



Estonia & ICT business

March, 2009



About myself

Niilo Saard

Chairman of Board of Fujitsu Services AS (prev.
Assert AS, Mandator Estonia)

X-road, Visa registry, IS for universities, Bank solutions etc.

Member of Estonian Information Council

Member of the Board of ITL

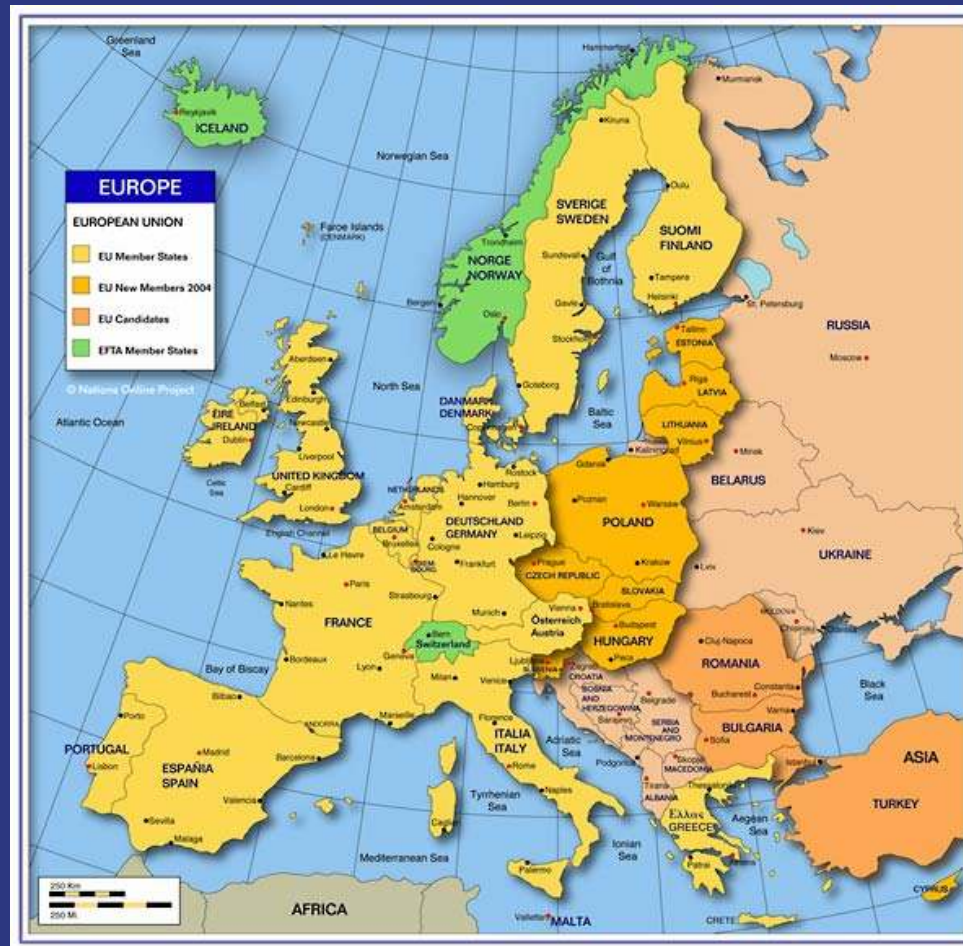


Estonia

- Population 1.35 million
- Territory 45 227 km²
- GDP (2006) 13 073 million EUR (at current prices)
- EU Member state since May 1st, 2004
- NATO Member since March 29th, 2004



Estonia in Europe





Information society indicators (2008 Q1)

- **Internet usage by individuals: 68%**
- **Computer usage from population: 68%**
- **Internet usage by enterprises of 10+ employees: 98%**
- **Schools having broadband connection: 100%**
- **Enterprises having web-page: 53%**
- **56% of families have computer at home**
- **52% of families have broadband connection at home**

