	Transport	2,526.3
3	SI	Telecommunications, computer and information services	1,874.4

Top items of service export during: January 2024- December 2024

S. No.	EBOPS	Service	Value (Euros in million)
1	SJ	Business	3,598.8
2	SI	Telecommunications, computer and information services	3,208.0
3	SC	Transport	2,612.8

d) Top 10 major countries of export for Estonia: January 2024- December 2024

S. No.	Country	6-digit HS Code	Commodities	Value (Euros in million)
1	Finland	1) 850300 2) 730890 3) 851713	1) Parts for electric motors and generators 2) Structures and parts of structures, of iron or steel 3) Smartphones for wireless networks	i) 87.86 ii) 85.76 iii) 76.97
2	Latvia	1) 271600 2) 271121 3) 870340	1) Electrical energy 2) Natural gas in gaseous state 3) Motor cars and other motor vehicles	i) 201.76 ii) 187.86 iii) 82.73
3	Sweden	1) 851762 2) 441829 3) 940610	1) Machines for the reception, conversion and transmission or regeneration of voice, images or other data 2) Doors and their frames and thresholds, of wood 3) Prefabricated buildings of wood	i) 118.52 ii) 42.11 iii) 39.74
4	Lithuania	1) 870340 2) 040120 3) 870322	1) Motor cars and other motor vehicles 2) Milk and cream 3) Small sized cars	i) 171.08 ii) 41.18 iii) 32.49
5	Germany	1) 851713 2) 940610 3) 441233	1) Smartphones for wireless networks 2) Prefabricated buildings of wood 3) Plywood consisting solely of sheets of wood	i) 138.73 ii) 71.49 iii) 61.55

6	United States of America	1) 851762 2) 271012 3) 902519	1) Machines for the reception, conversion and transmission or regeneration of voice, images or other data 2) Light oils and preparations, of petroleum or bituminous minerals 3) Thermometers and pyrometers, not combined with other instruments	i) 183.23 ii) 60.29 iii) 39.83
7	Netherlands	1) 903180 2) 270799 3) 040690	1) Instruments, appliances and machines for measuring or checking 2) Oils and other products of the distillation of high temperature coal tars 3) Cheese	i) 95.81 ii) 86.92 iii) 21.2
8	Poland	1) 440890 2) 440910 3) 010229	1) Sheets for veneering 2) Coniferous wood 3) Live cattle	i) 20.18 ii) 18.43 iii) 17.79
9	Norway	1) 940610 2) 730890 3) 440910	1) Prefabricated buildings of wood 2) Structures and parts of structures, of iron or steel 3) Coniferous wood	i) 68.72 ii) 44.18 iii) 39.64
10	Denmark	1) 440131 2) 441829 3) 441899	1) Wood pellets 2) Doors and their frames and thresholds, of wood 3) Builders' joinery and carpentry, of wood	i) 136.83 ii) 24.85 iii) 18.19

Top 10 major countries of import for Estonia: January 2024- December 2024

S. No.	Country	6-digit HS Code	Commodities	Value (Euros in million)
1	Finland	1) 271600 2) 271121 3) 440712	1) Electrical energy 2) Natural gas in gaseous state 3) Sawn or chipped fir and spruce	i) 406 ii) 218.37 iii) 86.88
2	Germany	1) 870333 2) 930690 3) 870323	1) Large diesel engine cars 2) Bombs, grenades, torpedos, mines, missiles, and other ammunition and projectiles, and parts thereof 3) Medium sized cars	i) 79.37 ii) 72.2 iii) 71.9
3	Latvia	1) 271121 2) 271600 3) 271019	1) Natural gas in gaseous state 2) Electrical energy 3) Light petroleum distillates nes	i) 145.89 ii) 109.88 iii) 52.92
4	Lithuania	1) 271019 2) 300490 3) 271012	1) Light petroleum distillates nes 2) Medicaments nes, in dosage 3) Light oils and preparations, of petroleum or bituminous minerals	i) 352.21 ii) 222.27 iii) 184.09

