

Summaries

EDITOR IN CHIEF'S COLUMN

One And a Half Degrees

TIINA KAALEP

Editor-in-Chief of Riigikogu Toimetised

The issue of *Riigikogu Toimetised* you are holding in your hands reflects the current state of our ambitions and the situation relating to our idea of the green transition. Yes, we are ready to build houses with better thermal insulation and to reconstruct old houses. We are ready to readjust our energy production and, in a more distant future and reluctantly, to turn our backs on oil shale. However, will it make any difference? The real question is: how great an effort would be needed to stop the climate change on the whole planet, and who will really join these efforts in their actions? Estonia may be a wonderful small green country where each and every little child sorts waste and no car runs on fossil fuel. However, what use will it be if China continues to build coal-based power stations, if only EU member states reduce their methane emissions, if those who burn the most coal do not join the ban on burning coal, and so on and so forth? Climate does not know anything about countries or their governments. If the whole planet does not make the transition all at once, everything will go on as it is now. The moment has arrived in global diplomacy where it is necessary to achieve a truly global consensus on how

this planet can survive. Estonia alone will not be enough, Europe alone will not be enough. We can all see that there is still a long way to go to this consensus.

CONVERSATION CIRCLE

There Are Many Opportunities Hidden in the Changes Relating to the Green Transition

RIIGIKOGU TOIMETISED PANEL DISCUSSION

The panel discussion of the representatives of the political groups of the Riigikogu on 20 October 2021 focused on the green transition, Estonia's contribution to it and our capability to meet the targets the European Commission set out in its ambitious package of ideas "Fit for 55". The panellists were Yoko Alender (Reform Party), Heiki Hepner (Isamaa), Erki Savisaar (Centre Party) and Riina Sikkut (Social Democratic Party). The discussion was moderated by Tiina Kaalep, Editor-in-Chief of *Riigikogu Toimetised*.

YOKO ALENDER: We are convinced that the green transition is like a river which humankind in its wisdom, and at the same time also maybe in its stupidity, has itself caused to flow. The situation we are in, where the exploitation of natural resources for welfare has exceeded the sustainable level, must be reversed.

HEIKI HEPNER: The people of Estonia must not be sacrificed to the climate transition with a cheerleading campaign. Sometimes it looks as if it has been decided to do it, and then to see if anybody will be living in this country. Yes, we have the big global task to save the Earth. However, we should not focus on fighting against the deforestation of another 100,000 hectares for oil palm plantations somewhere in the South Sea Islands. Our goal is that the Estonian people would live here through the ages and thrive.

ERKI SAVISAAR: At present, this green transition remains the topic for a very small group, some kind of elite or businessmen. The man in the street will not benefit from it in any way. On the contrary, they will see that prices are rising and life is becoming more complicated – you must not buy a cheap car, you have to buy an expensive car with batteries, which does not start in winter or cannot be used to drive long distances, and so on. They cannot see how it could be of any use to them.

A transition should work so that everybody feels that it is beneficial to them. It is of course good that our children will have a future. However, we also know perfectly well that, in a 20-year perspective, nothing really bad is going to happen.

RIINA SIKKUT: We need to agree in our society on how Estonia will make a green transition. The European Commission may design the "Fit for 55" package in a way that is very positive for Estonia, but it is a framework somebody else has designed for us. What is it that we really want to do? How will we save the Estonian nature and the people of Estonia, and keep them out of poverty? As we have no plan of our own, we are now kicking against what is proposed to us from outside and are trying to adapt it. However, we do not know what we really want to do because we have never agreed upon it and there is no one to lead the whole discussion.

FOCUS

How We Changed the Climate

ANDRES TARAND

Climate Scientist

When I started to study climatology in 1958, nobody could predict that climate would gather such popularity or become such a threatening force to humankind as it is now. The second International Year of Geophysics was drawing to a close, and C. D. Keeling had begun measuring carbon dioxide levels on the slope of the extinct Mauna Loa volcano in the Hawaiian Islands. Older people have learned at school that there is 0.03 per cent carbon dioxide in the atmosphere. Now that humankind is constantly adding more carbon dioxide, it would be more accurate to write 0.04 per cent in the textbook. Another way of putting it is that the gas content will double. After the article published by Swedish physicist S. Arrhenius in 1895, it has been calculated that it will take place around 2050. At present, other absorbers of atmospheric radiation are calculated into carbon dioxide equivalents and expressed as CO₂ concentrations. Climate warming is no longer discussed just in a narrow circle of researchers, it is spoken of at ever larger forums. Of course, it takes time to conclude international agreements, but we have now reached the point where there is no time for lengthy negotiations, which is also confirmed by the latest IPCC report (2021) and the European Union's green transition.

The climate changes that result from the rise in air temperature are already apparent, and they are the following. The occurrence of thunderstorms in Estonian skies ranged from ten to fifteen thunderstorms per year in 1990–1994, but has increased to twenty thunderstorms per year in the last twenty years. 200 years ago, there were 20 storms a year in Estonia,

now there are 30–33, according to different sources. In 1891–1950, there were 26 heavy rainfalls (70 mm or more per day) in Estonia, but in 1961–2010, during a period of equal duration, there were 45 heavy rainfalls. The difference is nearly two times.

