

Estonian Review

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FOREIGN NEWS

Estonia in Favour of UN Special Envoy's Proposals on Status of Kosovo

Mar 30 - **At the informal Gymnich meeting of EU foreign ministers in the German city of Bremen, Estonia backed the proposals of the UN special envoy as regards determining the status of Kosovo.**

On the first day of their informal meeting the EU foreign ministers dealt with topics related to Western Balkans and the relationship between the EU and Serbia.

Foreign Minister Urmas Paet said that Estonia strongly backs the proposals of UN special representative Martti Ahtisaari concerning the future status of Kosovo and the timetable put forward by him.

"In determining the final status of Kosovo this year is of crucial importance, and a further delay may cause instability in Kosovo and in the entire Western Balkans region," Paet said.

In order to ensure the sustainability of Kosovo, close cooperation with NATO and the United States are extremely important, the Estonian minister said.

"The European Union, NATO and the USA must be unanimous and act in a coordinated manner," Paet said.

The foreign minister went on to say that the presence of international troops in Kosovo continues to be necessary. "The EU civilian mission must be prepared in a thorough manner, and Estonia intends to make its contribution to the mission's becoming a success," Paet said.

Speaking of the future of EU-Serbia relations, the EU foreign policy chiefs found that discussion on the topic of Serbia is very necessary. As Paet pointed out, one of the most complicated tasks that the EU is faced with is to find how to balance the negotiations on the stabilization and association agreement.

"It is clear that we cannot ignore the requirement to fully cooperate with the international criminal tribunal. At the same time practical steps need to be made while sticking to the cooperation requirement to motivate Serbia to stay on EU course," Paet said.

In the view of the EU foreign ministers visa facilitation definitely is one of such steps. In the opinion of the Estonian minister offering Serbia a clear EU prospect is one possible way.

DOMESTIC NEWS

The President Designated Andrus Ansip as the Candidate for Prime Minister

Apr 3 - **President Toomas Hendrik Ilves signed a resolution, which designates Andrus Ansip, the Chairman of the Reform Party, which received the most votes in the Riigikogu elections, as the candidate for Prime Minister and gives him the assignment of forming a new Government.**

At the subsequent meeting with Andrus Ansip, the Head of State said that he believes in the birth of a good Government.

"I hope to see a Government which is characterized by internal unanimity and team spirit. A Government, where the outwardly directed glance is characterized by objectivity, openness, parliamentary principles and respect for the nature of civil society," Ilves said.

"It is important that the Government being created understand the concerns of Estonia as a country and Estonia as a people and provide them with good solutions," the President added.

Estonian Three-Party Coalition Agreement Officially Signed

Apr 1 - **The Estonian Reform Party, the Pro Patria and Res Publica Union (IRL) and the Social Democratic Party (SDE) officially signed the coalition agreement.**

Reform Party Chairman Andrus Ansip, IRL leader Mart Laar and the head of SDE Ivari Padar signed the document in the Parliament's White Hall.

After the signing of the agreement Ansip said that Estonia had received a very good program of the ruling coalition and if the coalition worked in accordance with it during the next four years, Estonia's bright development would continue in the future and all residents of Estonia would benefit by it.

Ansip told reporters that in his opinion birth of the coalition of the Reform Party, IRL and SDE had not been more difficult than of the previous coalition where the negotiations were very sharp and much more emotional.

"But we also know that the outgoing government was the most reliable Estonian government of all times, and did good work regardless of the fact that its birth was not easy," he said.

Ansip said that the program of the present coalition program included views of the Reform Party, the Pro Patria and Res Publica Union, the Social Democrats and the Greens and it had been unanimously approved.

He said the parties had set up the coalition with the presumption that it would work for the next four years. "We know, for example, that it took 70 years in Finland for a government to last through the electoral period. I hope it won't take that much time in Estonia," he said.

Ansip added that coalition governments would last only if all decisions were made by consensus and the present coalition was planning to observe that principles.

The new ruling bloc has 60 seats in the 101-seat parliament. The Reform Party has 31, IRL 19 and SDE 10 seats. Of the opposition parties the Center Party has 29 seats and the People's Union and the Greens six seats each.

FOREIGN NEWS

Foreign Minister Paet: EU's Neighborhood Policy Needs to Be Strengthened

Mar 31 - **Estonia is awaiting guidelines on how the European Union's neighborhood policy should be developed and strengthened, Foreign Minister Urmas Paet said at an informal meeting of EU foreign ministers in Bremen, Germany.**

In the view of EU foreign ministers, the EU neighborhood policy is one of the most powerful foreign policy instruments of the EU.

