

BUILDING A COMPETITIVE, FUTURE-READY AND INTERNATIONALLY ATTRACTIVE ESTONIAN WORKFORCE

AMCHAM ESTONIA TALENT & EDUCATION COMMITTEE POSITION PAPER 2026



EXECUTIVE SUMMARY

Estonia's long-term competitiveness depends on its ability to anticipate future skills needs, develop talent domestically, and attract and retain highly qualified international professionals.

For a small, open and innovation-driven economy, access to talent is not simply an education or immigration issue. It is a fundamental competitiveness issue. Demographic change, rapid technological development, the transformation of occupations, and growing international competition for highly skilled professionals require Estonia to take a more proactive approach to workforce and education policy.

The AmCham Estonia Talent & Education Committee recommends that the Government of Estonia focus on two closely connected priorities:

- 1. Develop a forward-looking, data-driven system for anticipating Estonia's future skills and workforce needs and use those insights to guide education, career choices and public policy.**
- 2. Ensure that Estonian-language requirements in employment are proportionate to the actual requirements of a position, while providing realistic pathways for international talent to learn Estonian and integrate into Estonian society.**

These priorities share a common objective: ensuring that Estonia has and continues to attract the people and skills necessary to sustain economic growth, innovation and high-quality public services.

AmCham Estonia supports the continued strengthening of the Estonian language and the objective of successfully integrating talent into Estonian society. At the same time, language and employment policies should be designed in a way that supports Estonia's economic competitiveness and its ability to attract and retain the specialists it needs.

1. ANTICIPATING THE FUTURE OF WORK

THE CHALLENGE

Young people in Estonia are being asked to make important education and career decisions in an increasingly uncertain environment.

Students, parents and teachers must make choices today about professions and skills that may only come into demand in the labor market several years from now. At the same time, technological change, artificial intelligence, demographic trends and changing business models are transforming the demand for skills at an unprecedented pace.

This creates two interconnected risks.

First, young people may invest significant time in acquiring qualifications for which future demand is limited, while sectors critical to Estonia's economy and society experience persistent labor shortages.

Second, Estonia's education and training systems may respond to labor-market shortages only after they have become acute.

The development of **kood/Jõhvi** provides an instructive example. The initiative demonstrated how employers and entrepreneurs can respond creatively to a significant shortage of technology talent. However, Estonia should aspire to identify emerging shortages sufficiently early, so that education capacity, career guidance and workforce policy can respond before shortages become critical.

Existing labor-market forecasting should therefore evolve toward a more dynamic and forward-looking capability and involve cooperation with the private sector to the highest extent possible.

OUR POSITION

Estonia should establish a more sophisticated national capability for **future skills intelligence**, bringing together government, employers, educational institutions and technology partners. This capability to adapt is crucial in addressing the impact of AI on workers of tomorrow. Particularly young workers in fields where exposure to AI is large. Innovative and IT-intensive sectors that Estonia excels in are precisely such sectors where your employment is likely to change significantly in the near future¹.

¹ <https://digitaleconomy.stanford.edu/publication/canaries-in-the-coal-mine-six-facts-about-the-recent-employment-effects-of-artificial-intelligence/>

The objective should not be to predict individual careers or suggest that technology can know with certainty which professions will be needed in ten years.

Instead, Estonia should adapt its education system to emerging trends, scenarios and potential skills shortages earlier than traditional planning processes allow.

Estonia's AI Leap initiative provides a timely example of this proactive approach in practice. Rather than waiting for AI-driven changes in skills and learning to become fully visible, Estonia is testing how artificial intelligence can be integrated into education while strengthening teachers' capabilities, students' AI literacy and evidence-based understanding of its impact on learning. This experience should be treated not only as an education initiative, but also as a model for how Estonia can anticipate technological change, test new approaches at national scale and translate the lessons into future skills policy.

AI Leap also demonstrates the value of connecting domestic education reform with international research and technology partnerships. The programme's impact is being studied through cooperation involving the University of Tartu and Stanford University, creating an opportunity for Estonia both to learn from international expertise and to contribute evidence from real-world deployment to the wider global discussion on AI and education.

Such a system could combine indicators including demographic projections, retirement patterns, university enrollment and graduation data, vocational education data, job vacancies, salary developments, occupational mobility, business investment, migration, technological change and international labor-market trends.

The resulting intelligence should inform:

- national education and workforce planning;
- university and vocational education capacity;
- career guidance in schools and public/private institutions;
- up-, re-skilling and lifelong-learning programs;
- immigration and international talent policy;
- public funding priorities; and
- employer–education partnerships.

