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President Toomas-Hendrik Ilves and German Chancellor Angela Merkel in Kadriorg, Tallinn, 26 August.

GERMAN CHANCELLOR IN ESTONIA

Aug 26 – The conflict in Georgia and EU-Russia relations were the main topics discussed during German Chancellors visit to Estonia

German Federal Chancellor Angela Merkel and Estonian Prime Minister Andrus Ansip underlined that Russia must carry out the six-point peace plan and pull out all its troops from Georgia.

Merkel said at a joint press conference with Andrus Ansip that Russia would hopefully carry out the peace plan and withdraw its troops from the city of Poti and from elsewhere in the territory of Georgia. She also underlined the need of international observers in Georgia.

Merkel also held a speech at the KUMU art museum, where she mentioned that it was very important to focus on the investigation the crimes of communism. "I naturally maintain that we must deal with the study of the history of communism," Merkel said. She also condemned Russia's decision to recognize the independence of Georgia's separatist regions of Southern Ossetia and Abkhazia.

After the speech German Chancellor met with Estonian President Toomas Hendrik Ilves who emphasized that in making further choices the European Union and NATO must bear in mind Russian conduct; the head of state also found that it was necessary to restore the defense planning process of the alliance.

"We are in a situation where democratic countries have to make the right decisions that will increase the security of all of us," Ilves said.

Ilves also stressed that in making further choices in the European Union and NATO it was necessary to take into consideration the behavior of Russia, which sets in doubt common values and ideals of freedom.

Among other things Ilves found it was necessary to restore the NATO defense planning process. "In a situation where there are attempts to dismantle democratic order and European values it is of primary importance for the European Union and NATO to retain their solidarity with and support to other democratic countries," he said, adding that a common EU understanding and action was extremely important in this context.

ANNIVERSARY OF THE SINGING REVOLUTION IN TALLINN

Aug 19 - A night-time song festival titled "Märkamisaeg" ("Time to Notice") was held at the Song Festival Ground in Tallinn on the eve of the Day of Restoration of Independence, Aug. 20.

The song festival was one of the major events of the 90th anniversary of the Republic of Estonia and marked the passage of 20 years from the spontaneously organized nights of singing at the Song Festival Ground that evolved into large-scale pro-independence collective singing events attended by hundreds of thousands of people.

Estonia formally declared the restoration of its independence from Moscow on Aug. 20, 1991.

A total of 132 choirs with more than 3,000 singers and attended the festival. Altogether, an estimated 70,000 people took part in the event

The night's program was built on a musical-historical axis, with creations ranging from runic songs to the most beloved national songs, patriotic hits from two decades ago, songs from the punk era and works of present-day young composers to be heard.

A men's choir from Georgia, Chvенеburebi also turned up as special guests.

FOREIGN NEWS

Estonian, Chinese Prime Ministers speak about bilateral ties

Aug 20 - **Estonian Prime Minister Andrus Ansip, who was in China on vacation, had a meeting with his Chinese counterpart Wen Jiabao.**

The Chinese head of government said that he highly values the good bilateral relations based on mutual respect and trust that China has with Estonia.

The prime ministers discussed matters of relations between the European Union and China and possibilities for economic cooperation between Estonia and China.

The Chinese prime minister invited Estonian businesses to tap into China's large market. To balance off trade, China wishes to promote import from Estonia and investments by Chinese companies in Estonia.

The prime ministers consider cooperation between the Chinese port of Ning Bo and the port of Tallinn in setting up a logistics center in Estonia and the signing of an agreement on maritime transport as having good perspectives.

"The Chinese are discovering Estonia as a country of tourism and also the importance of China as a travel destination has grown significantly for Estonians in recent years," Ansip was quoted as saying.

Wen Jiabao congratulated Estonia on the silver and gold that Estonian athletes have won at the Beijing Olympics so far. He also thanked Estonia for its aid to the victims of the earthquake in Sichuan.

The meeting was attended by China's Foreign Minister Yang Jiechi and Deputy Minister of Trade Yu Guangzhou, among others.

Estonia Supports South Ossetian Refugees with a Million Kroons

Aug 21 - **The Foreign Ministry of Estonia supported children that are refugees from South Ossetia by donating 1 million kroons (63,900 EUR) to the United Nations Children's Fund (UNICEF).**

According to Foreign Minister Urmas Paet, the ones who are suffering most under the Russia-Georgia military conflict are peaceful citizens, including children. "This is why we decided to give aid to those refugees and children that moved north from South Ossetia, to North Ossetia and other regions of Russia. We are also supporting Georgian refugees that have moved to other regions," Paet added.

The foreign minister stated that it is essential for international organisations to gain access to crisis areas, including South Ossetia.