"Neighborhood policy is a very useful tool for promoting economic development and good governance in our neighborhood," Paet said.

For the EU's neighbors the union serves as an example that deserves to be followed and they need that their aspirations are supported, as they wish to adopt European values and way of life.

"We must not disappoint our neighbors," the Estonian minister said.

Estonia expects the presidency's report to be released in spring to contain concrete guidelines for how to develop and strengthen the European neighborhood policy, Paet said. He said that one of the most efficient, rational and practical ways how to deepen cooperation is to gradually expand the four main freedoms of the EU to cover its neighbors.

In the discussion of the EU's common strategy on Central Asia, Paet called it natural that as the EU neighbourhood policy is being strengthened there is greater interest to have stronger relations also with the neighbours of the EU's neighbours. The union must increase its visibility in that region and engage in concrete projects to fight against drug transit, for instance.

"As a step on our part, we're weighing the appointment of a non-resident ambassador," he said.

The EU ministers also agreed that the union must actively help promote the Middle East peace process. The creation of the Palestinian national unity government is a step forward in overcoming the country's internal differences and improving the security situation, Paet said. At the same time, the new government must start fulfilling the demands of the international community, namely give up violence, observe all existing accords and recognize the state of Israel.

During the foreign ministers' lunch relations between the EU and Iran were talked about. In Paet's words the EU could mull interacting with Iran on the level of concrete technical cooperation. On practical level, fight against drug trade on the border between Iran and Afghanistan could provide common ground, for instance, he said.

Estonia Reaffirms Support for Georgia's NATO Bid

Mar 29 - **Estonia is in favour of Georgia being given a NATO membership action plan, the foreign minister said.**

Urmas Paet and the visiting Georgian state minister for Euro-Atlantic integration, Giorgi Baramidze, discussed bilateral cooperation in a variety of fields and Georgia's bid for membership in international organizations.

Estonia supports giving Georgia a NATO membership action plan, Paet said, observing that the Caucasian state has made progress in reforming its defence forces and participating in international missions.

The Estonian minister underlined the need to conclude as soon as possible a visa facilitation agreement between Georgia and the European Union. "At present Russian citizens for instance can more easily enter the EU than Georgian citizens," he noted. Paet also expressed support for an EU-Georgia free trade agreement.

Baramidze thanked Estonia for supporting his country's bid for membership in the North Atlantic alliance.

The Georgian minister said he is for peaceful settlement of conflicts. Paet for his part observed that the growth of living standards also helps to solve frozen conflicts.



Prime Minister Andrus Ansip and Georgian State Minister Giorgi Baramidze in Tallinn, 28 April.

Baramidze also met with Prime Minister Andrus Ansip, who praised Georgia's impressive achievements in democratization of the country and emphasized that Estonia has a moral duty to support democratic developments in that country.

Baramidze thanked Estonia for support and close cooperation. He stressed the importance of Georgia's winning the status of a candidate country for NATO membership. Georgia's aim is to fulfil as soon as possible all the requirements for joining the alliance, he observed.

The minister said Georgia is exploring the possibility of offering Europe an alternative transit corridor to Middle East and Asia, participating thereby in diversifying European energy supplies.

Foreign Minister Wants Topic of Visa-Free Travel Included in EU-US Declaration

Mar 31 - **The topic of visa-free entry into the United States must be included in the joint declaration to be adopted at the EU-US summit, Estonia's Foreign Minister Urmas Paet said.**

Paet took part in a meeting of foreign ministers of the countries wishing to join the US visa waiver program, held on the sidelines of an informal EU foreign ministers meeting in Bremen, Germany.

The ministers from the countries whose citizens still need a visa to travel to the United States discussed the current state of the reform and further

steps by the visa coalition that brings together the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland and Slovakia.

Paet described cooperation between the alliance countries, but also between the EU and the United States as important in attaining visa-freedom.

Estonia finds that the topic of visa-free travel should be contained in the joint declaration of the EU-US summit, the minister said.

DEFENCE NEWS

Estonian Inspectors Look at Moldova's Armed Forces

Mar 31 - Officers from the Estonian defence forces inspected in the course of two days military units stationed in central and southern Moldova, but were not allowed to enter the Transnistria region.

The Estonian arms control group inspected two infantry brigades, an artillery brigade, two battalions and a ground forces training ground of the Moldovan armed forces.