5	Poland	1) 300490 2) 860390 3) 870421	1) Medicaments nes, in dosage 2) Self-propelled railway or tramway coaches, vans and trucks 3) Diesel powered trucks weighing < 5 tonnes	i) 54.17 ii) 41.8 iii) 24.99
6	Sweden	1) 870340 2) 870323 3) 870333	1) Motor cars and other motor vehicles 2) Medium sized cars 3) Large diesel engine cars	i) 289.48 ii) 58.12 iii) 49.27
7	Netherlands	1) 854231 2) 300490 3) 854239	1) Electronic integrated circuits as processors and controllers 2) Medicaments nes, in dosage 3) Electronic integrated circuits	i) 65.63 ii) 53.53 iii) 45.22
8	China	1) 851779 2) 870340 3) 854143	1) Parts of telephones, cellular and wireless networks, and other communication devices 2) Motor cars and other motor vehicles 3) Photovoltaic cells assembled in modules or made up into panels	i) 49.09 ii) 35.76 iii) 33.55
9	Italy	1) 040690 2) 220421 3) 730661	1) Cheese 2) Wine of fresh grapes 3) Tubes and pipes and hollow profiles	i) 10.93 ii) 10.46 iii) 9.85
10	Czechia	1) 870332 2) 860310 3) 870322	1) Medium diesel engine cars 2) Self-propelled railway or tramway coaches, vans and trucks 3) Small sized cars	i) 68.21 ii) 54.22 iii) 47.72

B. QUALITATIVE

Month

0	1	2	0	2	4	-	1	2	2	0	2	4
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1. Market Access Alerts (attach copy of notification):

a. Alerts on customs tariff changes:

Sr No	Notification date	Description	Present customs tariff	Effective from

b. Alerts on non-tariff measures (SPS/TBT/import and export procedures/restrictions/prohibitions, licensing/ STEs etc.)

No new alerts

S. No	Notification no./date	Measure/ HS Codes	Effective from/Remarks if any Remarks if any

c. Alerts on standards, technical regulations and conformity assessment procedures:

No new alerts

S.No	Notification no./date	Standard/ technical regulation/ conformity assessment procedure	HS Codes	Effective from	Remarks if any

d. Alerts on trade defence measures taken by respective country: (Safeguards including special safeguard, antidumping, CVD or anti-subsidy)

Sr No	Notification n no., date or other references	Type (initiation, final, prov., sunset, consultations, new shipper review)	Details of products/sectors affected (including HS codes)	Effective from	Remarks if any
	NA	-	-	-	-

e. Alert on services, regulatory regime, qualification requirement, licensing procedures, visa regime, barriers etc.

S.No.	Notification no., and date or other references	Service sectors affected	Modes	Effective from	Remarks if any
	-NA -	-	-	-	-

2. Feedback

- a. Feedback from major Indian industries/other commercial concerns and Indian trade visitors to that country

Sr. No	Name of business house	Activity sector	Trade barrier issues if any (incl. HS codes)	General Feedback (Max. 200 words)
-	NA	-	-	-

- b. Feedback on major trade activities including logistic events (trade fairs/BSM including Indian participation)

Sr No	Activity (trade fair, BSM etc.)	Date and venue	Number of participants from India	Name(s) of large/key participants from India	Feedback received (Max. 200 words)	Source of funding (MAI, TA/TC)
	=	=	=	=	=	=

- c. Feedback from local commercial visitors to trade fairs in India, including under BSM; number of Business Visas issued:

Sr No.	Activity (trade fair)	Date and venue	Number of participants from the relevant country	List of large/key participants from the relevant country	Number of Business Visas issued in January 2021	Feedback received (Max. 200 words)
	<u>NA</u>	=	=	=	=	=

5. Trade and Investment:

- a. Significant trends in trade

Sr No.	Category	Details of significant trends	Analysis
1.	Trade in Goods	Estonia's exports of goods fell by 4% (€17.4 billion) in 2024, while imports declined by 2% (€20.7 billion), increasing the trade deficit to €3.3 billion. The biggest export declines were in mineral products (€433	The decline in mineral product exports and imports reflects reduced energy trade, particularly with Finland. The growth

		million) and mechanical appliances (€164 million), while agricultural products and food preparations grew by €117 million. Imports of mineral products dropped by €443 million, but agricultural imports rose by €224 million.	in agricultural trade suggests a shift toward food production and processing. The fall in re-exports (-9%) indicates weaker global demand, while the increase in Estonian-origin goods (65% of total exports) highlights a stronger domestic production base. The fourth quarter's trade recovery (+6% exports, +7% imports) signals potential stabilization moving into 2025.
2.	Trade in Services	In 2024, Estonia's trade in services saw significant growth, with exports increasing by 7% to €12.5 billion and imports rising by 5% to €9.5 billion. The trade surplus reached €2.9 billion, marking an increase of €333 million compared to 2023. The largest contributors to export growth were telecommunications, IT, and information services, which grew by €459 million, followed by other business services and transport services. Imports were primarily driven by a €134 million increase in travel services. The main export partners were Finland (15%), the USA (8%), and Germany (8%), while Germany (8%), Finland (7%), and Lithuania (7%) were the top import partners.	Despite economic challenges, Estonia's services sector continued its upward trend, setting a record-high trade surplus. The country's strong digital economy, IT services, and business services sector played a crucial role in maintaining growth. Export diversification, particularly in telecommunications, IT, and business services, helped Estonia sustain demand, even as external market conditions fluctuated. The continued demand for travel services and transport services indicates resilience in consumer and business spending.