What will happen in the future? Rise of air temperature will continue. It means that the surface water temperature of the Baltic Sea will also rise. The maximum extent of ice on the Baltic Sea has decreased significantly and the duration of ice cover has shortened. Tallinn port was ice-free for three to six winters in previous centuries, 16 winters in the 20th century and already 12 winters in this century. In fact, we have a few decades of serious work ahead of us to mitigate all kinds of consequences and to change the way we live. The climate has indeed been always changing, but we can also look at it in another scale. At the western end of the island of Vilsandi, you can find petrified coral. It did not grow in the Baltic Sea, but was born 350 million years ago near the Canary Islands. It is hard for us to comprehend such a scale of time and continental drift, but this is the geological time scale. Another theory is based on the phenomenon that the angle of the Earth's rotation axis changes from time to time, causing changes in the distribution of solar radiation and the circularity of the Earth's orbit. This is related to the ice ages. A third possibility for changing the Earth's climate is the greenhouse gases in the Earth's atmosphere, which has taken a few hundred years. What do I want to say with this? I want to say that the Riigikogu with its committees is the most suitable place for managing the transition period or the green transition in a much closer cooperation with scientists than it has been done until now.

What is the Essence of Green Transition?

LAURI TAMMISTE

Director, Stockholm Environment Institute Tallinn Centre

The European Green Deal is based on the underlying idea that our further development can only take place in a manner that remains within planetary boundaries and contributes to curbing climate change and keeping global warming within safe limits, stops biodiversity loss and ensures the protection of ecosystems. In order to realise this vision, Europe, including Estonia, will have to be able to find answers to many complex issues concerning energy supply, sectors with a high environmental burden (transport, agriculture and food production, construction), protection of natural resources, the condition of ecosystems, reasonable use of materials circulating in the economy, innovation and competitiveness. In a bid to address these challenges, over the best part of the past two years, the European Commission has come forward with a number of initiatives within the framework of the Green Deal, including the package "Fit for 55". The current hesitation and postponement of the investments needed to combat climate change have a price to them. According to the latest analysis of the international climate panel, our options to keep climate changes at a tolerable level have become very limited and significantly more urgent action is needed. This has probably been the main reason why the European Commission has come forward with such an ambitious package of measures.

What are Estonia's options? In 2019, SEI Tallinn drew up an analysis focusing on whether climate neutrality, which by now has been set as an official objective under the European Climate Law, is achievable in Estonia, and if so, then with what steps, investments and implications.

One of the key messages then was that climate neutrality is achievable, but if the strategically important decisions are postponed for much longer and if the taking of measures is delayed much more, it will be more complicated and expensive to achieve the climate neutrality objective. The main recommendation of the analysis was to achieve a quick success in the period 2021–2030 in the key sectors where there is potential to significantly reduce emissions by using cost-effective measures. For this, it will be necessary to significantly step up investments in the energy efficiency of buildings, transport and industry, to transfer electricity and heat generation to renewable energy sources and to increase the share of climate neutral energy carriers in transport, to bring the Forestry Development Plan into conformity with the objectives set and to give overall priority to measures and actions with more co-benefits.

In summary, it can be maintained that the steps leading us towards meeting the objectives of the European Union's Green Deal are the ones that will have to be taken anyway if we wish to live in an Estonia with a higher-quality living environment and a sustainable and internationally competitive economy.

No Time Left for Chat Rooms

ANNELA ANGER-KRAAVI

Director of Climate Change Policy Group and Lecturer at Cambridge University

Annela Anger-Kraavi was interviewed by *Riigikogu Toimetised* about the current state of climate negotiations. "On the one hand, the world has great expectations, largely fed by Biden's election to the US presidency, which led to the USA rejoining the Paris Agreement on 19 February. Countries are expected to step up their ambitions,

especially in mitigating climate changes (i.e., reducing greenhouse gas emission), contributing more towards adapting to the current as well as future climate changes, and giving more money to implement these activities in developing countries," Anger-Kraavi said.

She stressed that all climate agreements must be based on a strong cooperation between the government, and NGOs and civil society. The complexity of the negotiations is further exacerbated by the corona pandemic whose devastating effects vary from country to country, and which is sure to have its impact on the meeting that takes place in Glasgow at the end of October. "Most of the negotiators have not met face to face for two years now. The organisation of work is unclear. I have heard that a limited number of people would be allowed in each room, and that there will be testing every morning. All this is sure to affect the proceedings. I am as unsure as the others about how I would cope there for two and a half weeks, but I hope to see everything go smoothly and my negotiations to meet with at least some success," said Anger-Kraavi hopefully.