Estonia sees signing of missile shield agreement as positive

Aug 21 - **In the view of Estonia, the signing of an agreement on a missile defence system between the United States and Poland is a positive step.**

Estonia just like other NATO allies has been informed on several occasions about the radars and

interceptor rockets planned to be stationed in Poland and the Czech Republic.

Estonia doesn't see any threat arising from this for either Europe or Russia. Rather, on the contrary, looking to the future this system is an additional security providing element.

The United States and Poland signed a deal on to station parts of a US missile defense shield on Polish soil, a move certain to aggravate Russia-Western tensions over Moscow's intervention in Georgia.

The 10 interceptor rockets in Poland, along with a radar complex in the Czech Republic, will form the European part of a global system Washington says it is assembling to shoot down ballistic missiles from "rogue" states or militant groups such as al-Qaeda.

Despite US assurances to the contrary, Russia sees the planned missile shield as a threat to its own security and some Russian politicians and generals have said Poland must be prepared for a preventive attack on the site in the future.

Washington has dismissed this threat as empty rhetoric. NATO said it was unacceptable.

Russia says Washington and Warsaw rushed through the deal as a response to its military action in Georgia.

NATO endorsed the US missile defense plan for Europe at its summit in Bucharest in April even though some European allies are skeptical about its effectiveness and concerned it could lead to a new arms race.

Estonia Sent Second Humanitarian Aid Shipment to Georgia

Aug 23 - **Estonia sent its second shipment of humanitarian aid to Georgia on 23 August.**

The Foreign Ministry assembled the humanitarian aid shipment through close co-operation with the Rescue Board. Considering the basic needs of the refugees, especially children, the items that were sent to Georgia this time were blankets, pillows, hygienic necessities, diapers, foodstuff, and medical supplies. The total weight of the shipment was over 10 tonnes.

In co-operation with Humana Estonia, children's clothes were also sent to Georgia, as well as toys that were collected with the help of the Estonian Union for Child Welfare. The shipment also contained disinfectants that were donated by AS Chem-Pharm.

According to Foreign Minister Urmas Paet, the ones who are suffering most under the Russia-Georgia military conflict are peaceful citizens, including children. "Many children have lost their parents and homes," Foreign Minister Paet noted. "Estonia's aid will help improve their situation, if only a little bit," he added.

Data from the office of the UN High Commissioner for Refugees states that 150,000 people were forced to leave their homes as a result of the Russia-Georgia conflict, and 120,000 of those people are still within the borders of Georgia. The homes of about 30,000 internal refugees have been completely destroyed, so now those people have no home to return to.

Estonia also sent 5.5 tonnes of humanitarian aid to Georgia on 12 August. That shipment contained bandages, antibiotics, infusion solution, cots, first-aid kits, blankets, thermal blankets, equipment for

saving people from collapsed structures, and the equipment from three ambulances.

DEFENCE NEWS

Military observer from Estonia to head for Georgia on OSCE mission

Aug 25 - **The Estonian Foreign Ministry has decided to send Capt. Margo Grosberg to serve as military observer on the mission of the Organization for Security and Cooperation in Europe (OSCE) in Georgia.**

Capt. Grosberg last served as head of the Estonian contingent in the EU's Nordic Battle Group.

Grosberg's previous foreign mission took him to Kosovo in 2005.

The OSCE decided last week to send 20 observers to Georgia. The length of their mission is initially six months.

The military observers will be tasked with observing abidance by the ceasefire accord and recording possible violations.

OSCE intends to expand the mission to up to one hundred unarmed military observers.

"Definitely the number of observers should be much bigger than it is at the moment," Estonia's Foreign Minister Urmas Paet said commenting the Estonian decision. He added that OSCE observers must have access to all regions of Georgia, including the Russia-controlled South Ossetia.

Minehunter Sakala taking part in Estonian-Finnish naval exercise

Aug 26 - **The Sakala, a minehunter of the Estonian Navy, is taking part in the joint 2008 naval exercise in the Gulf of Finland.**

Mine hunting and cooperation procedures with the Finnish Navy with the aim of raising the training level of the crew started on Tuesday, Aug 26 and will last until Thursday, Aug 28, the defense forces headquarters reported.

Throughout the period of the exercise Cmdr. Sten Sepper, commander of the minehunter squadron will be on board the Sakala. "The current joint exercise will give the opportunity to both the parties to exercise international cooperation on the division level. My duty is to assess capability of my unit," he said.

There will be up to seven Finnish Navy vessels taking part in the exercise, including Kuha and Kiiski class mine trawlers and a Pansio class mine launcher.

After the exercise the minehunter will go to Helsinki where all interested people can visit the Estonian naval ship on Aug 30. The Sakala will return to its home port on Sunday, Aug 31.

