

Excellencies, distinguished guests, ladies and gentlemen,

I am glad to use this opportunity to open our business seminar here in *Exportrådet* today. Contrary to some occasions (for a small country like Estonia), there is no need to start with a general country overview – as we know each other well, one might say, even since the days of the Hanseatic League.

Today, I believe that we share mostly the same values concerning economic policies in the EU, be it digital single market or the principles of financial stability mechanism. As Estonia joined the OECD a few weeks ago, and the Euro Area only two weeks ago, we believe that this gives us better chances to participate in economic policy coordination.

On recent developments, the recovery of the Estonian economy is well underway, as our economic growth in Q3 last year was the second highest in the EU – after Sweden, one might add. Still, we did not exit the crisis without a price, high and structural unemployment being the most critical in this respect.

Our economy proved to be flexible enough to weather the storm, and exit the crisis without major changes in our economic policies. One indication of this lies in our unchanged or even better standings in some international ratings – Estonia is listed in IFC (World Bank) ease of doing business ratings as 17th, between Korea and Japan. In Heritage Foundation's economic freedom index, we are at 16th position, between The Netherlands and Finland.

In addition, joining the Euro Area will not change the economic policy framework, as we have basically followed the same principles with that of the Euro Area for many years by now. Or in other words, what we have at hand is mainly a purely monetary changeover, as now we belong to the Euro Area instead of having a small national currency.

Regarding our bilateral economic relations, one result of the last turbulent years is that today, Sweden is not only the largest investor in the Estonian economy, but also the first trade partner,

after overtaking Finland at the end of last year. From other recent major events, the opening of the Ericsson production lines in Tallinn in August 2009 should be mentioned.

All this gives us a positive view into the future. I believe that there are lots of undiscovered possibilities in Baltic Sea regional activities. Therefore, I am particularly happy about the successful start of the Baltic Sea Strategy in late 2009.

In this regard, we have similar views with Sweden on macro-regional issues, as regional competitiveness bottlenecks are often of cross-border nature. Thus, we have good chances to make the Baltic Sea Region the most dynamic and prosperous region in Europe.

In conclusion – it is my firm belief, that regional cooperation can improve competitiveness of the region as a whole, and open numerous new possibilities for our business communities. I wish fruitful discussions to all of you. Thank you for your attention.