Maj. Peeter Tali, head of the General Staff's information department who led the four-strong group, said that senior officers at the Moldovan brigades and battalions were extremely open, answered all questions and showed the inspectors the training grounds, barracks and hardware storage sites.

Moldovan officers were keen to learn about the development of the Estonian defence forces, social security guarantees for professional military and Estonia's integration with NATO and the EU, he said.

The inspection area included also the Transnistria region, where an operational group of the armed forces of the Russian Federation is stationed along with Russian peacekeepers. The chief of staff of the operational group gave the inspection group an overview of the operational group and its activities at a border checkpoint near Bendery.

The Estonian inspection group was not allowed to enter Transnistria, which according to Tali is usual in the case of inspections to that region.

Tali observed that while the chief of staff, a colonel, was open, a representative of the arms control centre sent in from Moscow, a colonel-lieutenant, was unfriendly toward the inspectors.

"That did not conform to the spirit of the OSCE Vienna document, as the purpose of such inspections is to strengthen trust and security between OSCE member states by means of openness and cooperation," Tali said.

The purpose of the inspection carried out under the OSCE's Vienna document of 1999 was to obtain an overview of the armed forces stationed in the respective area as well as possible military activities, including exercises and troop manoeuvres.

The purpose of OSCE inspections is to ensure a relationship of trust and security between member countries of the OSCE. The inspectors check whether the data about weapons, above all heavy weapons, submitted by the OSCE member state to its OSCE partners is correct and whether the published coordinates of the locations of military units are correct.

OSCE has 55 members, including all countries of Europe, Trans-Caucasus and Central Asia, as well as the United States and Canada.

A report about the findings of the missions is sent to all OSCE member states.

Estonia's Coalition Pledges Rise in Defence Spending to 2 Percent of GDP

Mar 30 - The Reform Party, the Pro Patria and Res Publica Union (IRL) and the Social Democratic Party promise in their coalition agreement to increase defence spending to two percent of gross domestic product (GDP) by 2010.

The agreement says that the goal of the governing alliance in national defence will be to ensure Estonia's security and military defence in a manner that is most efficient and takes into consideration contemporary and strategic threats. It names international cooperation as the main safeguard of Estonia's security and views Estonia's defence as an inseparable part of NATO and EU defence policy.

Fulfilling its commitments as an ally, Estonia will increase defence spending to two percent of GDP by 2010, the agreement says. This year, Estonia's defence expenditures are projected to make up 1.76 percent of GDP, an increase of 0.2 percentage points over 2006.

Estonia will continue to participate in the NATO mission in Afghanistan and will contribute one-third of a battalion to the NATO Response Force NRF-14 along with troops to the second Nordic Battle Group in 2011.

The three parties vow to strictly apply the principle of civilian control, adopt a law on the organization of defence forces and amend the law on national defence in time of peace in order to create both political and legal tools for the minister of defence to be responsible for the activity of the defence forces.

It is planned to analyze the possibility of cutting the minimum length of conscript service, according to the initialled draft of the agreement.

The coalition would develop the defence forces toward modernity, mobility and rapid response capability, emphasizing the development of specialized capabilities. The size, reserve and infrastructure of the defence forces would be planned in accordance with modern-day needs of defence.

As the priority of the air forces, the agreement names continuation of air space surveillance and air policing. A common national search and rescue service meeting NATO standards would be set up as part of the air forces that is to fulfil also civilian tasks, and the Ämari air base would be reconstructed to be suited for NATO cooperation and host nation support. In the development of the naval forces the present direction will be maintained.

It is planned to significantly increase funding for Kaitseliit (Defence League) and boost the volunteer corps' role in the fulfilment of both military and civilian tasks. Costs related to training and equipment would be reimbursed for Kaitseliit members and a system of compensating voluntary activity introduced.

French Take over Baltic Air Policing Mission

Mar 30 - France officially took over from Belgium the NATO air policing mission in the Baltic States during a ceremony at the Zokniai Air Base in Lithuania.

Belgian air forces were originally the first to perform the NATO air policing mission in the Baltics.

Their first rotation started exactly three years ago and now they became the first allies to embark on the mission for a second time. The French rotation is the 12th by NATO allies in the Baltic States.

Commander of the Estonian air forces Col. Valeri Saar, who took part in the ceremony, said the French had pledged to prevent all possible conflicts in the Baltic air space. The French officers also said that the mission's Mirage jets are due to enter Estonia's airspace next week and land at the Tallinn airport in the near future.

