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Foreign Minister Urmás Paet and the Finnish Minister for Migration and European Affairs Astrid Thors in Luxembourg, 15 October. The Council of the European Union

FOREIGN NEWS

Paet: Border Crossing Issues Must Be Addressed at EU-Russia Summit

Oct 15 - **Foreign Minister Urmás Paet attended a meeting of the General Affairs & External Relations Council (GAERC) in Luxembourg on 15 October.**

Preparations for the European Union-Russia Summit at the end of October and the efficiency of disaster relief management in the EU were discussed. Within the framework of the GAERC, a session of the Intergovernmental Conference was held, in which the EU Reform Treaty was discussed.

Portugal, the current Presidency of the EU, gave an overview of preparations for the EU-Russia Summit taking place in Mafra on 26 October. The foreign ministers of the GAERC discussed the most important topics of the summit in the context of the four common spaces.

Foreign Minister Urmás Paet noted that despite different understandings and problems, co-operation with Russia is necessary in the EU-Russia relations, as is open dialogue at the upcoming summit.

The Estonian foreign minister emphasized that the issue of queues for border crossings must be addressed at the EU-Russia Summit. "Queues that reach for tens of kilometres at land border crossings between the European Union and Russia are against good practice and internationally recognized trade laws," said Paet.

Estonian foreign minister considered important that Russia joining the World Trade Organization (WTO) should hold a significant place on the agenda. "Estonia would like to base its future trade relations with Russia on WTO regulations, although in order to join the WTO, Russia must be able to meet certain criteria," said Paet.

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TOP NEWS

Estonia in the Front Ranks in Worldwide Press Freedom Index 2007

Oct 16 - **Estonia is sharing third place with Slovakia in an index measuring the level of press freedom in 169 countries throughout the world that was published by the Paris-based Reporters Without Borders.**

At the top of the 2007 index are Iceland and Norway, and only European countries made it into the top 10.

Estonia's northern neighbour Finland is in the shared 5th place together with Belgium and Sweden, Latvia placed 12th and Lithuania 23rd. Russia is on the 144th place among 169 countries. "Anna Politkovskaya's murder in October 2006, the failure to punish those responsible for murdering journalists, and the still glaring lack of diversity in the media, especially the broadcast media, weighed heavily in the evaluation of press freedom in Russia," the report said.

Last three places are held respectively by Eritrea, North Korea and Turkmenistan. Outside Europe no region of the world has been spared censorship or violence towards journalists, Reporters Without Borders said.

The index reflects the degree of freedom that journalists and news organisations enjoy in each country, and the efforts made by the authorities to respect and ensure respect for this freedom. Reporters Without Borders prepared a questionnaire with 50 criteria that assess the state of press freedom in each country. It includes every kind of violation directly affecting journalists and also the degree of impunity enjoyed by those responsible for these press freedom violations.

WORLD PRESS FREEDOM INDEX 2007

Rank	Country	Score	
1	Iceland	0,75	=
-	Norway	0,75	↑
3	Estonia	1,00	↑
-	Slovakia	1,00	↑
5	Belgium	1,50	↑
-	Finland	1,50	↓
-	Sweden	1,50	↑
8	Denmark	2,00	↑ ↑
-	Ireland	2,00	↓
-	Portugal	2,00	=

Reporters Without Borders

FOREIGN NEWS

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According to Foreign Minister Paet, necessary steps for resolving frozen conflicts, including those in Georgia and Moldova, must also be discussed. "Not a single far-fetched, artificial or irrelevant precedent can justify the steps being taken against Georgia's territorial unity," said the Estonian foreign minister.

The foreign policy leaders of the European Union also discussed the anticipation of natural disasters and states of emergency, and managing such situations more efficiently on the EU level. Foreign Minister Paet noted that due to climate change, natural disasters are becoming more of a threat in Europe, as was unfortunately demonstrated by the recent forest fires in Southern Europe. "An analysis of measures to protect inhabitants must go along with the discussions, and it is definitely necessary to implement more effectively existing population protection mechanisms, as well as monitoring and information centres," Paet confirmed.

Within the framework of the GAERC meeting, a Stabilisation and Association Agreement (SAA) between the EU and Montenegro was signed. The Estonian foreign minister was pleased with the event, and expressed hope that signing the agreement will reinforce Montenegro's political will to continue implementing political reforms necessary for its Eurointegration.

Paet: Estonia Is a Firm Supporter of NATO's Open Door Policy

Oct 13 - Estonian Foreign Minister Urmas Paet attended a meeting of foreign and defence ministers of the signatories of US-Baltic and US-Adriatic Charter, as well as the foreign and defence ministers of Serbia, Montenegro, and Bosnia and Herzegovina on 13 October, in Split, Croatia.