Climate Change and Climate Targets

KAI ROSIN

Adviser, Environment Agency

According to the Global Risks Report published by the World Economic Forum, extreme weather conditions, failure of climate action and human-induced environmental damage are the most likely risks of the next decade. This is supported by the data of the World Meteorological Organization (WMO), which show that during the last fifty years, 50 per cent of disasters are connected with weather, climate and water. If the warming of climate continues, extreme events will

take place more often and bring about more serious consequences. Since 1990, the Intergovernmental Panel on Climate Change (IPCC) has published assessment reports that bring together the latest scientific information on climate system and climate change. The latest IPCC report “Climate Change 2021: The Physical Science Basis” emphasises in its main messages that the changes in climate are widespread, rapid and intensifying. Many of the changes are unprecedented in thousands of years. Some of these changes are irreversible, some could be slowed down and others could be stopped by limiting of warming. Influence of human activity on climate is undisputed. Unless there are immediate and large-scale reductions in greenhouse gas emissions, limiting warming to 1.5 °C will be beyond reach.

In order to achieve the European Union’s climate targets on the road to climate neutrality, the Commission has come up with a package code-named “Fit for 55”. The package is made up of interlinked proposals that will result in the strengthening of eight existing laws and regulations and the presentation of five new initiatives in different policy areas and economic sectors: climate, energy and fuels, transport, buildings, land use and forestry. Besides increasing of the existing modernisation and innovation funds, creating a new social fund for climate action is proposed. “Fit for 55” will be the basis for the debate on the European Union legislation, which have to be agreed upon between Member States and the European Parliament in the coming years.

Today, scientists say unequivocally that during the last centuries, global warming has been driven by human activity. If humans have had the power to change something in negative direction, then their power to turn it positive should also not be underestimated. Cooperation between states in setting common goals and promoting research and innovation are the key factors here.

How to Redesign Socio-technical Systems?

MARGIT KELLER

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TRIIN VIHALEM

Professor of Communication Research, Deep Transitions Project Senior Researcher, University of Tartu

Simplified views like “the new technologies will solve all problems” or “we will raise the awareness of consumers” are not enough for meeting the ecological and social sustainability challenges faced by our society. Society can be analysed as a combination of socio-technical systems that function for a longer period under definite rules. They develop constantly, but they also get stuck in path dependence. Regulations, markets and business models, production and technology, as well as the habits and cultural values and norms of the consumers are interconnected in the systems. Estonia’s energy system has been based on centralised power stations working on oil shale, monopolised transmission and distribution networks, and electricity that is always available to consumers. Estonia is facing the question of how to change this in a reasonable and realistic way in order to reduce its carbon footprint. How can it be done so that social injustice would not be increased? The simultaneous radical transformation of several socio-technical systems of society – energy, transport, urban planning, etc. – is called the Deep Transitions. Although such a process cannot be driven from a single cabin, the changes can be steered towards more or less the same direction by using technological, economic, political, social and cultural innovations. The framework

of six intervention points can be used for that: accelerating the development of niches, i.e. technological and social innovations, consciously disrupting the existing system and mitigating its negative side effects, coordinating the interaction of several systems, and participating in the shaping of general external conditions or the landscape (e.g. international agreements and norms, public debates, etc.). In spring 2021, the Deep Transitions research group of the University of Tartu conducted the so-called Delphi study or an expert survey on the energy systems of Estonia. Here, we focus on two main topics: accelerating the development of niches (incl. stimulating the intermediaries necessary for that) and the interaction of several systems on the background of a wider context. Promoting the diversity of niches, or technological and social innovations, and a comprehensive framework for their assessment and selection are the preconditions for the development of innovation. It is important that enough alternatives that take into account our particular environment and needs would emerge in Estonia, and that the establishing of mediating organisations, which are capable of encouraging the representatives of different disciplines to talk to each other and also manage conflicts, would be supported. The transition is not just a topic for a narrow circle of decision-makers. In order for sustainable way of life to take shape, there must be no taboos in the public debate, e.g. the issues relating to the limits of sufficiency needed for sustainable consumption; the assessment of the so-called life-cycle based impact of products, services, buildings and any other lifestyle decisions; the role of civil society in the energy transition, etc.

The Possibility of Green Transition in Estonia

KERTU BIRGIT ANTON

Student of the University of Tartu, climate activist

The climate policy of the European Union, high electricity prices and the challenge of proper forest management have raised questions in the Estonian society about why we need green transition and if it can be achieved at all. The discussions on green transition that are currently being held among the Estonian public do not show motivation for rapid actions with far-reaching impact. The participants of such discussions often fail to analyse the consequences of delaying the green transition, which leaves the impression that the only choice we have is between continuation of our customary practice and the seemingly costly green transition. Actually, the choice we are facing is completely different: either to change our behaviour quickly and radically, first of all stop using fossil fuels, or to continue the customary way of life for about ten years and cause a deep environmental crisis on the whole planet. We are not choosing between our customary way of life and the green transition, but rather between threatening or protecting the survival of human society. Neither prospect allows us to continue with our customary activities for long.

