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fOCUS



Connecting Science and Business at the University of Tartu



Kristel Reim

Head of the Technology Transfer Unit



Erik Puura

Vice-Rector for Development

Photo: Kaire Papp

Right in the midst of the business

10OFFICE GROUP A LA CARTE UNIFORMS **ABB AS** ACG NYSTRÖM EESTI ACE LOGISTICS
ADITRO ADVOKAADIBÜROO GENCS VALTERS ADVOKAADIBÜROO GLIKMAN JA
PARTNERID **AJ TOOTED** AMHOLD AMO GROUP AQ LASERTOOL BALTCAP BANCTEC
BLUE DRUM BOOMERANG DISTRIBUTION BRAND MANUAL BRIGHTWAY **BUSINESS**
SWEDEN CATERING SERVICE COBALT ADVOKAADIBÜROO DANSKE BANK EESTI FILIAAL
DHL ESTONIA **EAST TALLINN CENTRAL HOSPITAL E-LUX KODUTEHNIKA EMBASSY**
OF SWEDEN ERICSSON EESTI ERNST & YOUNG BALTIC ESTO MARINE & OFFSHORE
EXCEDEA EXECUTIVE LAB SEARCH FOODSTUDIO TALLINN FORS MW GLASKOMPONENT
GREENCARRIER FREIGHT SERVICES ESTONIA GOODYEAR DUNLOP TIRES BALTIC
H1 COMMUNICATION ESTONIA HANZA TARKON HEDON SPA & HOTEL **HEMTEX AB EESTI**
HUSQVARNA INCAP ELECTRONICS INDETEK KG KNUTSSON KEO SANG ESTONIA KNT
MEEDIAD KÜHNE + NAGEL LEADELL PILV ADVOKAADIBÜROO LEINONEN MARIKIRI
MCM - MARKET COMMUNICATION MANAGEMENT MAST PARTNER MEDIA MENU
INTERNATIONAL MEKANOTJÄNST  BALTIC METROPRINT SYSTEMS
MUSEUM OF COASTAL FOLK NJ PRODUCTION **NJORD LAW FIRM**
NORDEA BANK NORDIC HOTEL FORUM NORDICA OLDE HANSA
OMNIVA ORANGETIME EVENT ORIFLAME EESTI PAKRI TARVAS
PARK INN BY RADISSON MERITON TALLINN POLARHUS PRIKE PRIMUS EESTI
PÕHJAMAADE MINISTRITE NÕUKOGU RADISSON BLU HOTEL OLÜMPIA RADISSON BLU
SKY HOTEL RAIDLA ELLEX RELE KONSULTATSIOONID RIMI EESTI RM CONSULTING
AB & PARTNERS RUNWAY INTERNATIONAL **RÖDL & PARTNER** SCA METSAD EESTI
SCANDINAVIAN AIRLINES SAS SCANIA EESTI **SEB PANK** SECURITAS EESTI SEVE
EHITUS SIEVERT SLG THOMAS INTERNATIONAL SSAB SWEDISH STEEL EESTI
STENSTRÖMS SKJORTFABRIK EESTI STOCKHOLMSMÄSSAN STOCKHOLM SCHOOL
OF ECONOMICS RIGA STONERIDGE ELECTRONICS SUNNY BUSINESS SVENSKA
HANDELSBANKEN AB EESTI SVENSK EMBALLAGETEKNIK AB SWECON SWEDBANK
SWEDISH MATCH SWISSOTEL TALLINN HOTELS TALENTOR ESTONIA TALLINK
TELEGRAAF HOTEL **TELIA** TNC COMPONENTS **TRADING HOUSE SCANDINAVIA**
AB TULETORN FOND SA UNITED TALENTS **UNIVERSITY OF TARTU** VALGE KLAAR
VEINIPOOD VIKING LINE VOLVO ESTONIA **VÄSTERBOTTENSOST** VÄVARIS WELLNESS
BODY & BEAUTY SALON WENDRE VERUUL TRADE WIGEN SINDI

The Swedish Chamber of Commerce in Estonia

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Karolina Ullman
SCCE Chairman

Dear member,

On 9 March the annual meeting of our Chamber took place at Palace Hotel. It was very nice to see many of you there! I and the rest of the newly elected council together with Kristiina and Kaire will try to make the next year even better than last.



And on 8 March, the International Women's Day was celebrated in Estonia and in many other places around the Globe. I would like to change some things in Estonia. This is one of them: Can you please consider the following? **Do not give flowers and chocolates to women on the International Women's Day anymore.** Frankly, women do not want it. If you really care about women, I suggest you do one of the following instead:

1) For everyone: Start a discussion at your workplace about equality and inequality. What can be made better at your workplace? Do you expect fathers as well as mothers to stay at home when a child is sick? Do all the male workers know that it is OK to be away a couple of months or more for parental leave? Is it?

2) For employers: map the salaries at your workplace and make an analysis. Are you actually paying men and women equal pay for equal work? Perhaps you do not even know? Are you giving women and men equal opportunities to new tasks, positions, challenges at work?

3) For those with a partner at home: Start a discussion about sharing the home duties. Are both of you OK with the current set-up? Cleaning, washing, dishes, cooking, working hours, leaving and picking up kids? Perhaps some of the tasks should be redistributed from time to time? Each family should make its own decisions but just because one of you volunteered or started to do more than the other at one point, does not mean that person would like to do it forever.

If you chose to do one of the above once a year at the International Women's Day, I think we can actually change things for the better. Buying chocolates and

flowers will not change anything. Because – sadly – it is a fact that the salary gap in Estonia is the worst in the EU and although the Estonian parental benefits are among the most generous in the world, very few fathers take the opportunity to be the stay-at-home parent for the important first years of our children's lives.

Thank you
for your attention!

Karolina Ullman

Chairman of the Swedish
Chamber of Commerce in
Estonia



PS. If your workplace has some good examples on how you deal with the issues of equality, please share with others! Contact Ombudsman Kristiina Sikk and she will make an article about your company in the upcoming issues of **focus**.

Royal Members:



SCHLÖSSE HOTEL GROUP



Rödl & Partner



ÜLLATAVALT PAJU



Swedish Match.



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Editorial content and articles

SCCE accepts editorial content and articles for focus promoting Swedish — Estonian commerce, trade and investments. The author of editorial texts and articles published is responsible for the content. SCCE reserves the right to reject publishing of content not being in line with SCCE's Statutes.

Advertising

Kaire Papp will be happy to provide information on sizes, prices and technical requirements for advertising in focus and at our website www.swedishchamber.ee. Welcome to contact Kaire at: kaire@swedishchamber.ee or by phone: (+372) 53 48 9194. SCCE reserves the right to reject publishing of advertisements not being in line with SCCE's Statutes.

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SCCE also provides additional copies of focus for SCCE's members own distribution of the magazine to customers and business contacts to a net printrun cost.

Please contact SCCE's Ombudsman Kristiina Sikk for further information: kristiina@swedishchamber.ee

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The Swedish Chamber of Commerce in Estonia

The Swedish Chamber of Commerce in Estonia, SCCE, is a non-profit association registered in Estonia. Since its start, the SCCE has grown considerably and today the Chamber unite more than 140 member companies and organizations headquartered in Estonia, Sweden, as well as other countries.

SCCE is in many ways a mirror of the intensity in Swedish-Estonian commerce, trade and investments. Sweden is the biggest foreign direct investor in Estonia, and Sweden is also Estonia's largest export market for goods.

A main task of SCCE is to create an environment for networking and exchange of information. The Chamber acts as a meeting place by arranging seminars, business lunches, company visits, meeting business delegations, as well as arranging social events for the members.

Following a SCCE initiative, FICE – Foreign Investors' Council in Estonia was founded in August 2008. FICE is a lobby group acting through contacts with the Estonian Government and Estonia's Governmental bodies. Together, the eight countries represented in FICE account for an impressive 70% share of the foreign direct investments in Estonia.

Special and unique SCCE member benefits include opportunities to further market their businesses in the News from Members section of the Chamber's website, as well as taking advantage of a steady flow of Member Bonuses.