Particular attention should be given to occupations with long education and training cycles. Shortages of engineers, medical professionals, teachers and other highly qualified specialists cannot be solved quickly once they become acute. Earlier identification therefore has significant economic and societal value.

RECOMMENDATIONS TO THE GOVERNMENT

Create a permanent public-private Future Skills Advisory Group.

Employers, universities, vocational schools, researchers and relevant ministries should regularly review emerging workforce trends and translate them into actionable recommendations.

Provide accessible future-of-work information to students and schools.

Forecasting should not remain primarily a government planning tool. Students, teachers career counsellors and parents should have access to understandable information about expected demand for professions, skills, qualification pathways and possible future scenarios.

Link forecasting more directly to education policy.

Where sustained shortages are identified, Estonia should be able to respond earlier through university places, vocational programs, micro-credentials, re-skilling initiatives and partnerships with employers.

Build on AI Leap as a platform for future-skills development and international cooperation. Estonia should use the initiative to systematically identify the skills, teaching practices and institutional capabilities required in an AI-enabled economy, and translate evidence from implementation into education, workforce and lifelong-learning policy. International partnerships should be used to strengthen this work, including research cooperation with the University of Tartu and Stanford University and the recent Memorandum of Understanding between the Ministry of Education and Research, the Krach Institute for Tech Diplomacy at Purdue, and Askend, which creates further opportunities for cooperation in AI, education and trusted technology.

Use workforce forecasting to inform international talent policy.

Where domestic education cannot realistically produce sufficient specialists within the required timeframe, Estonia should identify those occupations proactively and make international recruitment and retention correspondingly easier.

The objective should be a shift from **reactive shortage management to proactive talent planning**.

2. PROPORTIONATE ESTONIAN-LANGUAGE REQUIREMENTS FOR EMPLOYMENT

THE CHALLENGE

The Estonian language is fundamental to Estonia's national identity, culture and society. AmCham Estonia supports efforts to strengthen opportunities for people living and working in Estonia to learn and use Estonian.

At the same time, Estonia competes internationally for highly qualified specialists, entrepreneurs, researchers, executives and other professionals. For many internationally oriented employers, the working language of particular teams or functions may be English, as some positions involve only limited or no interaction with Estonian-speaking customers, patients, students or public authorities.

Employment-related language requirements should therefore reflect the actual responsibilities and risks associated with a position. This principle of proportionality is also reflected in Estonia's Language Act.

Requirements that are broader or higher than objectively necessary can unintentionally reduce Estonia's attractiveness to international specialists, make recruitment more difficult for employers and encourage internationally mobile professionals already living in Estonia to relocate elsewhere.

This is particularly important for technical, specialist, research, internal corporate and internationally oriented positions where Estonian-language proficiency may have little bearing on an employee's ability to perform their duties safely and effectively.

OUR POSITION

Estonian-language proficiency requirements for employment should be **role-based, objectively justified and proportionate to the actual duties of the position.**

Mandatory proficiency is clearly justified where Estonian is necessary for purposes including public administration, public education, healthcare, public or occupational safety, consumer protection, legally significant communication, or ensuring access to essential services in Estonian.

However, the required proficiency level should not exceed what is reasonably necessary for the safe, lawful and effective performance of the specific position.

Where Estonian proficiency is not immediately necessary for performing a role, particularly in technical, specialist, internal or internationally oriented positions, lack of proficiency should not in itself prevent employment or continued employment.

ADAPTATION PERIODS

Where a justified Estonian-language level must ultimately be achieved, international professionals should be provided with a **defined and realistic adaptation period**.

The time required to acquire a language depends significantly on the starting level and the proficiency level being sought. Progressing from beginner level to B1 is fundamentally different from progressing to C1, particularly for adults simultaneously working full time and integrating into a new country.

Adaptation periods should therefore be differentiated according to the required proficiency level rather than applying a uniform timeframe regardless of the learning objective.

Government requirements should be aligned with realistic language-learning pathways and supported by sufficient access to high-quality Estonian-language instruction.

EMPLOYER FLEXIBILITY

Where the objective of regulation is to ensure that customers or members of the public can receive services in Estonian, employers should generally be permitted to meet that obligation through appropriate organizational measures.

For example, an organization may be able to guarantee Estonian-language service through team composition, designated customer-facing employees or other operational arrangements without requiring every employee to possess the same proficiency level.

Individual proficiency requirements should remain applicable where direct personal communication in Estonian is objectively necessary, particularly in areas involving safety, the exercise of public authority, legally significant communication or essential individual rights.