Contrary to the widespread opinion, Estonia’s contribution to influencing the global environment is not negligible. By now, the climate changes are so serious that the carbon emissions of even one small country or just one mine can push the environment of the whole planet irreversibly over some breaking point. Therefore, it is necessary to choose as safe course of action as possible or to reduce carbon emission rapidly. Delaying of climate mitigation is especially

impermissible because the actions performed now and in the coming years determine the benefits of the measures implemented later. Estonia has a great potential for reducing carbon emissions. First, Estonia has several resources that have not been exhausted and can be used for that, like redesigning of cities, changing the management of forests, etc. Second, Estonia has a recent analysis of the possibilities of achieving climate neutrality. The results are promising: climate neutrality can be achieved mainly by implementing the existing technologies and with smart decisions, it may be profitable for the country. Third, Estonia can direct the relatively large amounts that are currently used for subsidising fossil fuel industry into carrying out the green transition. In this way, we could preserve the natural environment, improve quality of life and protect the survival of humankind in the coming decades and beyond.

One thing is sure: the green transition will not pass Estonia by. If we make progress towards climate neutrality this year and in the coming years, we can still act in a controlled way and at least to some extent according to our terms. However, the time window for that is closing.

Present and Future Mineral Resources Exploration in Estonia: RITA MAARE

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In Estonia, the tradition of exploring local mineral resources is more than a hundred years old. Unfortunately, after the restoration of independence there was a period where little exploration took place. At the same time, the material level of Estonian society took a big step forward and the stagnation in our knowledge of mineral resources began to limit the development potential of the field. Thus, after the adoption of the Natural Resources strategy in 2017, government financing of mineral resources exploration was started. The implementation of the collaborative project MAARE between the University of Tartu, Tallinn University of Technology and the Geological Survey of Estonia in 2017–2020 within the framework of a measure of the national research and development support programme RITA was a part of this process. This ambitious project included studies on the more efficient refining of Estonia's mineral resources, the possibilities of using mining waste, the geological problems of building the Tallinn-Helsinki tunnel, as well as an analysis of the economic and other impacts of the use of mineral resources. This article gives an overview of the results of the project in the field of refining of four Estonian mineral resources: basement metallic ores, phosphorite, graptolite argillite and peat.

The studies showed that the exploitation of base metal deposits for the production of iron currently holds no perspective, but the presence of the rarer metals needed for green technologies may be important. The same can be concluded for the prospect of phosphorus production in Estonian phosphorite deposits. Nonetheless, Estonia would need to have the technological

readiness for the sustainable refining of phosphorite, as well as the technology to produce rare metals from graptolite argillite. Experiments at laboratory level offer good prospects for the use of Estonian peat with a significantly higher added value than today. Specially treated and partially graphitised carbons synthesised from well-decomposed peat, which have been little used so far, are well suited for the production of a wide range of electrochemical devices. The RITA research has been a valuable input for the subsequent, much more focused mineral resources exploration under ResTa programme.

Green Transition, Energy, and Electricity Prices

TIMO TATAR

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The article provides a survey of the ongoing green transition in the energy sector both in Estonia and in the world more widely. It presents the reasons why we are making a green transition in the energy sector, and the importance of the role of politicians, other leaders of society as well as local governments in carrying out this transition. We get an overview of how far Estonia has progressed with the green transition in the energy sector and what the next steps and major challenges will be.

The decisions made in recent years will soon help release a large part of the land mass of Estonia from height limits, thereby creating favourable possibilities to establish wind farms. With regard to wind energy developments, Finland is a good example for us where wind farms are established on land without additional supports from the state. The green transition in the Estonian energy sector should also be as

market-based as possible and with minimal state intervention. The measures prepared by the Ministry of Economic Affairs address in particular overcoming the barriers hindering market-based development, and supports come into play in the last stage. For example, the Estonian Government is preparing a joint procurement of green energy for public sector that is unique in the world. It would enable to transfer public sector energy consumption to more affordable renewable energy and at the same time to provide the necessary confidence to establish new renewable energy production equipment. Besides, a Bill proposing solutions that would help soften the resistance of local people to new wind farms will soon be submitted to the Riigikogu. In connection with the green transition, the issue of security of supply is gaining increasingly more importance. In the article, the author gives an overview of how and in what way electricity supply is ensured in Estonia.

It is not possible or reasonable to make a green transition alone and therefore it is important that the steps taken find followers elsewhere in the world. The author explains what our opportunities are to influence other countries in the world with our decisions and example.

Green Transition in Construction

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The green transition through the prism of the construction industry is simply a well built and efficient house, park, city street,

or block that is in total harmony with its surroundings. The green transition is not a new distinct challenge but simply a prolongation of the current trends that brings with it options for solving other major problems of our living environment. In Estonia, we need to implement the green transition with a strong dose of the common sense that we value so much. We need to introduce only the aspects that enhance the development of our living environment, ensuring not only sustainability but also long-term financial savings and wellbeing for Estonia's residents. In this we would be more than happy to *match sustainability with style* – a great focus in the New European Bauhaus context – to help us best express the Estonian identity in our living environment. Well-built symbols often become international calling cards for countries or cities.