b. Opportunities for investments/assets on offer/major company divestment:

Sr No.	Sector Name (List attached)	Particulars of the asset/company	Contact details
	NA	-	-

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- c. Information on tender Notices for projects and procurements of interest to Indian projects exporters/suppliers

Sr No	Tender/procurement notice No and Date	Sector	Value of tender/procurement
	NA	-	-

- d. Trade Queries for Imports/Exports for the year of January 2024- December 2024 (if not uploaded on the Indian Trade portal)

Months	<u>Numbers of Trade Queries for Imports/Exports</u>
January 2024	51
February 2024	41
March 2024	39
April 2024	78
May 2024	81
June 2024	51
July 2024	106
August 2024	59
September 2024	39
October 2024	78
November 2024	52
December 2024	90
Total	765

6. Important India related statements of commercial significance by political leaders, think tanks, chambers, associations etc./ Significant stories/features on India related trade, investment, services and logistic sector, published in foreign journals/ dailies etc (Max 500 words)

- 1) An Estonian Business Delegation visited India from January 8 to 12, 2024 to participate in the Vibrant Gujarat Summit 2024, focusing on ICT, defense, and renewable energy sectors. The delegation was led by H.E. Mr. Tiit Riisalo, Minister of Economy and Information Technology. The delegation comprised of representatives from Vegvisir, Cybexer Technologies, Gennet Laboratories, Leil Storage, LEI Register, Omniva, Eesti Energia, and TalTech, along with export advisors from the EAS-Kredex joint agency. The visit featured meetings with Ministry of Defence, Ministry of IT and Energy Ministry, as well as discussions with Tech Mahindra, Adani Group, Indian Technical University, and Rashtriya Raksha University. A key highlight was the Estonian business seminar at the investor summit and the minister's presentation at Techade, a seminar on digital and financial technology, further strengthening bilateral trade and investment ties between Estonia and India.
- 2) From February 21 to 23, 2024, Estonian Foreign Minister H.E. Mr. Margus Tsahkna visited New Delhi to participate in the ninth edition of the Raisina Dialogue. During his visit, Minister Tsahkna engaged in high-level meetings with Minister of External Affairs, focusing on enhancing bilateral relations, defence industry collaboration, cybersecurity, trade, innovation, and education. Notably, he was part of the first high-level delegation from the Nordic-Baltic Eight (NB8) countries to visit India, reflecting a shared commitment to global cooperation and trust. Additionally, Minister Tsahkna addressed a Europe-India business seminar on digital development and attended a reception celebrating Estonia's 106th anniversary. He also expressed gratitude for India's humanitarian aid to Ukraine and highlighted Estonia's expertise in cyber and digital capabilities as potential areas for collaboration.
- 3) A Defence Delegation from India led by the PHD Chamber of Commerce and Industry, comprising of representatives of leading Indian defence companies, Bharat Forge Ltd, MKU Limited, DCM Shriram LTD, TATA Aerospace & Defence Limited, Hyper Stealth Technologies Private Limited, Aeroshul Technologies Private Limited, and Heritage Cyber world visited Estonia from May 21 to 25, 2024. The delegation participated in various activities, including the Defence Demo Day and visits to prominent Estonian defence companies. The visit also included the India-Estonia Defence Seminar and B2B Forum, fostering direct interactions between stakeholders. A key highlight was the signing of a Memorandum of Understanding between Aeroshul Technologies Private Limited and Eesti Arsenal, paving the way for enhanced cooperation in defence technologies. The delegation also visited the Embassy, where Ambassador of India Sh. Ajaneesh Kumar briefed them about the opportunities defence sector in Estonia. The delegation was hosted by Estonian Business and Innovation Agency.
- 4) A 6-member Indian Cyber Delegation led by Sh. Amit A Shukla, Joint Secretary (Cyber Diplomacy), MEA visited Estonia on June 17, 2024. During the visit, the delegation participated in the first India-Estonia Cyber Dialogue held at the Ministry of Foreign Affairs in Tallinn. The discussions focused on enhancing bilateral cyber cooperation, including capacity building and sharing of best practices. Ambassador Sh. Ajaneesh Kumar discussed the vast opportunities in the field of cyber sector within Estonia during his interaction with the delegation.
- 5) From June 10 to 14, 2024, a delegation of seven leading Estonian timber companies visited India on a trade mission organized by Enterprise Estonia. The mission aimed to explore opportunities in the Indian market and strengthen trade relations between the two countries.
- 6) A 65-member FICCI FLO Delegation led by Ms. Joyshree Das Verma, visited Estonia from August 11 to August 14, 2024, to explore the new business opportunities. They participated in a Business Forum organized by Estonian Chamber of Commerce (KODA) at Swissotel, Tallinn. On this occasion, Ambassador Sh. Ajaneesh Kumar addressed the Forum, comprising of the visiting Indian delegation and Estonian business, and gave a presentation on "Indian economy & market and India-Estonia bilateral economic engagements".