At their joint session, the foreign and defence ministers discussed next year's NATO Summit in Bucharest.

Foreign Minister Urmas Paet stressed that Estonia is a firm supporter of NATO's open door policy. "We find that further enlargement of NATO should be supported by candidate nations' preparedness," said Paet.

The Estonian foreign minister encouraged aspiring states to continue with the same pace of reforms. "An invitation to join is given based on results," he emphasized. "Albania, Croatia and Macedonia have made substantial developments, and NATO should respond positively," Paet said. He added that conforming to NATO requirements also continues after a state has joined.

Foreign Minister Paet also emphasized the importance of the Partnership for Peace (PfP) program. "We know from our experience that by participating in the PfP, it is possible to further promote both regional and global co-operation, and also to learn more about the day-to-day practices of NATO at the national level," said Paet. He added that PfP is also an important instrument for aspirations towards NATO and the European Union.

"We encourage the Western Balkan nations to use all the opportunities offered by PfP."

Foreign Minister Paet also mentioned co-operation between NATO and the European Union as an important topic for NATO. "Co-operation between these two large organisations is crucial for the success of our common endeavours in Afghanistan and Kosovo," said Paet.

In 1998, the Baltic nations and the United States signed the Baltic Charter, which recognized the efforts being made by the Baltic States in integrating with Euro-Atlantic structures. In 2003, the United States, Albania, Croatia and Macedonia signed the Adriatic Charter, which has similar content and goals to the Baltic Charter. The meeting in Split is also being attended by the foreign and defence ministers of members of NATO Partnership for Peace Program (Serbia, Montenegro, and Bosnia and Herzegovina).

President Ilves Met with the Latvian Head of State

Oct 15 - "Latvia is Estonia's good neighbour and Estonia wants to be just as good a partner for Latvia," President Toomas Hendrik Ilves affirmed when meeting with Latvian Head of State Valdis Zatlers in Riga.

President Ilves recalled that Latvia continues to be among Estonia's five most important trading partners, and is an important export market for our products and services. Since the summer of 2006, Estonia has been investor no. 1 in Latvia in respect to foreign investments—there are 1,375 companies with Estonian capital registered in Latvia.

"And just as important are our common goal of building a dynamic, democratic and caring society and our similar understanding of foreign policy questions, including the need to strengthen the two organizations that are extremely important to us—the European Union and NATO," said the Estonian Head of State.

The two presidents spoke at length about the expansion of the Schengen visa and legal space on December 21st, whereby Estonia and Latvia will be united.

"This is an opportunity and a challenge, which—if we know how to use it—will help border-area residents, as well as invigorate tourism and enterprise," Ilves said.

In addition, the Heads of State Ilves and Zatlers discussed the topic of energy, focusing on the security of supply and finding alternatives to current energy carriers, and spoke about the importance of the Ignalina nuclear power station for the Baltic countries and Poland. However, the Heads of State emphasized that one must not ignore alternative methods of electricity generation.

Speaking of Russia, as the large neighbour of both countries, President Ilves stated that the European Union must be more decisive and forceful in its relations with Russia and maintain a direct and frank dialogue with Moscow on all topics.

"Estonia hopes that the problem of the queues at the European Union-Russia border will also be raised at the European Union-Russia summit in Mafra on October 26th, because this is a serious problem not only for Estonia, but also for Finland and Latvia," said President Ilves.

President Met with the Speaker of the Finnish Parliament

Oct 11 - **At the meeting between President Toomas Hendrik Ilves and Sauli Niinistö, the Speaker of the Parliament of Finland, the relations between the European Union and NATO, cooperation for the preservation the Baltic Sea, cyber-defence and developments in Russia were discussed.**

"We see the European Union and NATO as organizations that are mutually complementary, which often deal with problems and crises in the same region," President Ilves stated. "Close cooperation allows existing resources to be used rationally, while the lack of such cooperation puts the lives of the people participating in our missions at risk. Therefore, individual member states should not block essential cooperation based on narrow national interests."

Speaker of the Finnish Parliament Niinistö raised the topic of the Baltic Sea, which has virtually become an inland sea of the European Union. "Protecting and preserving the Baltic Sea and cooperation in this direction is very important to all of us," asserted the Estonian Head of State.

Speaking about cyber attacks, President Ilves called them new asymmetric threats that can threaten all developed countries in the world that actively use IT systems.

"Cyber attacks can be fought effectively only by close international cooperation. Estonia possesses specialists and expert knowledge on repelling cyber attacks, and we are ready to share our experience with our partners," said the Estonian Head of State. "In order to guarantee cyber security, an international legal space and domestic legal space must be designed, and an institutional framework created."