The fee for basic membership in the Swedish Chamber of Commerce in Estonia is 399€ per year and 1.299€ per year for Royal Membership. Membership is only granted to legal entities.

For more information about SCCE, please visit www.swedishchamber.ee. You are also welcome to take a direct contact with SCCE's Ombudsman Kristiina Sikk: kristiina@swedishchamber.ee, tel: (+372) 501 9813.

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SCCE's General Assembly 2017



SCCE's Council 2017

SCCE's Council 2017, left to right in the group photo:

SCCE's Vice Chairman **Per Lindberg** – Stoneridge Electronics, **Rein Leipalu** – RELE Konsultatsioonid, SCCE's Chairman **Karolina Ullman** – NJORD Law Firm, **Lars Ottoson** – Ericsson, **Mart Nömpfer** – Rödl & Partner.

Inserted photos, left to right:

Anders Hedman – Viggen Consulting, **Katrin Luhaäär** – Sunny Business, **Fredrik Nordin** – Embassy of Sweden, **Janar Sutt** – Business Sweden, and **Mattias Wallander** – SEB.

2016 became yet another very successful year for the Swedish Chamber of Commerce in Estonia. Sweden remains the biggest foreign direct investor in Estonia and Sweden is also Estonia's biggest export market. New members continue to join SCCE to further build up both commercial and industrial relations in our extensive Estonian, Swedish and international network.

SCCE also continues to show a very strong and solid position, both in economical terms as well as in continuing to line up as an important lobby organization for commerce, trade and investments. At the 9 March General Assembly, the Council, the Chairman, the Vice Chairman, the Ombudsman and the Auditors >>>



– SCCE is on top in football as well!, said **Per Lindberg** and put up SCCE's winning trophy from last year's International Chambers' of Commerce Football Tournament

►►► were elected. We could welcome Lars Ottoson – Head of Ericsson Supply Site in Tallinn, and Mattias Wallander – M&A Advisor at SEB as new members in the Council.



Kristiina Sikk and Karolina Ullman

Karolina Ullman and Per Lindberg were re-elected as Chairman and Vice Chairman, Signe Anton and Mart Nõmm were re-elected as Auditors, and Kristiina Sikk was re-elected as SCCE's Ombudsman. Furthermore, Kaire Papp will continue to work with the advertising opportunities offered in SCCE's magazine **focus** and at www.swedishchamber.ee, as well as supporting us in organizing SCCE's events.

This year's SCCE General Assembly took place in Tallinn's legendary Hotel Palace which is celebrating its 80th Anniversary this year. As the hotel opened on 16 January 1937, it was the only modern new building in Tallinn specially designed as a hotel.

In 1988, the building underwent a thorough renovation and Palace became the first hotel in Estonia to meet European standards, both in respect of furnishings and service.

The return of the Estonian Republic to the international arena in 1991 marked the arrival of foreign diplomats, and the first to arrive was the Swedish Ambassador to Estonia, Lars Grundberg, who checked in on 29 August 1991.

Located in the city center, next to Tallinn's Freedom Square, Hotel Palace reopened its doors, following an eight months long total makeover, in June 2014.

SCCE's 2017 General Assembly concluded with a delicious General Assembly Dinner in the hotel's Restaurant Konrad.



The restaurant is named after the Estonian painter Konrad Mägi (1878 – 1925), and during the dinner, Eero Epner, a performing art lecturer in art history and dramaturgy, gave us a very interesting insight in Konrad Mägi's life and works.

Report: Kristiina Sikk / Photos: Kaire Papp





“Sweden and Estonia are closely intertwined”

- There are not many nations who would understand Estonians as well as Swedish people do. The economies of Sweden and Estonia are closely intertwined, as are the histories of thousands of our families, said President Kersti Kaljulaid at her January working visit to Stockholm.

Sweden's and Estonia's Heads of States: King Carl XVI Gustaf and President Kersti Kaljulaid

It was her first visit to Stockholm as Estonia's Head of State and she had a full and tight program during the two day visit. In addition to meetings with King Carl XVI Gustaf, the Prime Minister, the Minister for Foreign Affairs and the Speaker of the Swedish Parliament, she also met with leaders of major Swedish companies as well as representatives of the Estonian community in Sweden.

The political meetings focused on economic issues, the future of Europe, bilateral defence cooperation, Estonia's priorities during the upcoming Presidency of the Council of the European Union as well as the importance of cooperation in the Baltic Sea region.



Lunch onboard Tallink's M/S Victoria I

Merle Pajula, Estonia's Ambassador to Sweden, Marcus Risberg, CEO Tallink Silja AB, and Christa Torm, Estonian Investment Agency's (EAS) Country Manager in Sweden.

- Sweden is the largest investor and export market for Estonia. The dynamics of these relationships have of course somewhat changed. Having started as a country that offered cheap labor, we have now reached the position of an equal partner, but the relations remain as strong. Companies in both countries seek new co-operation models and succeed in finding them, said the Estonian President.

At a reception in the Estonian Embassy in Stockholm, Kersti Kaljulaid got the opportunity to meet with representatives of the Estonian community in Sweden. ►►►



Coffee and talks with Sweden's Prime Minister Stefan Löfven

- Estonians and Swedish people share a very similar understanding of the world. We have chosen a slightly different way for securing peace, we are in NATO and Sweden is not, however we share the same values. The same can also be said about the Eastern Partnership and Ukrainian issues, said President Kaljulaid.

At a lunch onboard Tallink's cruise ferry M/S Victoria I on the ship's regular stopover in Stockholm's Värtahamnen, the President met with leaders of major Swedish companies, among them SCCE's members Ericsson, Telia, Swedbank and Nordea. The lunch was hosted by



Meeting representatives of the Estonian community in Sweden



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►►► And, her program also included a visit to the Estonian School in Stockholm's Old Town as well as a visit to the Gate of Freedom monument on the southern shore of Djurgården.



At the Estonian School in Stockholm's Old Town



- *The Gate of Freedom stands in memory of the Estonian people's courageous fight for democracy and justice and this monument bears witness to the close links between our two countries, said King Carl XVI Gustaf as the monument was inaugurated in October 1994.*

Sculpted by Estonian sculptor Matti Varik, the following words, in Estonian and Swedish, have been engraved on the monument:



The Gate of Freedom

"We came in small boats across the sea to escape terror and dictatorship. Thirty thousand men, women, and children made it – workers, fishermen, peasants, intellectuals... We were treated well; we got jobs and built ourselves safe homes and families. We never forgot the land that we were forced to leave, and we worked for the freedom of this land.

May the Gate of Freedom stand as a monument to the humanity and tolerance that the Swedish people had for these refugees, as we sought shelter during evil times, and may it remind us of a tiny part of a nation that found itself a new home here.

Estonians and Estonian-Swedes in Sweden 1944 – 1994"

Report: Magazine, Tallinn / Photos: Jaak Arendi, Office of the President

focus

on legalities

A Management Board Member is not a robot

by Jelizaveta Rastorgujeva, attorney-at-law,
NJORD Advokaadibüroo



Management Board Member Agreement

Management board members are often acting without any written agreement or by mistake by having an employment agreement instead of management board member service agreement.

board of a company. Thus, the legislator does not see the management board member as a weaker party who needs to be protected. It is expected that the management board member is a professional who is able to negotiate a contract and defend his or her interests.

Under Estonian law, the management board member service agreement is not a separate type of agreement. The Estonian Supreme Court has explained that the legal relationship between a company and a member of a management board is essentially similar to any other authorisation agreement, by which the parties agree to fulfil certain tasks in a certain period of time and to which the provisions of the Law of Obligations Act (LOA) regulating authorisation agreements applies.

A management board member is not a robot

On the one hand, the law gives to the members of a management board wide powers and freedom of actions. On the other hand, management board members are not entitled to any legal protection and no social guarantees as is provided for employees, and the law does not regulate the working conditions:

- the law does not require to pay the management board member any fee for the performance of his or her duties;
- a management board member can be recalled without any advance notice, without giving any reasons and without paying any compensation;



The Employment Contracts Act (§ 1 Section 5) states expressly that provisions concerning employment contracts shall not be applied to contracts of members of a directing body (management board or supervisory



- ▶▶▶ - the law does not regulate any working or rest time of a management board member, meaning basically that the management board member is expected to be on duty 24/7;
- a management board member is not entitled to any vacation or severance pay if he or she leaves the company;
- the liability of management board member is practically unlimited;
- a management board members cannot register themselves as unemployed.