SPECIALIST AND INTERNATIONALLY RECRUITED ROLES

Estonia should provide transparent and proportionate exemptions from Estonian language requirements or alternative arrangements for specialist positions where the required expertise cannot reasonably be sourced domestically.

This may include highly specialized technical professionals, researchers, senior experts and internationally recruited leadership positions whose principal responsibilities do not require direct Estonian-language interaction.

Such exemptions should be clearly defined rather than discretionary or unpredictable, ensuring that employers and international professionals can understand the applicable requirements before making recruitment and relocation decisions.

RECOMMENDATIONS TO THE GOVERNMENT

AmCham Estonia recommends that the Government:

Introduce transparent role-based criteria for employment-related Estonian-language requirements. Requirements should reflect actual job duties rather than broad occupational categories wherever possible.

Apply the principle of minimum necessary proficiency. The required language level should be no higher than is reasonably necessary to perform the position safely, lawfully and effectively.

Establish differentiated adaptation periods. Timelines should take into account both the employee's starting level and the proficiency level ultimately required.

Allow organizational compliance where appropriate. Employers should be able to ensure Estonian-language service at an organizational or team level where individual proficiency is not objectively necessary.

Create clearly defined provisions for scarce specialist talent. Proportionate exemptions, extended adaptation periods or alternative arrangements should be available where specialist expertise cannot reasonably be sourced in Estonia and Estonian proficiency is not essential to the role.

Expand accessible, employment-compatible language learning. Language requirements should be accompanied by sufficient opportunities to achieve them, including flexible courses suitable for professionals working full time.

3. CONNECTING DOMESTIC TALENT DEVELOPMENT AND INTERNATIONAL TALENT POLICY

Estonia should not treat education, workforce forecasting, immigration, language policy and economic competitiveness as separate policy areas.

They form a single talent ecosystem that requires a long-term strategic commitment, extending beyond election cycles.

Where Estonia identifies an emerging shortage, the first response should include developing domestic talent through schools, vocational education, universities, employer partnerships and reskilling.

However, education takes time. In professions requiring several years of training, workforce shortages can emerge considerably faster than the education system can address them.

International talent must therefore remain an important complement to domestic talent development.

A forward-looking talent policy should allow Estonia to answer three questions continuously:

What skills will Estonia need in the future?

Which of those skills can Estonia realistically develop domestically, and over what timeframe?

Which skills gaps require international recruitment in the interim or over the longer term?

Answering these questions systematically would allow Estonia to align education policy, workforce policy, migration policy and language requirements around measurable national needs.

4. PROPOSED GOVERNMENT–BUSINESS COOPERATION

AmCham Estonia proposes establishing a structured dialogue between the Government and the business community on Estonia's future talent needs.

Rather than addressing individual shortages only when they become urgent, this dialogue should periodically review future workforce demand, education capacity, international recruitment barriers, language-learning capacity and the retention of international professionals already living in Estonia.

AmCham Estonia and its member companies can contribute practical employer perspectives, international experience and information about emerging skills requirements.

A useful starting point would be a joint government–business working session focused on two deliverables:

1. A Future Skills Pilot: select several strategically important occupations or sectors and test whether existing public data, employer information and AI-assisted analysis can identify likely skills gaps over a 5–10 year horizon.

2. A Language Requirements Review: select representative categories of internationally recruited positions and assess whether current or planned proficiency requirements are aligned with the actual duties, risks and public-interest needs of those roles.

These pilots would allow policy changes to be tested against evidence before broader implementation.

CONCLUSION

Estonia's greatest competitive advantage has historically been its ability to move quickly, experiment and develop pragmatic solutions.

The next generation of talent policy should follow the same approach.

Estonia should use data and emerging technologies to anticipate workforce needs early, give young people better information when making education and career decisions, and allow the education system to respond before shortages become critical.

At the same time, Estonia should maintain a language policy that strongly supports the Estonian language while ensuring that employment-related requirements are proportionate, achievable and compatible with the country's need to attract and retain international expertise.

These objectives are complementary rather than contradictory.

A successful policy would enable Estonia to **develop more of the talent it needs domestically, identify shortages early, attract international expertise where necessary, and create realistic pathways for those professionals to learn Estonian and become long-term contributors to Estonian society.**

AmCham Estonia and its Talent & Education Committee stand ready to work with the Government of Estonia, educational institutions and other stakeholders to develop practical solutions that strengthen Estonia's talent base, international competitiveness and long-term economic resilience.