French pilots will patrol the Baltic air space with four supersonic Mirage 2000 fighters.

French military apply high security and operational requirements for their missions abroad, so a contingent consisting of a record number of servicemen -- 120 -- will stay in Lithuania during four months.

The French even assumed some of the tasks related to the guarding of the air base usually performed by Lithuanians and brought their own guard dogs. It is planned that Belgium's F-16 jets will leave Lithuania over the weekend.

After August 2007, Baltic air space will be guarded by Romanian air forces with modernized MiG-21 fighter jets.

Baltic Chiefs of Staff Discuss Creation of Common Infantry Battalion

Mar 30 - **A meeting of the chiefs of staff of the defence forces of Estonia, Latvia and Lithuania this week focused on cooperation projects of the three countries, first and foremost the creation of a common mechanized infantry battalion for the NATO Response Force (NRF).**

"The Baltic states will contribute to the infantry battalion on an equal basis," the Estonian chief of staff, Col. Neeme Väli, said at the end of the two-day meeting in the Estonian sea resort Pärnu.

Also discussed were matters related to the common Baltic naval mine countermeasures squadron BALTRON, the common Baltic airspace surveillance system BALTNET, the BALTDEFCOL defence college, air policing, courses for junior staff officers of the Baltic navies, and the ground forces doctrine.

The chiefs of staff met in Pärnu to prepare for a meeting of the commanders of the defence forces of the three countries in April. The Baltic Military Committee, made up of the commanders of the defence forces, is set to endorse the development plans of cooperation projects prepared by the chiefs of staff, along with proposals.

The joint battalion will be part of NFR-14, which must be in deployment readiness 2010.

Estonia currently contributes a military police unit in five-day readiness to the NATO NRF. Last year, an Estonian EOD team and the Navy's mine-hunter Sulev were part of NRF.

DOMESTIC NEWS

Estonia Naturalizes 300 Individuals

Mar 29 - **The Estonian government granted at the Interior Ministry's proposal citizenship to 300 individuals.**

All of them had fulfilled the requirements prescribed in the Citizenship Act and there were no grounds to deny them citizenship.

The decision takes effect the day after the release of the applicant from his or her previous citizenship provided he or she submits a document proving the release to the Citizenship and Migration Board.

The action plan of Estonia's national integration program for 2004-2007 sets the target at naturalizing at least 5,000 people annually.

Estonian Parliament Elected Ene Ergma for Speaker

Apr 2 - **The Estonian parliament elected Ene Ergma from the Pro Patria Union (IRL) for speaker.**

Ergma was supported by 91 lawmakers in the voting by secret ballot in the 101-seat body, with six votes against and one ballot found to be invalid.

Ergma, 63, was speaker of the parliament also in 2003-2006. During the last year of the previous parliament's term of office she served as second deputy speaker.

The post of speaker went to IRL under the coalition agreement. On the basis of the same document, the post of the first deputy speaker will go to the Reform Party, whose candidate for it Kristiina Ojuland. The post of the second deputy speaker will go to the opposition by tradition.

The parliament will elect the deputy speaker by secret ballot after the election of the speaker

Student from Georgia Awarded Lennart Meri Scholarship in Estonia

Mar 31 - **Lela Rekhviashvili, a student from Georgia, became the first person to be awarded the scholarship named after Estonia's late President Lennart Meri.**

Rekhviashvili is studying political science within the framework of the Prometheus program at the EuroCollege of Estonia's Tartu University. She intends to return to her home country after completing her studies.

The scholarship was handed to Rekhviashvili at the end of the Lennart Meri Memorial Conference by Lennart Meri's son Mart Meri, member of the council of the Lennart Meri European Foundation.

Mart Meri thanked the hundreds of individuals and tens of institutions and organizations in Estonia, Finland, Sweden, the United States and elsewhere that have financially supported the foundation.

"Only thanks to this sincere support the opportunity opened up for us to establish the President Lennart Meri Scholarship," he said. The foundation will award the scholarship once a year.

New Government Coalition to Open Estonian School in Helsinki

Mar 30 - **The coalition of Reform Party, Pro Patria and Res Publica Union (IRL) and Social Democrats that is forming the next Estonian government has pledged to open an Estonian school in Helsinki.**

No more new Estonian schools in foreign countries are planned to be established.

The outgoing minister of population, Paul-Eerik Rummo, said that an Estonian school in Helsinki was necessary and people there had already displayed spontaneous initiative.

