

Tallinn: a city of the future

Like its neighbours Lithuania and Latvia, Estonia is referred as a “Baltic Tiger” given its rapid growth since its independence from the Soviet Union in 1991. The progresses made in its capital Tallinn are particularly impressive. The city, where more than half of the Estonian population lives, has managed to build a strong digital entrepreneurship culture throughout the years. It is home of many digital start-ups of which some turned out to be great, international success (e.g. Skype). The process of becoming a digital city model was not easy though. Being a small and sparsely populated country, Estonia has faced major difficulties in attracting foreign investments and talents. It has also witnessed the departure of many of its start-ups who were not able to find locally the support and infrastructure they needed to move to the next stage of their development.

In October 2015, Tallinn was ranked 20th out of the 35 competing European cities by the European Digital Cities Index (EDCI). Tallinn came first for its connections to the local market and achieved the fourth place for its lifestyle that promotes entrepreneurship. Over the years, Tallinn has developed a strong

digital entrepreneurship culture. Since the success of Skype developed by a team of Estonians, the country has caught investors' attention and inspired other entrepreneurs, especially in the field of digital technology.



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Key initiatives

Estonia's technological transformation happened at a very fast pace. In December 2013, Tallinn City Council adopted the Enterprise and Innovation Strategy 2014-2018 which aims to enhance Tallinn's competitiveness by creating better opportunities for the development of enterprises and innovation in the city.

The new strategy determines the developmental trends for enterprises and innovation, consolidates the initiatives of the various fields of activity into an integrated base document, and creates the preconditions for the long-term planning of the city's policies and activities. The strategy was built on a clear vision: by 2018 Tallinn aims at becoming an internationally open city that stimulates entrepreneurship and creativity, promotes cooperation among enterprise stakeholders and encourages new knowledge and skills.

Helsinki-Tallinn: Collaborating Across Borders

The capitals of Estonia and Finland are historically closely related to each other. The entry of Estonia into the EU in 2004 and the development of a fast two-hour ferry trip service between Helsinki and Tallinn, have both facilitated flows of people and goods across the cities.

Differences, in terms of infrastructures and labour market issues, and similarities, such as strengths in ICT, start-up environment and technologically sophisticated public services, between the two cities have created the basis for a cross-border collaboration between them.

Cooperating helps to develop the area as a well-connected and strategic transport hub. Yet, it also transforms the entire region into an entrepreneur-driven hotspot for innovation thanks to a series of well-designed cross-border initiatives such as Start-Smart and CSBE.

Start-Smart is a cooperative cross-border project which aims at supporting entrepreneurial attitudes in both countries and accelerate the emergence of innovative enterprises. **Cross-Border Small Business Environment (CSBE)** is a project that creates a network between southern Finnish and Estonian business incubators, with the goal to develop business activities and competitiveness of the Finnish and Estonian companies.

e-Residency, a world leading digital service

e-Residency is a digital service provided by the Estonian government. It is a transnational digital identity available to anyone in the world interested in administering a location-independent business online, enabling secure and convenient digital services and facilitate credibility and trust online.



Source: e-Estonia

Ülemiste City

Ülemiste City, a smart and digital city within Tallinn, is one of the city leader's projects that demonstrates their strong drive to transform Tallinn into a leading digital city. Created in 2005, Ülemiste City has for objective to become the largest centre in the Baltic States for creativity, innovation and business. This centre would be characterized by its international reach and would reinforce Tallinn's attractiveness as a knowledge based environment for work, development and living.



Today the 36 hectares of the city host 81,000 m² of office space for 200 companies and 6000 employees. By 2025, the city is expected to cover an area of 200,000 m² of office spaces and 125,000 m² for apartments, as well as cultural centres, cafes and parks. In relation to ICT, Ülemiste City offers solutions in the digital field, through personal development and training courses, workshops and seminars on digital issues, and support services to local start-ups.