The construction industry would boom if all the parties share the same goals in shaping the best living environment. We must not underestimate the importance of preparation. The state is the most capable party for shaping a good construction culture, ensuring the adequate time frame and other resources for planning new projects. A project that has been well thought out from the point of view of sustainability as well as other high quality space criteria would allow us to build a faultless result without wasting time or money. If the government prefers to plan ahead it has all the means to do so, basing its spatial decisions on international agreements, efficiency, and the human dimension.

The green transition in construction is primarily an economic challenge which can be achieved through smart decisions in investing, planning, designing, and building. We cannot make these decisions in haste because good cooperation will ensure the best quality, and the best use of money and time. The public sector must lead the way in the thorough and long-term planning of this complex sector. The investment decisions made by the central

government as well as by the rest of the public sector must be based on a common predictable structure, contributing to achieving the objectives of spatial planning along the way. To build a link between the budgetary decisions and spatial visions, it is crucial and time critical to start a parallel renewing of the national planning activities and draft a high-quality living environment development plan.

On the Way to Climate Neutrality

KADRI SIMSON

European Commissioner for Energy

In December 2019, President of the European Commission Ursula von der Leyen presented to the public the European Green Deal. It aims to make Europe the first climate-neutral continent by 2050, while at the same time also boosting our economy and competitiveness. Changes to climate policy are necessary because the current political framework does not allow the European Union to meet the international commitments it has made. The green transition is a big challenge. The COVID-19 pandemic that hit the world was the first setback on the way to climate neutrality. Fortunately, the European Union quickly realised that overcoming the crisis and the recovery would have to be used for the benefit of longer-term goals. The green transition became the fundamental principle in overcoming the crisis in the EU, because a crisis is the right time to stimulate the economy with additional investments.

In order to implement the objectives set in the Green Deal, the European Commission has presented a number of specific sectoral strategies and legislative proposals over the last year. The "Fit for 55" package which was presented in July this year is a crucial step on our

way towards climate neutrality, the 2030 climate target being an interim stage on it. These more than a dozen legislative proposals are one of the most ambitious and influential endeavours in the entire history of the European Union. When striving towards climate neutrality it is important that no region and no one is forgotten or left behind. The green transition must be fair. Europe's response and support to weaker regions that need help is the Just Transition Fund and the climate action social fund.

The European Union has a clear plan how to become a truly sustainable human- and nature-friendly continent with a thriving economy by 2050. However, Europe's efforts alone will not be enough to stop climate change. Fortunately, the example of European Union has inspired others as well. We must continue to fight the climate crisis together – we have no other planet in reserve.

Outlooks for Oil Shale Power and Shale Oil, Climate Change and Future Transactions

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Oil shale has been a unique primary resource for Estonia as well as a pillar of energy security; however, the impact of the oil shale industry has made Estonia one of the most CO₂ intense countries in

relation to the GDP in the whole European Union. International climate change mitigation goals are forcing Estonia's oil shale energy and shale oil industries to review their outlooks. The article focuses on the possibility of using the prices of future transactions in electricity and heating oil as bases to assess the future potential of Estonia's oil shale industry. The forecast of the prices of future transactions of electricity until 2025 suggests that the generation of power with the fluidized bed combustion technology would be competitive on the open electricity market only during less than one half of the potential working time. A competitive export of shale oil depends strongly on the future changes of the market prices of heating oil and CO₂ emission quotas. One way to hold back the climate change would be the introduction of the carbon capture technology in oil shale industry. We have come to realise that the introduction of the carbon capture technology may not be possible in market conditions because based on the prices of future transactions the revenue from selling the power and oil produced from oil shale would not generally cover the added costs of carbon capture, transport, or storage to the production costs. And this despite reducing the need to give up CO₂ emission quotas and saving on environmental charges. Decisions on the introduction of the carbon capture technology lead back to the socio-economic aspects at the national level which require further comprehensive science-based analysis – would the impact of achieving climate goals and the other positive external influences outweigh the need to subsidise the capture technology and the potential negative external impacts in the name of ensuring the competitiveness of the oil shale industry in comparison to energy technology alternatives? Furthermore, we must keep in mind the ability of the actors on the future transactions market to foresee and take into account the events

and processes that might take place on the energy market, and in the global economy and environment more broadly – if the prices of future transactions fail to adequately reflect the changes taking place, the actual future prices and the prices of future transactions can display a significant disparity.

POLITICS

Baltic Sea Strategy Initiative: Ideas and Reality

TUNNE KELAM

Member of the European Parliament 2004–2019

As a result of the extensive 2004 enlargement of the European Union, the Baltic Sea has to all intents and purposes become an internal sea of the Union, surrounded by eight Member States. The first joint initiative of the Members of the European Parliament in 2005 was the idea to launch the EU Baltic Sea Strategy which became EU's first macroregional strategy. The initiative came under the leadership of a Baltic-European intergroup headed by the British Conservative MEP Christopher Beazley. One of the most committed advocates for the cause was the Finnish Conservative MEP Alex Stubb. The initiative group saw the planned strategy as an opportunity to make this region one of the most competitive and dynamically developing in Europe. This also served to draw attention to the need for a more decisive EU action in improving the precarious condition of the Baltic Sea ecosystem.