7) On September 24, 2024, Ambassador Ajaneesh Kumar, met with H.E. Mr. Erkki Keldo, Minister of Economic Affairs and Industry at the Ministry of Economic Affairs and Communications. The meeting focused on exploring potential cooperation in key sectors such as defence, ICT, cybersecurity, and green hydrogen, as well as identifying other opportunities for collaboration to strengthen bilateral relations between the two countries. During the meeting, Ambassador informed the Minister about upcoming significant events in India. In response, Minister Keldo shared information about the potential adoption of a big investment mechanism in Estonia, which will be designed to review both direct and indirect investments by investors in strategically important and sensitive sectors. Both expressed strong commitment to continuing the dialogue and exploring new avenues for cooperation.

8) From December 2 to 7, 2024, Estonia's Minister of Regional Affairs and Agriculture, H.E. Ms. Piret Hartman, led a business delegation to India to explore export opportunities and strengthen bilateral relations. The delegation, comprising representatives from Estonian food and beverage companies such as A. Le Coq, Balsnack International Holding, Bon Vegan, Haage Joogid, Revala, Saku Õlletehase, TFTA, Tohi Distillery, Vegestar, and YOOK Production, participated in the SIAL India 2024 Food fair. Notably, TFTA's pea-protein-based salmon fillet was recognized as the most innovative product at the event. During the visit, Minister Hartman met with Indian officials, including the Sh. Radhakrishnan, Hon'ble Governor of Maharashtra and Sh. Piyush Goyal, Minister of Commerce and Industry to discuss enhancing bilateral cooperation. The mission, supported by the Estonian Ministry of Regional Affairs and Agriculture, the Estonian Business and Innovation Agency, and the Estonian Embassy in New Delhi, aimed to introduce Estonia's high-quality, sustainable food products to the Indian market and establish long-term partnerships.

7. Details of activities conducted out of Trade promotion budget:

BE for 2024 – 2025	RE for 2024 - 2025	Progressive Expenditure up to January 2025	Amount utilised in January 2025	Details of Activity (Max 200 words)
Nil	Nil	N.A.	N.A.	No trade promotion budget was allocated

8. Action taken on the previous JWG's, Joint Commissions, Sub-Commissions etc.

<u>NIL</u>

10. Complaints from foreign buyer/supplier on quality and trade dispute:

Name of Foreign buyer/supplier	Address & contact details of foreign buyer/supplier	Name & address of Indian exporter/importer	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred

11. Complaints of Indian exporter/importer:

Sr. No	Indian exporter/importer	Foreign buyer/supplier	Brief description of complaint	The authority to whom the matter was referred and the date on which the matter was referred.	Any outcome
1.	M/s Indu Arts, India, Delhi, 97D East Moti Bagh, 110007	Klarberg OÜ, Estonia, Tallinn, Pärnu mnt 160j, 11317	Non-receipt of the payments	1) 22.03.2024 Estonian Chamber of Commerce and Industry	Estonian company was contacted and their response was shared with the M/s Indu Arts. Export Promotion Council for Handicrafts has been handling the dispute.
2.	M/s Liftwell Hydraulics Pvt Ltd, Gondal Road National Highway 8B, 360022 Gujarat, India	Eurobalt Asia OÜ, Valge 13, 11415 Tallinn, Estonia	Non-receipt of the payments	1)16.04.2024 Enterprise Estonia 2)16.04.2024 Estonian Chamber of Commerce and Industry 3)29.07.2024 Ministry of Foreign Affairs	The complaints have been duly submitted to the respective authorities. Responses received have been forwarded to the complainants.
3.	M/s Vph International, 546, Fortune City, Chandigarsh Road, Jandiali, Ludhiana, Punjab – 141112, India	Maadlex OÜ, A. Tammsaare 53, 41533, Jõhvi, Estonia	Non-delivery of promised goods by M/s Vph International after the payment.	1)13.11.2024 Recommended to file a trade dispute via DGFT for resolution	The Estonian company was advised to file trade dispute through the DGFT's platform for resolution.

