



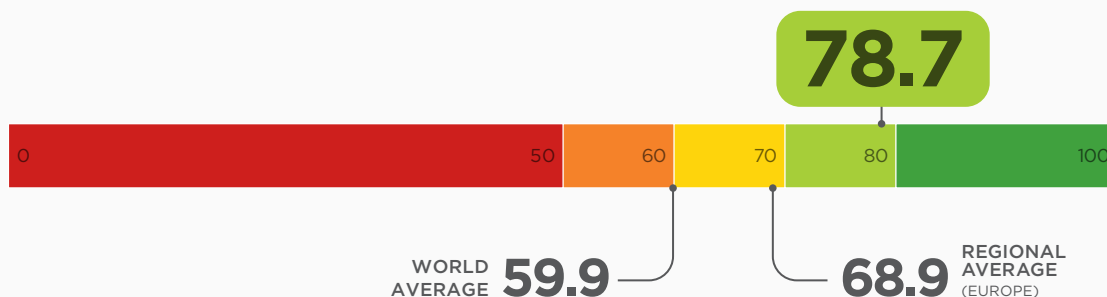
WORLD RANK: 9	REGIONAL RANK: 6
ECONOMIC FREEDOM STATUS: MOSTLY FREE	

ESTONIA

Estonia's economic freedom score is 78.7, making its economy the 9th freest in the 2026 *Index of Economic Freedom*. Its rating is essentially unchanged from last year, and Estonia is ranked 6th out of 44 countries in the Europe region. The country's economic freedom score is higher than the world and regional averages. Estonia's economy is considered "mostly free" according to the 2026 *Index*.

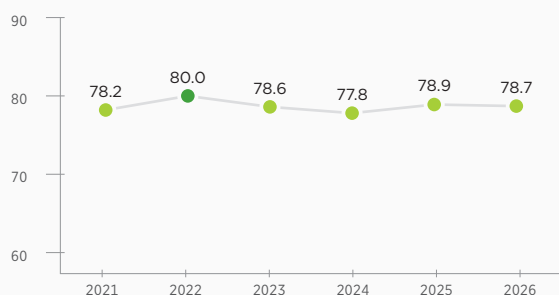
Estonia upholds all four pillars of economic freedom and continues to be a strong defender of liberty. An independent and efficient judicial system strongly enforces the rule of law. The debt burden remains quite low and has not undermined long-term economic competitiveness. Flexibility and openness have enabled the economy to adjust to external shocks. The efficiency and competitiveness of the overall regulatory framework facilitate private-sector entrepreneurial dynamism. Enhancing the flexibility of Estonia's modern labor market has been a key goal.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +13.5