President Ilves also said that Estonia is in the process of formulating a national strategy for cyber security and noted that every country should map their vulnerable cyber security points and take domestic measures to guarantee cyber security.

Estonian-Russian Pension Accord Stepped into Effect

Oct 16 - **Estonia's Ambassador to Moscow Marina Kaljurand and Russian Deputy Foreign Minister Vladimir Titov exchanged letters of ratification of a bilateral agreement regulating pension questions, and thus the accord becomes effective.**

The treaty benefits Estonian nationals living in Russia and pensioners with Russian citizenship residing in Estonia.

Minister of Social Affairs Maret Maripuu said the agreement has great importance to Estonia. "We are very pleased such an accord has been concluded," she said.

The Estonian-Russian agreement on cooperation in pension insurance was signed in June 1993 in Tallinn and a protocol on amending it, in November 2002 in the same place.

Estonian parliament ratified both in 2003. The framework cooperation treaty has an expiry date, the Social Affairs Ministry said, and talks will be opened with Russia over a new pension insurance deal.

The new accord will have to take into consideration both countries' pension reforms and also social security directives of the European Union.

President Appoints Ambassador to Bulgaria

Oct 12 - **Estonian President Toomas Hendrik Ilves signed the decision of appointing Rein Oidekivi as the ambassador extraordinary and plenipotentiary to Bulgaria.**

Oidekivi will be residing in Sofia. Simultaneously, the president recalled from the post Ants Frosch.

Oidekivi, an Estonian philology graduate from University of Tartu, was born on March 7, 1965 on Muhu Island. Oidekivi has been in diplomatic work since 1992 when he entered the service in the Foreign Ministry's press and information department.

In 1995-1998 Oidekivi worked as charge d'affairs at the Estonian embassy in Kiev. After that, until his appointment as ambassador to Lithuania in 2000, he served as director of the Foreign Ministry's political office.

Since 2005 Oidekivi has been the director general of the Foreign Ministry's press and information department.

Starting the same year, he was also the Estonian ambassador to Bosnia and Herzegovina residing in Tallinn.

DEFENCE NEWS

NATO General Expressed Support for Cyber Defence Centre in Estonia

Oct 15 - **Visiting supreme commander of NATO forces in Europe, Gen. John Craddock, voiced support for the establishment of a NATO Centre of Excellence for cyber defence in Estonia.**

Craddock said Estonia's work in cyber defence is of interest to the alliance with a view to cooperation and the development of a joint centre of cyber defence.

"By now six countries have officially announced they are ready to join the project next year," the chief of Estonia's armed forces, Maj. Gen. Ants Laaneots, told reporters. He also voiced the hope that the centre of excellence will soon receive NATO accreditation.

Craddock also met with the defence minister, prime minister and members of the standing National Defence Committee. Besides the development of cyber defence capability, plans related to the development of national defence and Estonian troops' participation in missions of the alliance were under discussion.

The general thanked Estonia for its contribution to the Afghan, Kosovo and Iraqi missions and said he values it highly. In his words, Estonians can be proud of their defence forces as the units have put up an excellent show in Afghanistan, which is the alliance's most important overseas mission.

Craddock was appointed chief of the allied forces in Europe in December 2006 after leading the US Southern Command in 2004-06. He started his military career as an officer with the 3rd Armoured Division and has served in high positions in Europe and in operations Desert Shield and Desert Storm.

President Ilves Hails US Participation in Cyber Defence Centre

Oct 16 - **Estonia's president welcomed the US decision to participate in the activity of a NATO Centre of Excellence for cyber defence to be set up in this country.**

The US decision once again highlights the international significance of the cyber defence question, President Toomas Hendrik Ilves said.

"I hope this will prompt our other allies beside Germany and the United States to contribute to the NATO cyber defence centre in Estonia," he added.

Meeting with Bush in June, Ilves invited the United States to participate in the NATO Centre of Excellence for cyber defence which the Estonian government has proposed to set up in Tallinn.

"Estonia gathered fame at the end of the last century for its Tiger Leap program that resulted in the internetization of the country, but now we must seriously tackle a 'Tiger Defence' program to safeguard us all from cyber attacks," the president then said.

Deputy Undersecretary of the Navy Marshall Billingslea said in a letter to the Estonian Defence Ministry that the United States attaches importance to cooperating with Estonia in the sphere of cyber defence, is therefore joining the countries contributing to the centre. The US Navy is going to send one of its top cyber defence experts to Estonia, the secretary said.

The Communication and Information Systems Training and Development Centre of the Estonian defence forces includes a centre for cyber defence that serves as the basis for the creation of the NATO Centre of Excellence in Cooperative Cyber Defence whose purpose is to strengthen the alliance's cyber defence capability and be a provider of expertise essential to NATO.