Source: EC DG INFOSOC



ICT and e-services

- ICT expenditures per capita (2006) – **610 EUR**
(EU 1 344 EUR, Sweden 2 473 EUR, Finland 2 056 EUR)
- Approximately 98% of bank transfers are performed electronically;
- 87% of income tax declarations are made through the e-Tax Board (2008);
- Total number of clients using Internet banking services is more than 1,3 Million (Feb 2007)
- Over 1 million ID tickets purchased annually



Communications

- Mobile end user (SIM card) density (2007): 124,4%
- Fixed line density: 31,4% from population, 68% from households
- Broadband density: 51% from households
- Cable TV density: 18% from population, 43% of households;
- Four 3G networks
- Digital terrestrial TV services are available, swichover in 2010
- Number of free WiFi areas: more than 900

Source: ENCB



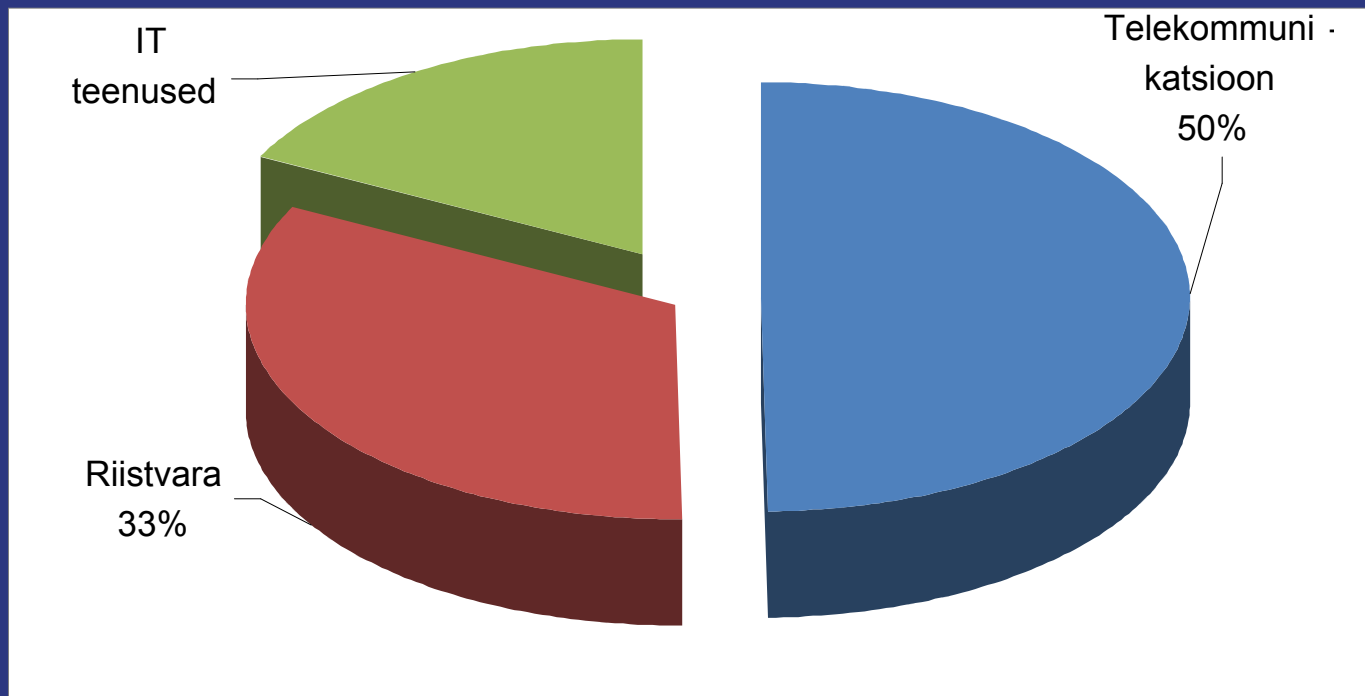
Estonian ICT market

- Market:

2003:	705 M EUR, 9.5% of GDP
2004:	833 M EUR, 9,3% of GDP
2005:	1 073 M EUR, 9,5% of GDP
2006:	1 370 M EUR; 10,4% of GDP