While in the eyes of the law, a board member is like a robot, always ready to fulfil duties, responsible for the entire company's activities at any given time, expected not to get tired, not to rest or fall ill, in the real life human capabilities have certain limitations. Companies and board members always have mutual expectations and can have different understandings of a well-performed job and of the results to be achieved. For the avoidance of unpleasant surprises, it is reasonable to enter into a written agreement in which the relationship between the management board member and the company is regulated as comprehensively as possible. This is especially important in case the company's owners are not in the management board themselves. From the management board member's point of view, it is recommended to require, before taking office, a written agreement in order to obtain adequate legal protection.

What can be agreed in a management board member service agreement?

A management board member service agreement mostly contains the same issues that can be found in an employment contract. However, it must be kept in mind that a company and a board member may not agree to apply provisions that are exclusively inherent to employment contracts. For example, the Commercial Code provides that cancellation of an authorisation agreement apply to cancellation of the agreement with a management board member (§ 309 Section 5). Therefore, it cannot be agreed to apply the equivalent regulations regarding employment contracts (including payment of redundancy compensation).

In the agreement with a board member it is reasonable to regulate the following issues:

- to establish the duties, including the division of duties among the members of the board;

- to specify the conditions of fulfilment of the obligations arising from the statutes of the company and the law;
- to regulate powers, including the internal constraints on the right of representation and conclusion of transactions;
- to regulate the remuneration, including benefits and reimbursements to the management board member (such as company car, mobile telephone compensation etc);
- to regulate working hours and vacation conditions;
- to provide the bases of liability;
- to regulate conditions of early cancellation of the agreement and compensation to be paid in case of early cancellation.

In addition, it is recommended to regulate in writing the obligation to preserve business secrets and prohibitions on competition. It is also important to remember that concluding an agreement with a management board member, as well as amendments and termination of the agreement, always requires a decision of a higher body: supervisory board decision in case there is one or the shareholder's decision in all other cases. An agreement with a management board member can be signed only by a representative of the company appointed for this purpose.

Management board member service agreement and employment contract

The law does not prohibit a member of the management board to do some other work for the same company. Thus, a management board member of a company can in some cases have an employment relationship with the company at the same time. This is possible only upon the condition that the work performed by the management board member is not connected to the functions and responsibilities of a management board member. For example, in a dental clinic a management board member can do a dentist's work, in addition to his management functions. In such cases, the company enters into a management board member service agreement for the performance of the management tasks, and for the performance of duties as a dentist - an employment agreement is signed.



Jelizaveta Rastorgujeva

Attorney-at-law
NJORD Advokaadibüroo



Connecting Science and Business at the University of Tartu

“The University of Tartu is the Baltic’s largest scientific research and development partner, both for businesses as well as the public sector,” said Kristel Reim, Head of the University’s Technology Transfer Unit, as the plans for SCCE’s February Business Seminar in Tartu were drawn up.

“We help entrepreneurs to implement knowledge and discoveries gathered by our scientists, and together we develop business ideas and products by introducing and implementing innovative technologies. The University has made Tartu the best springboard for smart entrepreneurship!,” concluded Kristel Reim.

Founded by the Swedish King Gustav II Adolf in 1632 and modeled after the Uppsala University, the University of Tartu today comprises of 13.750 students and 3.500 employees.

“The University of Tartu is a leading centre for research and training in the Baltics. It belongs to the top 2% of

the world’s best universities by ranking 347th in the QS World University Rankings 2016/17, and is among the world’s top 1% of the most cited universities and research institutions in ten research areas,” said Erik Puura, the University’s Vice-Rector for Development, as he welcomed us to the Business Seminar.

“As for the business sector, there are currently less than 200 companies in Estonia with more than 250 employees, while about 30.000 small operating companies have emerged in Estonia during the last decade, and their average number of employees has decreased from ten to six. Consequently, we have increased the number of cooperation initiatives with

Connect Science with your Business



Kristel Reim

Contact Kristel Reim, Head of the Technology Transfer Unit at the University of Tartu for further information on research and cooperation projects with the University:

Tel: (+372) 5342 4023
E-mail: kristel.reim@ut.ee



Photo: Andres Tennus, University of Tartu

Erik Puura presenting the online cooperation platform ADAPTER.ee



►►► small and medium-sized enterprises,” continued Erik Puura.

“We communicate more, have more meetings, and get to know each other better to develop common ideas. To further support this, all public universities have established an online cooperation platform, ADAPTER.ee, and also organize an annual cooperation festival headlined ‘At the right time at the right place’. Last year’s festival was visited by more than 600 researchers, entrepreneurs and officials.”

“The old stereotype of a scientist being a curious nerd isn’t valid anymore. A modern scientist is more of an entrepreneur, who adapts scientific research to meet market demand,” concluded Erik Puura.

Following Erik Puura’s introduction, our Business Seminar continued with presentations by specialists from five different departments of the University; the Laboratory of Thin Film Technology, the Testing Centre, the Neuromarketing Laboratory, the Institute of Computer Science, and Skandinavistika – the department of Scandinavian Studies.

“Metals used in challenging environments, from airplanes and automotive parts to medical implants, need surface protection to make them resistant to corrosion in the environments where they are used,” said Mado Merisalu, Engineer at the University’s Laboratory of Thin Film Technology.



Photo: Andres Tennus, University of Tartu

Mado Merisalu giving an insight in corrosion prevention

Mado Merisalu is also management board member of Captain Corrosion OÜ, a University of Tartu spin-off company doing research and tests on corrosion prevention together with the University’s Laboratory of Thin Film Technology and Tartu Observatory’s ESTCube team.

“At the Laboratory we concentrate on research and development of methods for preparation and characterization of thin and ultra-thin solid films and application of these methods. Application areas of the materials range from anticorrosion coatings to micro- and nanoelectronics. And, for characterization of materials, we have the resources to use X-ray diffraction, X-ray reflection, X-ray fluorescence, scanning electron microscopy, electron probe microanalysis, spectroscopic ellipsometry, as well as scanning probe methods.”

“Next year, Estonia’s second satellite, ESTCube-2, is scheduled to be launched into orbit. We will take part by having test samples on the satellite and measure the effects of corrosion in space on different thin film surface passivation applications, concluded Mado Merisalu.”

“We are a unit in the University’s Institute of Chemistry that integrates the competences and scientific potential of five different laboratories: the laboratories of Metrology in Chemistry, Medical Devices, Work Environment, Nuclear Spectroscopy, and Environmental Analysis, said Ivo Leito, Professor in Analytical Chemistry at the Testing Centre of the University of Tartu.



Ivo Leito presenting the resources of the University’s Testing Centre

“Our services offered include measurements and calibrations, chemical analyses (especially non-routine measurements and analyses), research and development, training and consulting. During more than ten years we have been able to turn very different wishes of our customers into realization.”

“The quality management system of the Testing Centre fulfills the requirements of the ISO 17025:2005 standard and we were accredited by the Estonian Accreditation Centre as an accredited testing laboratory in 2003, and as an accredited calibration laboratory in 2008,” concluded Ivo Leito.

“Neuromarketing is a field that applies the principles of neuroscience to marketing research,” said Andres Kuusik, Associate Professor in Marketing at the University of Tartu. ►►►



Andres Kuusik explaining the importance of Neuromarketing in evaluating the design of packages



Photo: Andres Tennus, University of Tartu

Jaak Vilo introducing the Internet of Things lab opened in collaboration with Telia

►►► “By using emotion measuring and eye-tracking technologies to ensure objective results, we study consumers’ sensorimotor, cognitive, and affective response to marketing stimuli in print advertising, TV commercials, webpages, as well as product packages.”

The University of Tartu

Established in 1632, the University of Tartu (UT) is the oldest and largest university in Estonia both in terms of numbers of staff and students, and the volume of its teaching, research and development activities. As Estonia’s only classical university, UT embraces a wide variety of academic fields.

