

CONTEXT MAP

TRENDS

- World is approaching cost effectiveness
- Progressive concentration of financial services in centres
- focus on leading international financial centres
- niche centres with specific focus in small jurisdictions
- regulatory and political focus on 'offshore' centres

Personalized approach to the financial services and products

Information is available for all practitioners; it does not matter whether you live in India or In Estonia

Scandinavian banks are draining the positions back to Stockholm

TECHNOLOGY FACTORS

- Cloud computing
- Mobile access
- Authenticcation (biometrics etc.)
- Other enabling technologies that support working with companies abroad

POLITICAL FACTORS

- Stronger EU level regulations
- Danger to over regulate the sector
- Political pressure to drain of off-shores and levelling the EU jurisdiction
- Directive on UCITS IV 2011
- Directive on Alternative Investment Fund Managers (AIFM)
- Absent level of trust (Baltic states)
- Adaptation of Euro in Estonia 2011

ECONOMIC CLIMATE

- Stronger competition after crisis
- Smaller margins forcing to cut costs
- Interest to invest CEE (back-office and business processes outsource, e.g. IT, R&D etc)
- Restructuring of sector after crisis M&A etc.
- Specialization of asset management services
- Growing markets CIS, CEE
- It is easy to start a fund in Estonia
- Growing international trade of FS
- Estonia itself is not attractive market for FS
- Emerging markets in Asia

TRENDS

Investment culture is rising in local market

Simple banking solutions (e.g. mobile banking)

e-banking; Islamic banking (+10%p.a.); green finance; research; development

limited outsourcing of financial services to Central and Eastern Europe (CEE) e.g. Western Union and Barclays in Viinius

CUSTOMER NEEDS

- Political/economical stability
- High quality, educated labour MA, CFA, with excellent (english, russian, finnish) language skills
- Need to create new wiser generation in our universities
- Quality of life (environment, , safety etc)
- Suitable and attractive jurisdiction (regulations and taxation)
- Trustworthy Financial Supervisory Authority
- Acces to markets
- IT infrastructure and services
- Good acceibility (transport ,flight) connections wiht larger EU, CEE, CIS cities)
- Accessibility of associated business services to financial services (law, clearing & settlement etc)
- High level and long term political support & international policy (f.e. double taxation treaties) for better access to (CIS)market
- Simplicity of doing business
- Awareness and appearance of Estoinia as sound place for doing business, especially for financial services sector

UNCERTAINTIES

- Political relations wiht Russia
- Pace of economical recovery regionally and globally
- Uncertainties