In November 2006, the EP plenary assembly adopted a resolution on the Baltic Sea Strategy. The MEPs declared the Baltic Sea the EU's *Mare Nostrum* (internal sea), highlighted the particularly close relations in the region, and stressed the synergy that a closer cooperation model under the

EU coordination might create for a faster development of the region. The role of the MEPs was not limited to adopting a resolution. This unique initiative now had to be “sold” to the European Commission. The Baltic-European intergroup turned out to be an efficient and broad-based association of MEPs in 2004–2009, wholeheartedly continuing its efforts to convince the Commission also after the 2009 EP elections. At the meeting of the association with the President of the Commission José Manuel Barroso in May 2007, we managed to convince him of the importance of the Baltic Sea Strategy. The Baltic Sea Strategy started to be prepared in the Commission under the coordination of the Directorate General for Regional Policy. Its Director Dirk Ahner turned out to be an excellent cooperation partner. The Directorate General started to compile a summary of the actions carried out so far and the outstanding needs in the Baltic Sea region, involving a dozen further Directorates General in the cooperation. There was a long wait for the approval of the eight Member States taking part in the Baltic Sea Strategy. Fortunately, the Swedish Prime Minister, the moderate Fredrik Reinfeldt, included the Baltic Sea Strategy among the priorities of the Swedish Presidency on the second half of 2009. At the European Council in December the same year, the first macroregional EU strategy achieved an official status.

Sadly, the fundamental idea of the new quality in cooperation and the synergy that the initiators had harboured turned out to be mostly utopian in light of everyday politics. Instead of the synergy that should have made the region the fastest developing one in the EU both in its developmental dynamics and the quality of cooperation, fresh ideas tended to wilt in the inertia of Member States centred models of the authorities. The Baltic Sea Strategy seemed to morph into a kind of a Christmas tree in the vision of officials from the concerned countries, with every

participant trying to exploit it for extra support for their already existing activities. And yet the Baltic Sea Strategy in its present form has still generated a lot of positive. There is no denying the foreign policy impact of the Strategy – it became a model for other regions where the participating countries attempted to create new macroregional strategies, such as the Danube Transnational Programme.

STUDIES

Democratic Innovation: Local Referendum

ALAR KILP

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In Estonia, innovation of democratic procedures has so far focused on deliberative institutions (e.g. people's assembly, opinion festival) and digital means (online voting, VOLIS as a System for Local Democracy Procedures). Local referendum, which has a potential to strengthen representative democracy and reduce manipulations with people's will, has so far not been used. Relying on comparative examples of democracies which use referendums at local level of government, the article discusses several possibilities and limits of local referendums: only issues which are within the jurisdiction of local government can be put to referendum; referendums enable to raise questions which are not a priority for the parties represented in local councils; local politics focuses on community, not on *demos* like politics at the national level.

Referendums should be preferred to opinion polls or public surveys, because referendums need to be substantially and procedurally in accordance with the guidelines and codes of good practice on referendums of the Venice Commission. Consequently, referendums are less easy to be manipulated than other forms

of collecting public opinion. Risks and challenges of conducting referendums are largely similar to the ones of other democratic instruments. Resources (of participants) may influence the outcomes of both referendums and elections. Political and social actors can make strategic use of any instrument of democracy, including referendums. Referendums by definition involve a majority decision (or opinion in the case of non-binding referendums) on a single issue. The majority principle does not contradict democracy, because it is an indispensable means of political decision-making. Issues decided on local referendums are either voluntarily chosen or mandatory (laws determine the issues which cannot be decided without referendums). In democracies, most of voluntarily chosen issues that are being put to referendum concern developmental projects and NIMBY (not in my backyard) syndrome. Typically, the issue is about the location of a wind farm, military base, prison, mine or airport. Reluctance of local people (NIMBY) to support such projects is often motivated by concerns about nature and living environment. Decisions over minority rights are not within the jurisdiction of local government and therefore cannot be put to referendum. Accordingly, local referendums are not an instrument of (right-wing) populists. Both in Estonia and in Europe, main actors advocating for local referendums have been the Greens, not populist nationalists.

Scandinavian countries, which use nonbinding local referendums, offer an example that Estonia could follow. Non-binding referendum is a 'soft form' of direct democracy, which does not allow people to decide an issue. The lesson we can learn from the Scandinavian countries is that some local decisions are better with referendums that are non-binding than without any referendums at all.

Referendum: Best Tool of Direct Democracy or Instrument of Polarisation?