The University of Tartu was originally founded as Sweden’s second university by the King Gustavus Adolphus in 1632. The Great Northern War forced the University to cease activities in the 18th century, but it was re-opened in 1802 during the reign of the Russian Tsar Alexander I. In the 19th century, the University functioned as a bridge between German and Russian cultures, many distinguished scholars of nature and society worked and studied here. The university was temporarily closed down again during the World War I, to be re-opened on 1 December 1919 as the first Estonian-language university in the world.

“Our technologies used allow for creating marketing materials that deliver high impact by being more attractive and more noticeable to the consumers,” concluded Andres Kuusik.

“Last year, the Internet of Things lab was opened in collaboration with Telia and it is made up of smart home and smart office environments,” said Jaak Vilo, Professor and Head of the Institute of Computer Science at the University of Tartu.

“The equipment in the lab is mainly used by researchers in our mobile and cloud computing laboratory to create new groundbreaking smart solutions.”

“The research done in this field allows for developing

and raising the quality of all kinds of different services and environments, from agriculture and transportation to healthcare and education,” concluded Jaak Vilo.

“The software engineering research group, led by Professor Marlon Dumas, focuses on developing new methods and means to raise the effectiveness of business processes, but also to analyse the profitability of software systems,” said Fredrik Milani, Lecturer of Information Systems at the University’s Software Engineering Group. ►►►



Fredrik Milani introducing the software engineering research group

Some of the notable alumni of UT include the founding father of embryology Karl Ernst von Baer, chess grandmaster and Olympiad winner Paul Keres, Nobel Prize Laureate and founder of physical chemistry Withlem Ostwald, former Presidents of the Republic of Estonia Konstantin Päts and Lennart Meri, as well as the current President Kersti Kaljulaid.

The University of Tartu is the only university in the Baltic region that belongs to the top 2% of the world’s best universities and is featured in a growing number of international university ranking lists. As a world-class research university it also belongs to the top 1% of the world’s most cited universities and research institutions in ten research areas.

While mainly located in Tartu, UT university also operates in Narva, Pärnu, Tallinn and Viljandi. It also includes three museums and a botanical garden, as well as Estonia’s biggest scientific library.



Photo: Andres Tennus, University of Tartu

Kristina Mullamaa showing around in Skandinavistika’s library

►►► “Additionally, our researchers also work on ways to automatically find contradictory and excess data in databases so that the user will never have to insert the same data more than once,” concluded Fredrik Milani.

“Our mission is to develop studies and research into the Scandinavian languages and culture in Estonia,” said Kristina Mullamaa, Head of Skandinavistika – the University’s Department of Scandinavian Studies.



Daniel Sävborg showing one of many books in Skandinavistika’s library

“Beyond academic research, our graduates’ good knowledge of the Nordic languages and cultures has been successfully applied in Nordic-Estonian and Nordic-Baltic cooperation projects, institutions and companies,” added Daniel Sävborg, Professor of Scandinavian Studies.



Photo: Andres Tennus, University of Tartu

The study room at Skandinavistika

“Our students can be of support to Nordic companies working or starting work in the region already during their practice module, for example as cultural advisors and language specialists,” continued Kristina Mullamaa.

“Skandinavistika welcomes SCCE members to its higher seminar series and international conferences, informal *fika*-style Nordic culture popularising events, our book club and international conferences, as well as our extensive library. We aim at being the cultural hub for Nordic citizens residing in Southern Estonia. Cooperation incentives, research, projects for student and academic involvement and cooperation are welcome!” concluded Kristina Mullamaa.

Report: Kristiina Sikk, SCCE Ombudsman
Photos, where otherwise not mentioned: Kaire Papp

WE TURN CHANGE INTO GROWTH

Openness, collaboration and standardization paved the way for the success of mobile communication. Now we’re bringing these **principles** to other industries, providing solutions that empower businesses to transform, innovate and deliver value in an open ecosystem.

Welcome to the Networked Society.

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Cross-Border Healthcare at East Tallinn Central Hospital

Important Recognition for East Tallinn Central Hospital Eye Clinic

“East Tallinn Central Hospital Eye Clinic has long-standing experience in the treatment and diagnostics of rare eye diseases and has been the ocular oncology centre of the Baltic region for 24 years. It has also been accredited by the European Board of Ophthalmology (EBO), giving it the right to be a teaching clinic and train European ophthalmology specialists.”



The last month of 2016 saw the end of the creation process of the European Reference Network whereby East Tallinn Central Hospital Eye Clinic received accreditation from the European Commission to become a full member of the European reference network on rare diseases.

The European Reference Network was created nearly three years ago at the behest of the European Commission who also led the initiative. The aim of the

network is to treat and support people with complex diseases. The reference network enables patients with medical conditions that require specific expertise or resources to gain better access to diagnoses and treatment. The network also sees to it that the service provided is of good quality, available and cost effective. Different networks are established to cover various medical areas involving rare diseases where expert knowledge is lacking.

At the end of last year, following the unanimous approval of the Board of Member States, East Tallinn Central Hospital Eye Clinic was also recognised and became a member of the European Reference Network on Rare Eye Diseases. ►►►



►►► Dr. Artur Klett, head of East Tallinn Central Hospital Eye Clinic, says that this recognition is the result of systematic long-term cooperation. "Over the past 25 years the entire staff of the clinic has been involved with this process. Continuous partnership with our neighbours from Latvia and Lithuania has contributed to our small country and nation being acknowledged in Europe," said Dr. Klett.

East Tallinn Central Hospital Eye Clinic has long-standing experience in the treatment and diagnostics

of rare eye diseases and has been the ocular oncology centre of the Baltic region for 24 years. It has also been accredited by the European Board of Ophthalmology (EBO), giving it the right to be a teaching clinic and train European ophthalmology specialists.

According to the head of the clinic, membership of the European Reference Network on Rare Eye Diseases is primarily beneficial for patients. He went on to elaborate: "By being part of this network, doctors have much better access to up-to-date diagnostics and treatment options, which in turn benefits our patients who will receive better treatment as a result of cooperation between different centres and doctors." Hospitals belonging to the network share a virtual environment where all members can actively ask for advice and assistance to proceed with appropriate treatment in their clinic, if possible.

Quick facts on Swedish rules and regulations for Cross-Border



- The main rule is that the patient must be included in and covered by the Swedish social insurance system.
- *Försäkringskassan* (The Swedish Social Insurance Agency – www.forsakringskassan.se), in consultation with the patient's home County Council, is responsible for decisions and reimbursements connected to the cross-border healthcare law.
- The patient can apply to *Försäkringskassan* for a prior notification on the healthcare abroad. If approved, the prior notification is binding in terms of reimbursement as well as the maximum amount that will be reimbursed.
- The patient can also choose to go to an EU- or EEA-country (Iceland, Liechtenstein and Norway) for the healthcare and apply for reimbursement after the treatment.
- It is the individual patient's own responsibility to contact the foreign healthcare provider and make the necessary arrangements, including getting a quotation on the costs for the treatment.
- A reimbursement from the Swedish *Försäkringskassan* can not exceed the cost for a corresponding treatment in the patient's home County Council in Sweden.



focus on the ECONOMY

A Year of Many Unknowns

- Estonia does not suffer from any serious short-term imbalances. Problems are either long-term or external, and they are not so much Brexit or Trump-related, said Morten Hansen as he commenced SCCE's March Business Seminar headlined '2017 - A Year of Many Unknowns', arranged in cooperation with SCCE's member SSE Riga - the Stockholm School of Economics in Riga.



Morten Hansen

Morten Hansen is Head of the Economics Department at SSE Riga and also a member of the Fiscal Discipline Council of Latvia. This year's seminar marked the eight consecutive year that Morten Hansen and SSE Riga came to Tallinn for a presentation and a Q&A session on the international economy from an Estonian and Baltic perspective.