No Estonian schools are going to be opened elsewhere, as it is unlikely that a permanent Estonian community could emerge in Ireland, for instance, Rummo said.

He added that the Estonian school in Riga should be strengthened, though.

ECONOMIC NEWS

Currency rates in kroons (Bank of Estonia)

Price of Ekspress Grupp IPO Established at EUR 5.9

Mar 30 - **The price of shares in the Estonian media company Ekspress Grupp was established at 92.3 kroons (EUR 5.9) in the initial public offering (IPO).**

The offer was six times oversubscribed. In all, 6,119,703 shares were sold in the IPO, with 78 percent of the shares bought by institutional investors and 22 percent by investors taking part in the public offering. Demand by professional investors was 6.8 times and by retail investors 3.3 times higher than the offer. The company received nearly 6,000 new shareholders.

Trading in shares in Ekspress Group will start on 5 April.

Harju Elekter Received EUR 3.23 Million Order from Greece

Mar 29 - **Harju Elekter has signed a 50.6 million kroon (EUR 3.23 mln) sale contract for low-voltage installations with the Greek company METKA Metal Construction of Greece, S.A.**

Under the contract Harju Elekter will make different control centres with frequency converters for the Kardia and Mavropigis mines in Macedonia. The delivery is planned for Q2 and Q3 this year.

Harju Elekter informed the stock exchange that for the company the contract was an important breakthrough to the West-European market.

METKA Metal Constructions of Greece S.A. is a listed company operating in the energy, defence industry and infrastructure spheres. The company posted a turnover of 294.2 million euros last year.

Russian Court Awards Estonia USD 506,000 in Shipwreck Damages

Mar 29 - **A court in St. Petersburg, Russia has ruled that Estonia is to be paid 506,000 US dollars in damages from the liability limitation fund of a Russian ship that caused the sinking of a freighter in Estonian waters last year.**

Besides the state of Estonia, the owner of the freighter's cargo, Fortis Corporate Insurance, and ship-owner Fertis International Ltd were claiming damages in the Russian court.

The Ministry of Economy and Communications had on behalf of Estonia filed a claim for more than two million euros to cover the costs of eliminating the oil pollution that resulted from the shipwreck and pumping out fuel tanks of the sunken ship.

The Dominica-flagged freighter Runner 4 carrying a cargo of aluminium went down near the Gulf of Finland island of Vaindloo in March 2006 after the Russian ship Svyatoi Apostol Andrey following it in a convoy had crashed into it.

Foreign Trade Deficit Totalled EUR 211 Million in January

Mar 28 - **The shortfall of the Estonian foreign trade balance was 3.3 billion kroons (EUR 210.9 mln) this January, 700 million kroons more than in January 2006, the Statistical Office reported.**

Last January the foreign trade deficit was 2.6 billion kroons.

According to preliminary figures the Estonian foreign trade turnover was 21.9 billion kroons this January; of this export made up 9.3 billion kroons (42 percent) and import 12.6 billion kroons (58 percent).

The foreign trade turnover increased by 14 percent against January 2006 and declined by 6 percent against December.

Export of goods increased by 13 percent compared with last January, but declined by 7 percent compared with December.

Import of goods grew by 15 percent year on year in January but fell by 67 percent against December.

In January export to European Union countries accounted for 65 percent and to countries of CIS 10 percent of the total export. Last January the figures were respectively 67 and 8 percent. The main export target countries were Finland, which accounted for 17 percent, Sweden 13 percent and Latvia 10 percent of the total exports.

ENVIRONMENTAL NEWS

Estonian Roads to Get Frog Tunnels

Mar 30 - **The National Nature Conservation Centre, the National Road Administration and a NGO by the name Põhjakonn are about to start charting of frog migration paths to make clear where frog tunnels need to be built underneath the country's roads.**

Residents seeing frogs crossing a road are requested to inform the conservationist NGO about their finding naming the exact location and preferably also the estimated number of frogs involved.

Every spring and every fall frogs follow traditional migration routes to go to their spawning areas and wintering habitats respectively.

Surveys conducted in the Netherlands suggest that even on roads with a traffic intensity of up to ten vehicles per hour every third frog may be killed by traffic at the peak of the migration period. When traffic intensity climbs to at least 60 vehicles an hour, 95 percent of the frogs crossing the road are killed.

Aside from frogs, frog tunnels can be used also by various insects, spiders, snakes, lizards, hedgehogs, and mice.

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