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Referendum can be viewed as one of the key instruments of contemporary direct democracy, which allows people to directly apply their legislative power. Yet, referendum can also create a clear divide between the winners and the losers, and this in turn may lead to the increased absolute power of the majority and the marginalisation of the minority. One factor in opening this winner-loser gap and polarising the opposite sides can be the manner of reporting on the referendum in the media. The article studies four referendums in Europe between 2010 and 2020: the 2012 constitutional referendum in Latvia, the 2020 referendum on limiting immigration in Switzerland, the 2018 abortion legalisation referendum in Ireland, and the 2019 Intelligence and Security Services Act referendum in the Netherlands, along with an analysis of how the losing side was reflected in the largest digital media publication in each country.

A comparison of the four referendums shows that the intensity of their media coverage mainly depends on the topic of the referendum. This is the most apparent in the 2012 constitutional referendum in Latvia on the status of Russian as a possible official language. As this is a very polarising topic in the society, the Latvian case shows the most media coverage accorded to the losing side. The opinions of the losing side have been covered less in the articles on the Irish, Swiss, and Dutch referendums. Although the abortion legalisation referendum is contentious, only two opinions from representatives of the losing

side were reported. The comparison of the media coverage of referendums highlighted Switzerland as an exceptional case because the local media published only one article on the 2020 referendum on limiting immigration, simply describing the result of the referendum without sharing the emotions of neither the winners nor the losers. All four cases clearly demonstrate that the media reports mainly on the opinions of the elite among the losers: political elite in the cases of Switzerland, Latvia, and the Netherlands, and religious elite in the case of Ireland.

The article reveals that the media coverage of the losing side depends on a number of factors, such as the topic of the referendum or, to some extent, how often the country makes use of referendums. Media publications often report on the losing side less than on the winning side. Regardless, the media plays an important role in shaping the winner-loser gap in the society because the emotions of the losers are often reflected in the media coverage on referendums that had caused massive public discussions.

Does Family Policy Have an Impact on Birth Rate?

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The article provides a survey of the impact of the main measures of family policy on the birth rate. The article summarises the experiences of other developed countries and scientific publications on this topic and also gives an overview of the research conducted in Estonia in this field.

The impact of family policy on birth rate is analysed from the perspective of three family policy measures: allowances,

work-leave and childcare. The impact of leaves is analysed from three aspects: length of leaves, leave payments and leave policies for fathers. Most research articles in the two last decades attest that family allowances have an impact on birth rate because they reduce the economic burden relating to children. Usually the impact is greater for disadvantaged families or in the case of children in higher order of birth, but there are exceptions. The positive impact of working also functions through ensuring better economic subsistence, but if there are no adequate compensations when a parent is unable to work because of having a child, the alternative expenses of having a child increase for parents, and this may reduce the birth rate. In many countries, women with higher education have less children because, due to acquiring education, they start having children later and due to alternative expenses, children are more "expensive" for them. At the same time, strong work and leave policy helps reduce this educational difference. Most of the scientific publications analysing the measures relating to leaves reach the conclusion that such measures a) have an impact, b) are necessary.

Numerous studies have been conducted on the impact of the length of leave in countries that are generally dealing with robust changes in policies. Although most studies find a positive correlation, this correlation is often inconsistent, i.e. sometimes evident and then again not, or evident only in the case of birth of second or third children. The studies conducted during the last decade also show a positive correlation between kindergarten places and birth rate. Existence of kindergarten places and children's participation in kindergartens and birth rate were mostly studied.

Thus, most analyses show that policies have an impact on birth rate. Lack of impact of policy may be connected with low forcefulness of a policy, or with the impact of other factors on birth rate at the same time. When analysing the

connection between policies and birth rate, the general social-political context of the country and the system of allowances as well as the socio-economic subsistence of parents should be taken into account. The studies once again show that birth rate is a complex phenomenon where policies have the power to influence only a certain part of human life. This also explains the fact that policies have never had a large impact on total fertility rate, although in absolute numbers of births the result may be considerable. The policies seem to work better in countries that have an environment supporting families with children.

Local Authorities Specify the Support Measures of NGOs

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The subsidies allocated to non-governmental organizations have increased and the arrangements for allocation has been specified, but the support measures can be made even more effective. The study conducted in cooperation of Tallinn University and the County Development Centres and completed in spring 2021 found that financing of NGOs in municipalities had become more structured and transparent than if had been before the administrative reform. When as late as 2016 around one third of municipalities were lacking procedures/arrangements for financing of NGOs, then in 2020, all municipalities of Estonia had procedures for financing of NGOs in place. The subsidies allocated to NGOs have increased, the procedures for granting them and the types of support have become more detailed and clearer, and the information regarding financing

is presented better and more specifically on the home pages of municipalities than four years ago. However, there are still some problems.