4.	M/s Anya Exports, A1, jaya Bharth homes, Oomachikulam, New Natham Main Road, Madurai, Tamil Nadu, India	Natura Group OÜ, Mäealuse 10, 12618, Tallinn, Estonia	Substandard and insufficient shipment of goods by M/s Anya Exports after full payment.	1)26.11.2024 Recommended to file a trade dispute via DGFT for resolution	The Estonian company was advised to file trade dispute through the DGFT's platform for resolution.
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12. Estonian Economy in 2024

GDP: In 2024, Estonia's GDP declined by 0.3%, with the economy showing signs of recovery in the fourth quarter, where GDP grew by 1.2% year-on-year. In current prices, GDP amounted to €39.5 billion for the year and €10.6 billion in Q4. The chain-linked volume growth showed a slight decline of -0.2%, marking a significant improvement compared to 2023, when GDP contracted by -3.1%.

Industry: In 2024, Estonia's industrial production volume index declined by -4.1% compared to the previous year. While still negative, this marks a notable improvement from 2023, when industrial production fell by -12.0%.

Prices: In 2024, Estonia saw a significant slowdown in inflation, with the Consumer Price Index (CPI) rising by 3.5%, compared to 9.2% in 2023. The Producer Price Index (PPI) fell by -0.9%, reversing the 0.9% increase in 2023, while export (-0.6%) and import (-0.2%) prices continued to decline, reflecting weak external demand. The Construction Price Index (CPI) grew by 1.6%, a sharp decline from 6.1% in 2023, indicating easing cost pressures in the sector. Estonia's Harmonised Competitiveness Indicator (HCI) improved modestly, rising by 1.7%, down from 6.5% in 2023, suggesting a more stable competitive position in the eurozone.

Labour market: In 2024, Estonia's employment rate slightly declined to 68.9%, down from 69.2% in 2023, while the unemployment rate increased to 7.6%, compared to 6.4% the previous year, indicating a more challenging labour market. Despite this, the monthly average old-age pension rose to €763.3, up from €689.2 in 2023, reflecting efforts to support retirees amid economic fluctuations.

Tourism, accommodation: In 2024, Estonia accommodated 3,610.4 thousand visitors, marking an increase from 3,425.7 thousand in 2023. The number of foreign visitors rose to 1,855.1 thousand, up from 1,669.8 thousand the previous year, indicating a notable recovery in international tourism and growing interest in Estonia as a travel destination.

Foreign trade: In 2024, Estonia's exports totaled €17,405.5 million, down from €18,161.0 million in 2023, while imports fell to €20,656.1 million from €21,136.3 million. Despite the decline in trade activity, the trade deficit widened to -€3,250.5 million, compared to -€2,975.3 million in 2023. The foreign trade balance as a percentage of exports deteriorated to -18.7%, up from -16.4% the previous year, reflecting continued external trade challenges and higher reliance on imports.

Startups: In 2024, Estonia's startup ecosystem employed 14,396 people, a 1.4% decrease from 2023, while employment taxes grew to €366.9 million (+4.3%). The sector's turnover reached a record €3.9 billion (+14.7%), with the top 10 employers accounting for 45% of jobs. The average gross monthly salary in startups was €3,650, double the national average. Startup investments totaled €326.6 million, a 23% decline, marking the lowest annual figure in five years. Estonia closed 57 investment deals, with the largest going to Starship Technologies (€90M), Stargate Hydrogen (€42M), and Elcogen (€30M). DeepTech accounted for 63% of total investments, generating €325 million in turnover (+19.3%), paying €58 million in employment taxes, and employing 2,439 people (17% of the sector workforce). Estonia's startup workforce included 37.6% women, 31% foreign citizens, and 67% with higher education, while women made up only 16% of startup founders. The European Innovation Scoreboard 2024 placed Estonia among "Strong Innovators", marking a 27-point increase in performance since 2017.