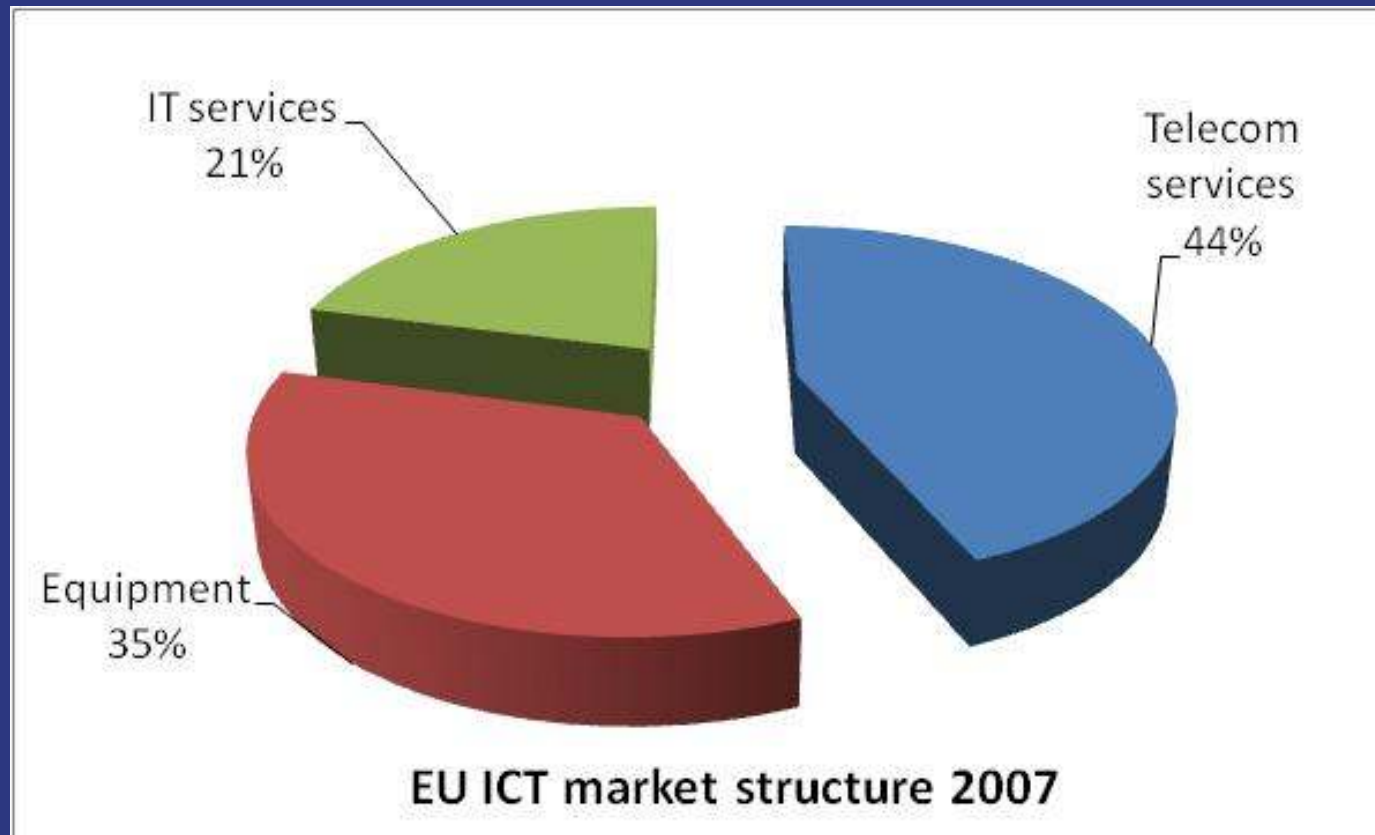
Estonian ICT market 2006



Source: ITL



EU ICT market 2007



Source: EITO 2007 in co-operation with IDC



Estonian ICT market (2006)