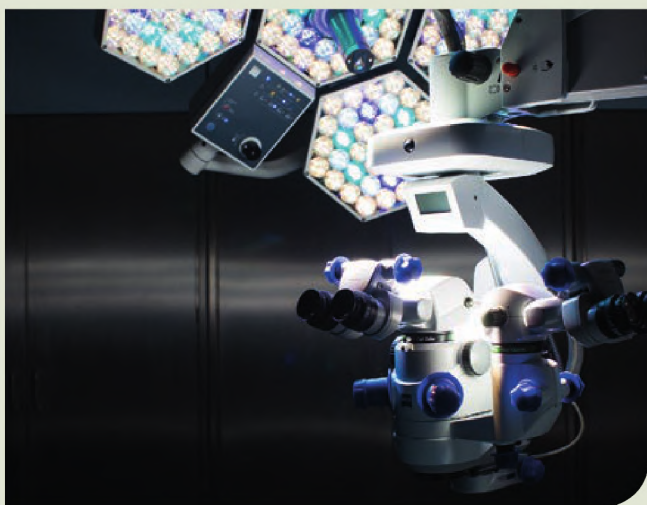
Prime Minister Theresa May and President Donald Trump

- As for Brexit and Trump, both represent Estonian export markets not being too big. Sweden and Finland remain Estonia's by far biggest export destinations with both countries accounting for a bit more than one third of Estonia's total exports, continued Morten Hansen.

According to Statistics Estonia, Sweden's share of Estonia's exports during 2016 reached 17,94%. The corresponding share for Finland was 15,89%, with the UK ending up at 2,4% and the US at 1,8%. ►►►

At the moment, the European Reference Network includes 23 institutions across Europe, including East Tallinn Central Hospital Eye Clinic and Tartu University Hospital that is currently participating in reference networks on rare bone disorders and rare endocrine disorders. Networks consist of reliable and verified groups of expertise centres in particular areas that provide advice and assistance from experts and allow for patients to be sent there for treatment, if necessary.

Pursuant of the directive of the European Union, members of the European Reference Network must comply with the following criteria: have knowledge and expertise to diagnose, follow up with patients about and manage rare diseases following evidence-based practices; follow a multi-disciplinary approach; offer a high level of expertise and have the capacity to produce good practice guidelines following evidence-based practices and to implement outcome measures and quality control; make a contribution to research; organise teaching and training activities; and collaborate closely with other centres of expertise and networks at national and international level.



We are delighted to have our clinics and their practices stand out – in 2016 East Tallinn Central Hospital Women's Clinic also received an accreditation by the European Board and College of Obstetrics & Gynaecology, acknowledging our women's clinic as an internationally competitive training centre with high standards.

Text and photos: East Tallinn Central Hospital

focus on the **ECONOMY**

▶▶▶ - Looking at Trump and the US, it should be noted that the financial markets have no problems with him. Dow Jones Industrial Average Index is at its highest ever for the US and the USD remains strong against the Euro.

- The real main risks and problems are found in the Eurozone. Some have already happened, and unfortunately continue to happen, while at least one obvious risk represents a what-if scenario, continued Morten Hansen.



- The major troubles are still up in Southern Europe with Greece on top of the list of concerns. The country's unemployment rate is 25%, which can be compared to Estonia's 6,8% and Sweden's 7,5%. Looking at youth unemployment it is even much worse, 44,2% compared to Estonia's 12,2% and Sweden's 18,5%.



- And, as for unemployment, the situation in Italy and Spain is not much better. The unemployment rate in Spain is 23% and in Italy 12%, and as for youth unemployment, Spain accounts for 42,9% and Italy 40,1%.

- The Maastricht Criteria were well in force when Greece joined the Eurozone in 2002. Among other issues, the Criteria, drawn up in 1992, stipulate that the government deficit must not exceed 3% of the GDP and the gross government debt must not exceed 60% of the GDP. Despite this, the Greek debt was more than 100% when the country joined the Eurozone 15 years ago. Today, the country's debt has grown to more than 180% and their budget deficit is more than 7%.



- Looking at the years before Greece joined the Eurozone, it should be noted that the exchange rate, Greek drachma per Deutsche mark, increased with 2320% from 1960 to 2002! That equals a 96% devaluation

of the drachma. Greece should never have been admitted to the Eurozone, but it happened and they are still in, said Morten Hansen.

- Coming back to the what-if scenario, my main issue at this seminar concerns France and the country's upcoming Presidential election. Marine Le Pen, leader of Front National and a candidate in the election, has promised to ditch the Euro if she wins. If this happens, about €1,7 trillion of the French public debt could eventually be redenominated into francs. According to rating agencies, that would amount to the world's largest ever default, noted Morten Hansen. ▶▶▶

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focus on the ECONOMY



France's Presidential candidate **Marine Le Pen**, and **Geert Wilders**, founder and leader of the nationalistic Dutch Party for Freedom (Partij voor de Vrijheid)

▶▶▶ - "Don't do it", said a recent cover page of the Economist, referring to a potential breakup of the Euro. Jürgen Stark, who served on the European Central Bank's executive board during the financial crisis and is regarded as



Jürgen Stark

a hawk, does not agree. In a 29 January interview in The Telegraph this year, he said that "Eurozone 'destruction' is necessary if countries are to thrive again. It is time to 'think the unthinkable' and work towards a 'reset' of Europe that pulls power away from Brussels."



- There are three things that should be known about the Eurozone: First, the Eurozone was never designed for exit; Second, something in which Germany participates will not collapse; And third, due to its structure the Eurozone, and the EU, finds a compromise, but only in the last minute. 2017 remains a year of many unknowns, concluded Morten Hansen.

Report: Megazine, Tallinn



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MERITON TALLINN

Kaire's Column



Immigration is an issue commonly addressed by media and governments around the Western World. We are all talking about it. Due to recent events, immigration to western countries has significantly increased. Many western countries believe in a multi-cultural society and they are tolerant to foreigners and refugees living in their country.

But it is more than clear that there has been a shift in our perception and attitude towards other nationalities living in our country. To be more precise, we have become blindly intolerant to refugees. Should this be a new normal?

We all have different views on life and we all have the right to it. No one knows the right answers. We presume that we know because we have seen some of the consequences. Yet, we tend to focus on some incidents and make big generalizations based on them.

When we look at recent terrorist attacks, we can see that media has emphasized the fact that attackers were Islamic people. And then we generalize this religion and people who believe in this religion. Yet again, if we look beyond terrorist attacks, we encounter a lot of home violence, killings, robberies and so on taking place every

Diversities – where should we

Photo: Lena Granefelt



single day. And in those circumstances, we don't talk about religion. We talk about the people themselves. How is one crime worse than another? Can you compare holocaust with deportation? Which is worse? We are all guilty.

We like to generalize. We like to put a sign on a certain type of people and then believe that we know how they mostly act, but we don't. This is just very humane – we like to make things simpler so we can understand them better. But we cannot generalize. There are 7 billion of us and we are already genetically different.

There is a belief that refugees come to western countries due to benefits they could receive. When I was living in Kenya, in a very poor area, I talked to people. They were interested to find out about Estonia and how life is in Europe. When I asked them if they would like to have this kind of society and life then they told me that home is home. They said that they wouldn't want to leave their country and their home. And, they hoped they never would have to. They told me that our traditions are unfamiliar for them and it would be too difficult for them to cope with it. And they want to maintain their roots and their culture. At their home.

When it comes to refugees, I do know about the meticulous background checks Estonian authorities do before letting them into the country. That's why we don't have too many. Maybe this is something other countries could learn from.

draw the line?



President Kersti Kaljulaid

Our President Kersti Kaljulaid made a touching speech on our Independence Day. I would like to share two short fragments of it:

"We cannot prohibit everything that we don't wish to see in our behavioural space; because, in the end, we would also destroy our own freedom. We cannot make Estonians of everyone who wants to live here. This should not be our goal. In this way we would destroy our Estonian nature."

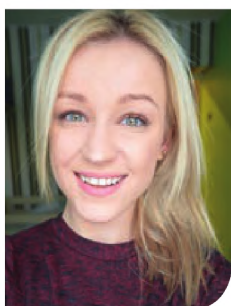
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"The customs of the other ethnic groups who live here do not differ very much from ours. There are peoples in the world whose understanding of society is radically different than ours. This does not mean that there is no place for them in Estonia, be they war refugees or labour migrants. However, we must be able to formulate what we expect of them in order to function together in Estonian society."