RECENT FREEDOM TREND

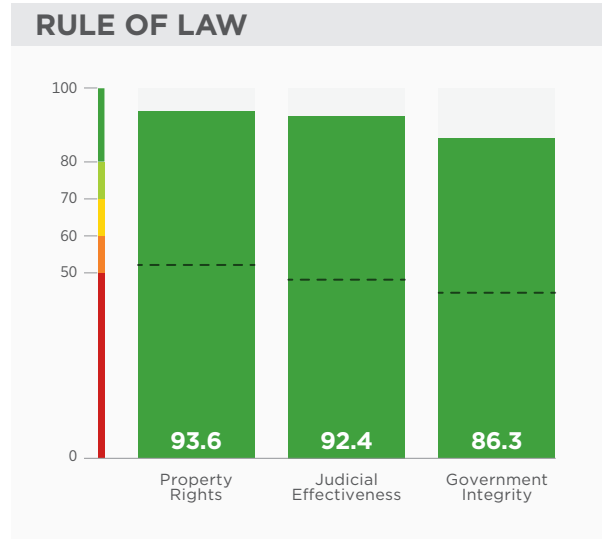


QUICK FACTS

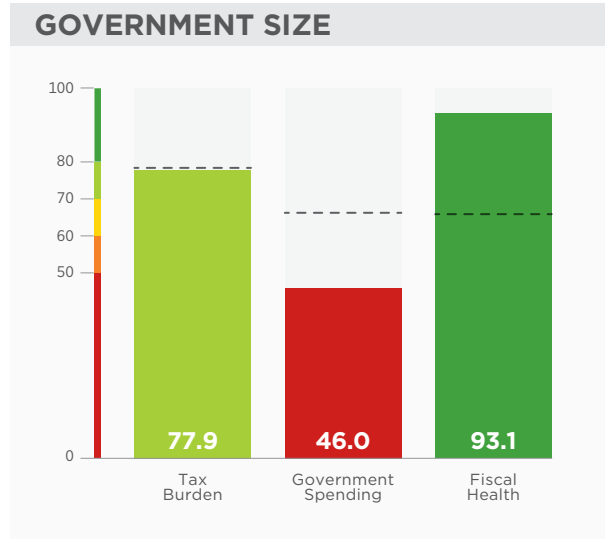
POPULATION: 1.4 million	UNEMPLOYMENT: 7.9%
GDP (PPP): \$65.5 billion 0.5% growth in 2025 3-year average growth rate: -0.8% \$49,087 per capita	INFLATION (CPI): 3.7%
	TRADE AS % OF GDP: 152.0%
	PUBLIC DEBT: 23.4% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

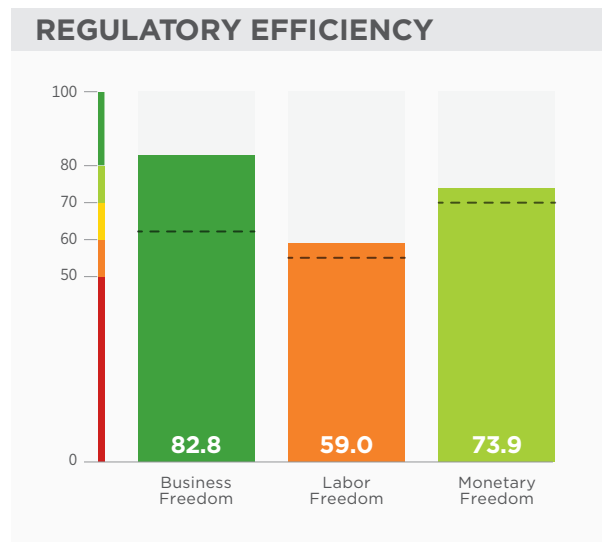
12 ECONOMIC FREEDOMS | ESTONIA



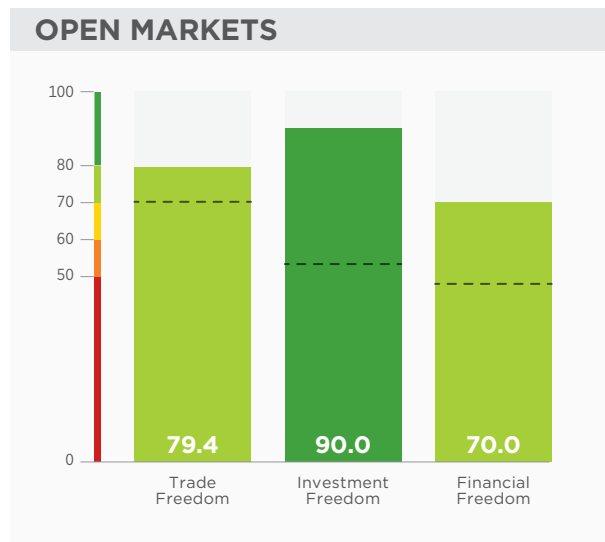
The overall rule of law is very well respected in Estonia. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 22 percent, and the top corporate tax rate is 22 percent. The tax burden equals 35.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 42.4 percent and -1.9 percent of GDP. Public debt amounts to 23.4 percent of GDP.



Estonia's overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate (common among EU members) is 2.8 percent, and more than 600 EU-mandated nontariff measures are in force along with an additional six country-specific nontariff barriers. The transparent investment regime facilitates openness to foreign investment. The financial sector remains stable.