The Sakala is the second of three Sundown-class mine hunters bought for the Estonian Navy from Great Britain.

The Sakala was built in 1990 of non-magnetic composite plastic and is provided with a hydrolocator and a Seafox mine destruction system. The ship is 52.6 meters long and has a crew of 25, including seven conscripts. The Estonian Navy uses the new mine hunters on domestic mine hunting operations to clear sea lanes from mines launched mainly during world wars and of other explosives. The mine hunters also take part in the work of the NATO mine hunting squadron. Of other Estonian ships the staff and supply ship Admiral Pitka and the

minehunter Sulev have earlier belonged to the squadron.

DOMESTIC NEWS

Estonia gets 205 new citizens

Aug 21 - **The Estonian government granted at the Interior Ministry's proposal citizenship to 205 individuals. All of them had fulfilled the requirements set out in the Citizenship Act.**

In the case of one individual the application for naturalization was rejected because of the individual did not meet the established requirements.

There were 116,248 people with undefined citizenship living in Estonia as on January 1 this year and 113,173 as on July 1.

Last year 4,228 people and in 2006 4,753 people became Estonian citizens.

The number of new citizens naturalized since Estonia regained its independence in 1991 was 148,175 on July 1.

People who had relinquished their Estonian citizenship numbered 2,858.

President Ilves thanked the Olympic medalists

Aug 26 - **In Tallinn's Town Hall Square President Toomas Hendrik Ilves and Evelin Ilves participated in the reception party for the Olympic heroes, where the people thanked Gerd Kanter, who won the gold medal in the discus at the Beijing Olympics, and Jüri Jaanson and Tõnu Endrekson, who won the silver medal in sculls.**

"You set an example for all of us, because you demonstrate that the citizens of a small country can be among the best of the world," President Ilves said to the Olympic heroes. "It requires hard work, it requires perseverance, and it requires talent."

The Estonian government on handed out 4.05 million kroons (EUR 0.26 mln) from its contingency reserve to the Ministry of Culture to be given to the athletes who have won medals at the Beijing Olympics and their coaches.

Gerd Kanter, who won gold in discus, stands to receive 1.6 million kroons and his Icelandic coach Vesteynn Hafsteinsson 800,000 kroons from the government.

Jüri Jaanson and Tõnu Endrekson, who finished second in double sculls rowing, will get 550,000 kroons each, as will their coach Tatjana Jaanson.

ECONOMIC NEWS

Estonia: net profit of Port of Tallinn up by one tenth

Aug 22 - **The consolidated net profit of Estonia's AS Tallinna Sadam grew by one tenth to 252.6 million kroons (EUR 16.14 mln) in H1 against the same period last year thanks to a lower income tax on dividends.**

The operating profit of the company in H1 this year amounted to 318 million kroons, 24.3 million kroons less than in the same period last year.

The consolidated revenue of the company totalled 615.4 million kroons, 5.7 percent less on year, Tallinna Sadam informed the stock exchange.

The contraction in the revenue was due to the decline in the trade volume, the effect of which surpassed the positive effect of the number of

passengers and total capacity of the passenger ships they were carried on.

Expenses connected with the main operations remained almost unchanged and totalled 311 million kroons.

In H1 2008 the group invested into new infrastructure sites and improvement of the existing ones a total of 196 million kroons, 209 million kroons less than in the previous year.

In H1 this year the freight volume handled at harbours belonging to AS Tallinn Sadam contracted by seven million tons or 32 percent to 14.8 million tons.

Tallinna Sadam belongs to the Republic of Estonia.

Estonia: Baltika to take Ivo Nikkolo brand to Latvia

Aug 22 - **The Estonian garments group AS Baltika will take the Ivo Nikkolo brand to Latvia and is considering plans of expansion in Lithuania.**

Baltika said that it would open the first Ivo Nikkolo store in Latvia. At the end of this year the company is planning to extend the Ivo Nikkolo assortment also in Lithuania, opening two additional stores.

Baltika board chairman Meelis Milder said the sale of the trade mark on the Lithuanian market had been successful. "At the moment Ivo Nikkolo is the fastest growing Baltika brand portfolio concept on the Lithuanian market and this gave us confidence for expansion to Latvia," Milder said.

In the long term, Milder said, the aim is to make Ivo Nikkolo a considerable fashion brand in its niche in the whole Central and Eastern Europe.

Ivo Nikkolo's first store outside Estonia was opened last March in Lithuania. At the moment the trademark has seven stores, of which four in Estonia, two in Latvia and one in Latvia.

Baltika acquired the Ivo Nikkolo trademark at the end of 2006.

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