To sum it up, I hope that I once will have the honor to live in a world, where we talk about people as individuals and don't make rash generaliza-

tions. I hope to live in a world filled with respect and understanding. I hope to raise my future children in a world, where they would feel that they have the right to human rights, safety and the privilege to be considered as an individual with their own thoughts and actions.



Kaire Papp
kaire@swedishchamber.ee

Kaire

Crispy tortilla with VÄSTERBOTTENSOST® cheese



2 tortillas (Santa Maria)
100 g melted cheese (Merevaik)
2-3 tbs sweet chilli sauce (Santa Maria)

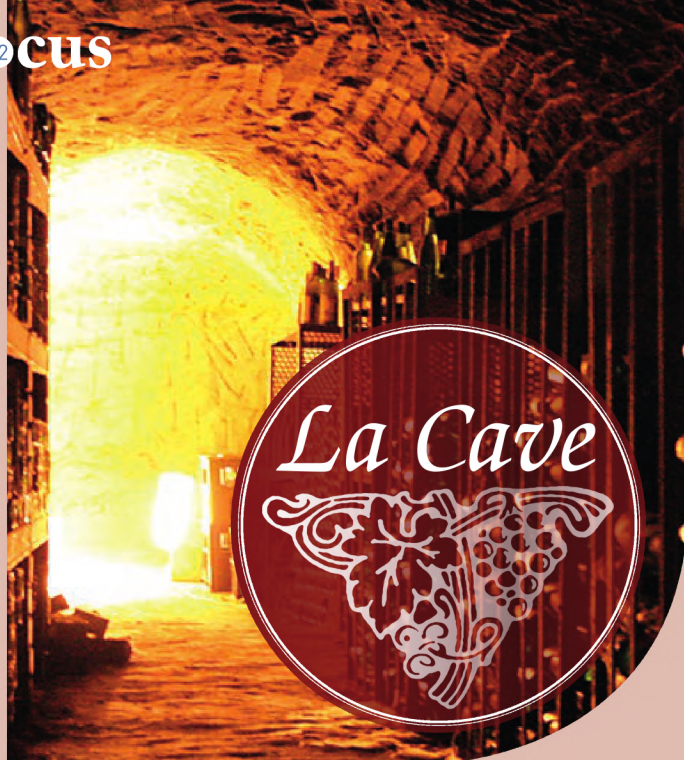
1-1,5 dl roasted crispy onion
3 dl Västerbottensost cheese

Spread the melted cheese on tortillas.
Pour little bit sweet chilli sauce on top of the melted cheese.
Sprinkle roasted onions and Västerbottensost cheese on top.
Heat the oven to 225 degrees and bake about 5 minutes until it is golden brown.
Cut the tortilla into sectors and enjoy!



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Wine with Leafy Greens



If the salad section on the menu is the first place you look for an entrée, you might call yourself a 'salad hoe'. Take these tips to heart when pairing wine with salad:

- **Think Acidity:** The wine should have more acidity than the salad so it won't taste flat. Perhaps steer away from that Chardonnay or Viognier unless you're having a delicate cream dressing

- **Balancing Bitterness:** Generally speaking, most leafy greens have a bitter note to them, so make sure your wine is lacking bitterness. Perhaps save the red for later and try a white wine.

- What's the Meat?

Steak salad throws you into that middle area where you can drink a red wine. Perhaps select a lighter red wine with less tannin.

- **'Green' Wines:** White wines with 'green' flavors such as gooseberry or bell pepper will shine. Try Vinho Verde, Grüner Veltliner, Verdejo, Sauvignon Blanc and Albariño



Wine with Fresh Fruit

If you're a strawberry lover or a professional orange eater then you might want to consider the following ideas when pairing wine with dishes that include fresh fruit.



Wine with Spring Foods

The spring harvest invokes images of greens, tart salads and crunchy fresh vegetables. Yum! But how do you pair spring foods with wine?

Traditionally, greens are the enemy of wine. The bitterness and sulfur-like flavors in artichoke and asparagus are often considered the antithesis of a 'wine food'. Not to worry, there are a few great tips to get you drinking well with the spring harvest. There are even a couple of under-the-radar solutions for the perfect wine with artichoke.



- The Wine should be Sweeter: If your food is sweet, it's smart to pick a wine that's sweeter, as this will ensure the wine doesn't get lost in the sweetness of the food. Keep this in mind especially if you're having dessert. Perhaps try a Moscato, Riesling or Gewürztraminer.

- Think Floral: Wines with floral aromatics have an affinity to fruit. The floral aromas in the wine will be more present when you try them with foods that use fruit.

- Acidity: Remember the tip above about wines having more acidity than the food? Keep this tip in mind with fruit as well.



- Savory Foods: Rosé wines work very well with savory foods with fruit. Match the intensity of the wine with the intensity of the food. (i.e. Pinot Noir Rose with a delicate savory strawberry cream and a Sangiovese Rosé with Moroccan Cuisine). Also check out Schiava.

Wine with Spring Root Vegetables

Spring vegetables including carrot, beet and bell pepper work well with wines when they are roasted and spiced. By spices, we mean those exotic ones that most people put into baking. Grab a Garam Masala spice blend, some cinnamon and turmeric and go crazy.



Think Spice: Root vegetables and wine need a common theme. Look for it in the spices you add to the dish and the inherent spice flavors of the wine.

Pairing Wine with Artichoke, Asparagus, Broccoli and Brussel Sprouts



The trickiest foods to pair with wine include artichoke, asparagus, broccoli and brussel sprouts. This is because they have a 'sulfur-like' meaty flavor to them that makes most wine taste really nasty. Strangely enough, wines that have been oxidized (on purpose!) actually taste good. The oxidation adds a nuttiness which pairs well with cruciferous foods.

Check out a Sercial Madeira (on the dry side), Manzilla Sherry or even a fine Marsala for the task of pairing these foods. By-the-way, finding a fine Marsala will be a challenge, just so you know.



Enjoy the wines and the spring!
I hope it's soon coming in full speed!

Anders Hedman

Estonia

and the European Union

As Estonia restored its independence on 20 August 1991, two options were on the table in terms of foreign economic policy; to continue the economic bonds with its eastern neighbor, or look to the West and Europe.



However, the past fifty years' of occupation and oppression, and a fast and increasingly disintegrating Soviet Union, made the choice easy; Estonia turned its focus towards strong European integration. Membership in the European Union, as well as NATO, became the main objectives of Estonia's foreign policy.

It took some years for Estonia's transition process to develop to the EU integration we have today. The first steps during the 1990's included cooperation and assistance under the pre-accession PHARE program, followed by the 1 January 1995 Free Trade Agreement between Estonia and the EU (replaced by the European Agreement in February 1998).

Estonia presented its formal application for membership in the European Union on 24 November 1995, and the European Commission recommended commencing accession negotiations.

Two years later, at the end of 1997, the European Council decided to begin EU accession negotiations with six countries including Estonia, and in March 1998 the formal accession process started.

During 1998 and 1999, the so-called screening exercise took place. The aim was to find out to what extent Estonian legislation had already been harmonized with EU rules, and which steps still had to be taken up until the end of 2002.



In 2002, Estonia was formally invited to a EU summit in Copenhagen and the Estonian Parliament then announced that a referendum on membership in the EU would be held in mid September 2003.

At that time, the Estonian public mood was not completely supportive to EU membership. The country had already had a first taste of economic progress on its own merits, and opponents claimed that a EU entry would slow down Estonia's economic growth. Furthermore, some argued that Estonia should not go from one union, the Soviet Union, into another union, the EU. Doubts were also raised whether a small country would be given a chance to have any say in EU matters.

The debate triggered the launch of a massive pre-referendum Yes-campaign with, among many other leading politicians, President Arnold Rüütel, Prime Minister Juhan Parts and the Speaker of Parliament Ene Ergma in the foreground. The Yes-campaign had strong media and financial backing, with the Estonian Centre Party being the only bigger party against entry into the EU.