ECONOMIC NEWS

Currency rates in kroons

http://www.eestipank.info/dynamic/erp/erp_en.jsp

(Bank of Estonia)

Ansip: The Key Issue of Energy Security is the Uniformity of the Energy Policy of the EU

Oct 11 - **Prime Minister Andrus Ansip asserted, while making a statement at the international conference in Vilnius, that energy security depends on the common energy policy of Europe.**

"We have all stressed the need for common rules that apply to all countries and companies interested in entering the European Union market. The new energy package of the European Commission is a step towards meeting this demand," he said. The head of the Estonian government added that at the moment, it is of utmost importance to support the Commission in its attempts to speed up the liberalisation and harmonisation of the energy market.

Speaking about the energy policy of Estonia and the Baltic region, the Prime Minister noted that a balanced approach will be useful for both Estonia and the region as a whole. In the case of Estonia,

this means the continuation of the efficient use of oil shale and work on various options for alternative energy production.

"Naturally we cannot completely abandon all existing sources of energy, but we should work intensively on finding new, supplemental solutions to satisfy our energy needs," said Ansip.

Speaking about increasing the reliability of the region as a whole, the Prime Minister stressed the importance of creating network connections with other Member States of the European Union. Renewable sources of energy should be used more than they have so far, and nuclear energy projects should be seriously worked on.

When talking about the Ignalina nuclear plant, the Prime Minister declared that it is important that rapid progress be made on the project. "The political will for this unique four-country strategic project exists," said Ansip. He added that it is now important to put in place, as quickly as possible, the legal and technical details for its implementation.

In conclusion, the Prime Minister stated that achieving energy security in the region requires a combination of domestic, regional and European policies. "Above all, it requires cooperation and more interdependence in the Baltic region", he emphasised.

Estonian Companies' Competitiveness to Persist

Oct 16 - **According to forecast released by the Bank of Estonia, Estonian companies will keep their competitiveness and growth of export will continue in the same pace with external demand.**

For this year, the bank forecast real growth in export by 5.2 percent and next year by 5.3 percent, but by 2009 the figure would rise to 7.1 per cent.

The bank forecasts growth in gross wages by 20.4 percent this year, by 15 percent next year and by 9.7 percent in 2009.

In the opinion of the central bank the growth in wages must be in agreement with growth in productivity, despite the fact that temporary growth in inflation and preservation of realistic expectations in the wage formation is particularly important in this situation.

The central bank positively highlighted the fact, that despite the global and the present Estonian economic environment, the liquidity of banks and capital buffers were sufficient to cover potential risks.

Estonian Power Utility: Electricity Sale up 8 Percent in September

Oct 16 - **The electricity sale of the Estonian state-owned power utility Eesti Energia (Estonian Energy) totalled 548 gigawatt-hours this September, 40 GWh or 7.8 percent more than the same month last year.**

The company said that Estonia's general economic growth and cooler weather during September had a positive effect on the sale.

The average monthly electricity sale price during the past 12 months was 412 kroons (EUR 26.3) per megawatt-hour (MWh), while the average electricity price on the Nordic countries' energy bourse, NordPool, was 444 kroons per MWh.

The amount of thermal energy Eesti Energia sold in September was 65 GWh, increasing by 11 GWh or

21 percent against September 2006. The company attributes the growth to the weather, as the mean temperature was 2.6 degrees Centigrade lower this September than in the same month last year.

EU Opened up EUR 3.4 Billion Support for Estonia

Oct 11 - The European commissioner for regional policy, Danuta Hübner, has signed a Commission decision that will together with the Social Fund program open up support in the amount of 53.3 billion kroons (EUR 3.4 b) for Estonia from the structural funds of the EU budget.

The Commission decision means approval of the operational programs submitted by Estonia, on the basis of which Estonia will finance projects within the framework of the EU's cohesion policy in 2007-2013.

Estonia has decided to use EU structural funds in combination with budget funds, which means that most projects financed by the EU get an additional contribution from the state or private structures. Together with the Estonian contribution the sum to be spent during the seven year period is 63.7 billion kroons.

The Estonian strategy for using the structural funds sets out three goals: to increase the competitiveness of the economy, social cohesion, and sustainable use of the environment. The activities required to achieve these goals have been divided into six priority areas.

In addition, technical aid funds in the amount of 1.1 billion kroons will be allocated to cover the costs of the implementation of the programs.

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ISLANDI VÄLJAK 1, TALLINN, ESTONIA 15049

TEL +372 637 7600

FAX +372 637 7617

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To subscribe, please contact: vm@vm.ee