Groups by Revenue	Number of companies	Market share
> 100 mil. EEK*	24	72%
50–100 MEEK	19	8%
20-50 MEEK	47	8%
10-20 MEEK	57	4%
1-10 MEEK	325	7%
< 1 MEEK	168	1%
TOTAL**	640	100%

ICT market size
~ **1.37 billion**
EUR

IT market size
~ **560 mil. EUR**

No of employees
~ **9 400**

•*1 EUR ≈ 15,64 EEK

•**Number of companies in survey

Source: Estonian Association of Information Technology and Telecommunications, EITO



E-Estonia

- E-state:
 - Unique middle-tier data exchange layer enabling government databases to communicate
 - Most developed ID-card in the World
 - E-services for citizen – (e-Tax Board, e-School...)
 - Unique e-elections
- Advanced E-services for example:
 - Internet banking
 - M-parking
 - ID bus ticket
- People are innovative:
 - Usage of Internet is growing
 - Usage of convenient e-services is growing



Some achievements

- 1993: First electronic banking channel – Telehansa
- 1996: Teager Leap Foundation to support ICT in schools
- 2000: Introduction of mobile parking system
- 2001: Launch of the X-Road - a middle-tier data exchange layer enabling government databases to communicate
- 2001: Look@world starts to build 500 Public Internet Access Points
- 2002: Start of courses of computer usage to 100 000 under Look@world project



Some achievements

- **2002:** Introduction of national electronic ID cards, fulfilling requirements of Estonia's Digital Signature Act (ID card is mandatory for all Estonian citizens)
- **2003:** The Estonian Government launches the e-government portal.
- **2003:** Launch of ID bus ticket
- **2004:** 79% of natural persons' income tax declarations were filled online
- **2005:** e-Voting was introduced
- **2007:** Parliament e-elections
- **2007:** m-ID was introduced (10 000 users)



Estonian Association of Information Technology and Telecommunications

ITL



Member companies

- 41 members
- Turnover of ITL members ~ 900 M Euro
- 3 700 employees in member companies
- Services provided:
 - IT services 15 companies
 - Telecom 11 companies
 - Sales 24 companies
 - Production 3 companies
 - Education and training
(incl. schools) 4 companies



List of members

- Abobase Systems AS
- Alcatel Baltics Eesti
- Baltic Computer Systems AS
- Columbus IT Partner Eesti AS
- Cybernetica AS
- Cisco
- Datel AS
- Estonian Information Technology Foundation
- Eesti Telekom AS
- Elion Ettevõtte AS
- Elisa Eesti AS
- EMT AS
- Ericsson Eesti AS
- GNT Eesti AS
- Hewlett Packard OY Eesti
- Infotark AS
- Kungla Dialog AS
- Levira AS
- Linxtelecom Estonia OÜ
- Mandator Estonia AS
- Microlink Eesti AS
- Microsoft Estonia OÜ
- ML Arvutid AS
- New Vision AS
- Nokia Eesti OÜ
- Norby Telecom AS
- Ordi AS
- Overall Eesti AS
- Proekspert AS
- Santa Monica Networks AS
- Sertifitseerimiskeskus AS
- Starman AS
- Tallinn Technical University
- Tallinn Polytechnic School
- TD Baltic AS
- Tele2 Eesti AS
- Telegrupp AS
- Televõrgu AS
- Vendomar AS
- Webmedia AS



Main goals for Association today

- Improvement of business environment
- Create synergy between ICT and other innovative sectors
- Promoting innovation and developing knowledge based economy in Government



Our expectations

- Find new contacts in companies
- Establish regular exchange of information
- Exchange information about business environment
- Be active in searching export potential (partners and projects) for members



Projects in 2008

- National ICT frame program:
 - Including ICT R&D program(s)
- Promoting ICT education:
 - Action Plan (2007-2008-2009) to make ICT education more popular
- Cluster development
 - Other sectors – machinery, logistics, furniture, forest
- ICT market research – 2007



Other activities in 2008

- Analysis of proposed by Government (or EU) legal acts
 - Electronic communications act and new set of EU directives
- Events for member companies
- Courses for member companies
- ICT education – Universities, technical schools, Ministries



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