The referendum took place on 14 September 2003, and the question to be voted on was: *Are you in favor of the accession to the European Union and passage of the Act on Amendments to the Constitution of the Republic of Estonia?*

66,8% voted Yes and 33,2% voted against a EU membership. Out of the 867.714 registered voters, 555.835, 64,1%, voted in the referendum.

On 1 May 2004, Estonia joined the European Union and, a month before it had joined NATO.

Estonia's EU integration has continued since 2004. At the end of 2007, Estonia joined the Schengen area and on 1 January 2011, Estonia became the 17th EU member state to join the eurozone. 2011 was also the year when Tallinn was the European Capital of Culture.

The headquarters of the EU IT Agency, the Agency for the operational management of large-scale IT systems in the area of freedom, security and justice, opened in Tallinn in December 2012. Four years earlier, in May 2008, the NATO Cooperative Cyber Defence Centre of Excellence was established in Tallinn.



"Say YES to the EU,
life will be better"



THE FIRST 99 YEARS

Originally scheduled for the first half of 2018, the year of Estonia's 100th Anniversary, Estonia will now, as a consequence of Brexit, take over the presidency of the Council of the EU from 1 July up until 31 December this year.

How to stay in



Clearly triggered by Brexit, the website www.howtostayin.eu promotes the success with Estonia's e-Residency project (see the Newsflash section in this issue of **focus** for fresh success figures).

Headlined 'How to stay in – manage a EU company from the UK', the website continues; 'Whether you are a start-up, established business or freelancer, Estonian e-Residency can help you do business in the EU while living in the UK.'

'E-Residents can: Establish an Estonian company online within a day; Administer the company from anywhere in the world; Conduct e-banking and remote money transfers; Have access to international payment service providers; Digitally sign and transmit documents and contracts; Manage accounting records and declare Estonian taxes online.'

'Estonia is a EU member state and incorporating in the EU can help your business maximise the benefits of the EU Single Market's harmonized rules,' summarizes the website.

The four freedoms in the EU – free movement of persons, goods, services and capital – have served Estonia well and there are good reasons behind the saying that 'Estonia is the most integrated in Western European organizations of all Nordic states'.

Looking at the European scene of today, a quote from a speech that the British Prime Minister Winston Churchill held in Amsterdam 1948 might be appropriate: *"We hope to see a Europe where men of every country will think as much of being a European as of belonging to their native land, and that without losing any of their love and loyalty of their birthplace."*

Text and research:
Megazine, Tallinn

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Decorated

On 23 February, the day before Estonia's 99th Anniversary, President Kersti Kaljulaid bestowed State Decorations to 113 persons and three of them were Swedes.



Patrik Göransson

Patrik Göransson, Priest in the Swedish St. Michael's congregation in Tallinn, got *The Order of the White Star, 5th Class* for "his contributions as a promoter and preserver of the Estonian-Swedish cultural heritage". Thanks to his efforts, the Swedish

St. Michael's Church in Tallinn's Old Town could open a Church Museum, as well as restore the Chapels on Nargö (Naissaar) and Stora Rågö (Suur-Pakri), and the clock tower on Lilla Rågö (Väike-Pakri).

Pär Nuder got *The Order of the Cross of Terra Mariana, 3rd Class* as a "promoter of Estonian-Swedish relations". Pär Nuder was Sweden's Minister for Finance 2004 – 2006, and is nowadays Chairman of the Third Swedish National Pension Fund, Senior Counselor at Albright Stonebridge Group, and Industrial Advisor to the private equity company EQT Partners. He was also one of the key speakers at last year's Swedish Business Awards ceremony in Tallinn.



Pär Nuder



Bo Hugemark

Bo Hugemark got *The Order of the Cross of Terra Mariana, 4th Class* as a "promoter of Estonian-Swedish relations". He is a retired Colonel in the Swedish Armed Forces and also one of the authors behind

the pseudonym Harry Winter who published the trilogy "Operation Garbo" in the end of the 1980's. The three books describe a fictitious Soviet invasion of Sweden in 1992.

And, at an audience in the Royal Palace of Stockholm on 17 January, Sweden's Head of State, King Carl XVI Gustaf, got the Estonian-Swedes' Cultural Administration's award, The Hans Pöhl



Ülo Kalm and King Carl XVI Gustaf

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Medal, for the King's "lasting and enduring support to Swedish culture in Estonia".

The award was handed over to the King by a delegation, led by the Cultural Administration's Chairman Ülo Kalm.

Estonia's Administrative Reform Continues

The first stage of the implementation of Estonia's Administrative Reform ended at New Year as that was the deadline for municipalities to voluntarily reach merger agreements with their neighbors to meet the goal of at least 5.000 residents in each administrative unit. In the beginning of this year, 160 of 213 municipalities had merger agreements in place.



Among those local councils having agreements in place, Pärnu will become the largest city, with a population of more than 50.000 and a total territory of 594 km². The largest municipality will be Saaremaa, where the whole island is to merge into a single administrative unit with more than 32.000 residents and a territory of 2.580 km².

The reform is now continuing with the second phase as the government has made proposals to the remaining municipalities to merge with neighbors in order to meet the minimum population requirement. The islands of Kihnu, Muhu, Vormsi and Ruhnu will be allowed to continue operating as independent municipalities as per an exception written into the Administrative Reform Act.

Fully implemented, the reform will decrease the number of Estonian municipalities from 213 to around 75, and the

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number of elected local council members is set to drop from the current 3.000 to some 1.000, according to the Ministry of Finance.

Furthermore, the government has decided to abolish all 15 Estonian county governments from 1 January, 2018. Their tasks will be distributed among the new local councils as well as different existing authorities.

Chairmanship and Presidency



Throughout 2017, Estonia will lead the cooperation of the three Baltic states on the political level, coordinating the countries' work in the Baltic Council of Ministers as well as the Baltic Assembly.

Chairing the Baltic cooperation efforts rotates once a year. The tasks of the leading country include the coordination of the three countries' governments as well as their parliaments. The first steps to establish this kind of cooperation were taken already during the 1920's, following the Baltic countries' independencies.

- Primarily, Estonia will concentrate on intensifying security and defense cooperation of the Baltic states, and on the development of the regional energy market and transport connections. In the current security situation it is very important for the Baltic states to work together to increase their security and economic well-being," said Foreign Minister Sven Mikser.

On 1 July, Estonia will take over the presidency of the Council of EU, lasting up until 31 December this year. The government has set up An open Europe with an innovative economy, A secure and well-defended Europe, A digital Europe and the free movement of data, and An inclusive and sustainable Europe as Estonia's main priorities during the presidency.

- We need to find common ground and unity among member states, and maintain the European Union's capacity to make decisions. This is a real challenge, but I'm sure that with politicians and officials cooperating in every way possible, we'll be able to handle it, says Prime Minister Jüri Ratas.

Information on Estonia's upcoming EU presidency is available online at www.eesistumine.ee. >>>

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“On Top at Just About Everything”

“If you’re Swedish, you should be feeling pretty proud of yourself right now”, writes the World Economic Forum in their annual country survey compilation and continues with a few reasons why:



“It’s easy to do business there – So easy that it now ranks number one on the Forbes’ annual list of the Best Countries for Business. Compare that to economic powerhouse the US, which is in 23rd place.”

“It is globally competitive - The World Economic Forum publishes a Global Competitiveness Index every year, and this year, it put Sweden in sixth place.”

“It has good gender equality - Sweden is placed 4th on the World Economic Forum’s Global Gender Gap Index 2016, having closed more than 81% of its overall gender gap.”

“It has low levels of corruption - Sweden has a low level of corruption and ranks 4th in Transparency International’s latest Corruption Perceptions Index.”

“It’s highly innovative - The European Commission’s European Innovation Scoreboard 2016 places Sweden in top place.”

“It has a powerful passport - The power of a passport is defined as how many countries the holder has unfettered access to. The Swedish passport is the second most powerful in the world giving access to 176 countries around the world without applying for a visa.”

“It’s a great place to grow old - Sweden ranks third overall in the Global AgeWatch Index 2015, which measures the quality of life for older people.”

“Language skills - Swedes speak very good English. English has been a compulsory subject throughout primary and secondary school in Sweden for the last four decades.”

“It has the best reputation - It’s no surprise then, that Sweden tops the ranking this year of the RepTrak reputation ranking.”

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Relocating

The Ministry of Finance has put together preliminary plans to relocate Estonian state agencies from Tallinn. According to the plans, some agencies are to be relocated entirely out of Tallinn, while others will only be partially relocated.

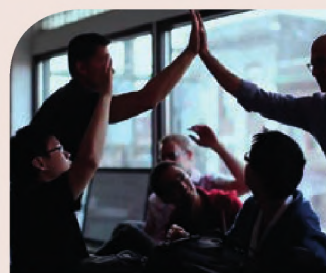


Currently, the plans affect some 46 state agencies and 18 towns.

- This is a preliminary plan and we have now asked the ministries for feedback on the opportunities that exist for relocating jobs out of Tallinn within their administrative field, said Kristina Haavala, spokesperson for the Ministry of Finance, as the plans were made public this winter.

Simplified Hiring

Estonia has a shortage of professionals in the Information and Communication Technology (ICT) sector and to counteract this and attract foreign talents, ICT professionals, start-ups and large-scale investors are now exempted from the Estonian immigration quota.



The simplified legislation affects professionals from countries outside the European Union, and is part of a plan to get more specialists to Estonia and thus enrich the local economy.

To offer advice to companies planning to hire foreigners, and to foreigners already living in Estonia, the Ministry of the Interior and the Police and Border Guard are introducing a consulting service for matters concerning personal documents and immigration. Online information is available at www.siseministerium.ee.

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Growing

Tallink carried 9,5 million passengers in 2016, up 5% compared to 2015.

The number of passengers between Estonia and Sweden climbed with 4% to 983.196 and the Latvia - Sweden route, which got back its second vessel in December, registered an increase of 11% to 509.958 passengers.



Tallinn Airport served more than 2,2 million passengers in 2016, an increase with 2,5% compared with 2015 and the highest number of passengers per year in the airport's history.



- Competition among carriers tightened, which resulted in more flights at lower prices, and that was what drove the increase in passenger numbers last year. 2017 will be characterized by the preparation for Estonia's upcoming EU presidency and added destinations from Tallinn. We hope to increase the passenger number by at least 5% this year, commented the airport's Marketing Director Eero Pärasmäe.



Last year, 1,3 million domestic and 2 million foreign travelers used the services of accommodation establishments in Estonia, up 7% compared with 2015, reports Statistics Estonia.

73% of the foreign travelers accommodated came to Estonia on vacation and 21% on business trips. The corresponding figures for the domestic travelers were 62% tourists and 23% business travelers.

According to Bank of Estonia, the foreign visitors bought more than €1,3 billion worth of goods and services in Estonia in 2016, 2% more than in 2015.

Success



Estonia is the first country in the world to provide e-Residency and since this secure digital identity for non-residents was

launched on 2 December 2014, Estonia now has well over 15.000 e-Residents who have established more than 1.000 businesses in the country.

- Companies set up by e-Residents annually leave more than 4,3 million euros in taxes and fees in Estonia. According to our calculations, every euro that Estonia has invested in developing e-residency brings in at least 43 euros to our state and economy, says Kaspar Korjus, Head of Estonia's e-Residency project.

- The e-Residency has helped to make Estonia bigger and has attracted a lot of interest globally. Now we have to figure out how the public and private sectors could be even more involved and create new services which would significantly increase the number of e-Residents. There are no technological or geographical limits here, comments President Kersti Kaljulaid.

- The total number of Estonian e-Residents may soar in 2017, as changes to the law will make it possible to open a bank account in Estonia without having to be physically present in the country to do so, says Taavi Kotka, Deputy Secretary General - ICT at the Ministry of Economic Affairs and Communications.

E-Residency is a state-issued secure digital identity for non-residents that allows people living abroad to operate in Estonia's e-environment and use e-services on par with Estonian residents. It does not bring physical residency rights or the right of entry to Estonia or the EU. E-Residency likewise does not entail any residential or citizen rights and cannot be used as a physical identification card or travel document.

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ps.

The Swedish Chamber of Commerce in Estonia is indeed the sum of its members! A fact supported not only by our members' professional contributions to our Business Seminars and Business Lunches, as well as equally professional and insightful articles in focus, but also supported by their active participation in our increasingly appreciated interactive workshops.



From this year's first two SCCE Workshops

So far this year, SCCE has organized two workshops. The first, arranged in cooperation with our member Brand Manual, focused on service design. We teamed up in groups, selected a random service and defined what this particular service provider is selling, what are the future challenges, and who are the customers really being the end consumers. The second workshop so far, was a creative cooking session in cooperation with our member Foodstudio. We teamed up around Foodstudio's kitchen island and cooked a festive and delicious Estonian Independence Day dinner together.

It is obvious that the workshop format serves all of us extremely well to further build both commercial and industrial relations among our members, and SCCE will continue to develop the concept further together with our members.

Team Sweden, the brand name for the long time cooperation between the Embassy of Sweden, Business Sweden and SCCE, continues to leave footprints all over Estonia.



Following our common visit to Pärnu last autumn (see **focus** 3/2017), we visited Kuressaare in November. Among several company visits, we also visited Sporrang, a Swedish owned company producing medals, plaques, trophies, badges as well as uniform accessories. Actually, Sporrang is well known to SCCE since they produce our membership pins.

We also had a very interesting lunch meeting with Kuressaare's Mayor, Madis Kallas. The meeting took place just before Saaremaa's municipalities voted Yes or No to form one common municipality. The result was Yes, and thus Saaremaa is now contributing to get the number of Estonian municipalities down from 213 to around 75.



A very interesting lunch meeting with Kuressaare's Mayor, **Madis Kallas**

Headlined *Connecting Science and Business*, this issue of **focus** reports from our winter visit to the University of Tartu. In addition to the Embassy's Second Secretary, Fredrik Nordin, and the Embassy's current Intern, Luisa Rosca, Sweden's Honorary Consuls in Tartu and Narva, Madis Kanarbik and Ahti Puur, had the opportunity to join parts of our full day program.



Photo: Andres Tennus, University of Tartu

At the Institute of Computer Science of the University of Tartu

And, during an end of February trip to Hiiumaa, a delegation led by Ambassador Anders Ljunggren met with Swedish owned companies located on the island.

The current economic climate around Estonia was well covered in SCCE's March Business Seminar, arranged in cooperation with our member, the Stockholm School of Economics in Riga.



- 2017, a year of many unknowns, said **Morten Hansen**

A report from the Seminar is included in the Economy section in this issue of **focus**. I agree with Morten Hansen that, from an Estonian economic perspective, it is wise of us to put our interest towards the current economic situation inside some of our Eurozone colleagues, as well as the outcome of a couple of upcoming Presidential elections in the Euro area, instead of only focusing on President Donald Trump and Brexit.

"The economies of Sweden and Estonia are closely intertwined," said President Kersti Kaljulaid at her January working visit to Stockholm. Having listened to Morten Hansen at our Business Seminar, and knowing that Sweden remains Estonia's biggest export market as well as the biggest foreign direct investor, I feel kind of comforted by Kersti Kaljulaid's words.



The Speaker of Sweden's Riksdag, **Urban Ahlin** and President **Kersti Kaljulaid**



I hope you enjoy reading this issue of **focus** and as usual, latest news on SCCE events to come and reports on events passed are always found at www.swedishchamber.ee.

Sincerely,
Kristiina Sikk
SCCE Ombudsman



Contributions to **focus** from the members of SCCE, both in terms of editorial content and advertising, are welcomed.

If you haven't already done it - please do put us on the mailing list for press releases, articles as well as your point-of-view on issues of general interest for the commerce and trade between Estonia and Sweden.

As for advertising opportunities, Kaire Papp, will be happy to provide information on sizes, prices and technical requirements. Welcome to contact Kaire at: kaire@swedishchamber.ee or by phone: (+372) 5348 9194.

Latest news on SCCE events to come and fresh reports on events passed are always found at www.swedishchamber.ee and you can reach me for further information on email: kristiina@swedishchamber.ee or by phone: (+372) 501 9813.

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