Granting of subsidies always arises the question of how to ensure that they are distributed fairly and in a way that is unambiguously understandable to everybody concerned. In order to unify the practices and principles of financing at both national and municipal level, “The Guidelines for Financing NGOs” have been prepared on the initiative of the Ministry of the Interior. The study that was conducted revealed some deficiencies in the awareness of the officials about the Guidelines and in transparency of financing. Information relating to financing – the procedure for granting subsidies to NGOs, principles for forming the assessment committee and its organisation of work, the receivers of subsidies – are often not public. In the study, case studies were conducted in two municipalities. Among other things, the case studies focused on the development of communities, on village elders and associations of village elders. Associations of village elders have proven themselves as a two-way information channel through which the problems of the community reach the municipal authorities and the relevant issues of the municipality reach the regions. The association acts as a network through which the village elders can support each other and share experience on support measures and other issues. At the same time, the association also acts as a buffer between an official and a person, and facilitates taking regional needs and differences in the development of communities into account in support measures.

The authors of the article recommend the local governments to aim at bringing the financing of NGOs into accordance with the Guidelines for Financing, and to pay more attention to publishing the information relating to financing and monitor the use of subsidies more closely. The state should also give more support to the local

governments in organising the financing by providing needs-based counselling and training. A systematic discussion should be initiated about the principles of delegating public services to NGOs, because the awareness of local governments on these issues is low. It would be reasonable for the parties to consider how to contribute more into the development of communities by involving the village elders, village associations and associations of village elders in the distribution of subsidies. It would be useful for communities to establish associations of village elders also in the municipalities where they do not exist yet.

VARIA

Not Enough Jobs for All the Public Administration Graduates

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The public administration study of OSKA, the system of forecasting future needs for labour and skills, analysed the need for labour force and skills in state agencies, local governments, organisations of entrepreneurs and employers, occupational organisations and trade unions until 2027, and submitted proposals to the education system. OSKA studies are conducted by the Estonian Qualifications Authority and funded by the European Social Fund. Over 132,000 people are employed in public sector, 25,000 of them were analysed in the study. The study focused on ministries and state agencies, municipality and city governments, associations of local governments, foundations belonging to the state or local governments, and partner

organisations of public administration – non-profit organisations, associations, funds and foundations.

The study forecasts that by 2027, the number of employees in public administration, including providers of support services and positions responsible for construction and land consolidation, will decrease by 1000. There will be more public administration jobs in social affairs and employment policy, and for specialists of health care development and IT and data protection. Considering the number of available positions, about 70 graduates of public administration will be needed each year in the future, but 120 students a year graduate public administration programmes. Thus, there might be not enough jobs for all the public administration graduates. The employers generally found that a degree in public administration need not give advantages in recruitment in comparison with other candidates, and in particular the local governments prefer candidates with specialised education, for example, in social work or environment. Purely public administration education is needed in jobs that require the so-called skill of seeing the big picture. The employers see public administration knowledge and skills as an added value to other specialised knowledge. Thus, a public sector employee needs knowledge of policy shaping processes, government structure and its general functioning mechanisms, public administration ethics and corruption prevention in addition to expertise in their area of work. There is an increasing need for skills and knowledge in service design, the European Union, law, cybersecurity and data analysis. The importance of project management skills – drafting of budget, time and self-management, administration and resource management – increases. Cooperation and communication skills, like negotiating skills, skill to reach compromises, manage conflicts and involve partners, are becoming more and more important.

In a special study on the impacts of COVID-19, it turned out that during the crisis, the employment had actually slightly increased. Teleworking has gained prominence among the work formats. The possibility of working from home will most probably be also used in the future, therefore the need for technical digital skills increased abruptly, and general skills, like self-management, time management and project management, became essential. The crisis may give an impetus for faster optimisation of the public administration activities, but on the other hand, also preserving the number of the employees in the social sector, health care and security, so that the readiness for crisis would be ensured in the future.

The Share of Telemedicine Increases

URVE METS

OSKA Program Coordinator

Due to the increasing demand and shortage of resources, the coming years will be characterised by discussions on the sustainability of financing and sufficiency of the financed service package in health care. Steady progress in medicine, including digitalisation of health care, enables to increase the life expectancy of people and improve welfare, which in turn increases the need for medical services. According to the OSKA healthcare study, the need for labour force in health care will increase by at least a tenth by 2027 in comparison to 2017. The predicted increase of promotional and preventive work can only be effective with enough staff. The challenges of our health care system are the high percentage of aged doctors and thus the need to replace those who are retiring, as well as the significant shortage of nurses.

During the first wave of the crisis, several changes took place in the

employment of health care workers. The number of persons working in emergency medicine units increased, new people were hired in infection control and in triage. In regions with greater spread of SARS-CoV-2 infection, reduction of planned treatment helped mitigate the shortage of staff during the first wave of the virus.

Restrictions on the mobility of people during the virus crisis increased the workload of health care service providers, it was necessary both to provide treatment through telemedicine and to serve patients in health care facilities. Provision of remote care, like virtual visits, remote diagnostics, e-consultation, phone triage, telemedicine, requires both jointly developed principles and the skills necessary for implementing them. The virus crisis has brought the mental health of people into the focus. Fear, anxiety and stress caused by isolation, unemployment

and other factors increase the need for consultations relating to mental health. The share of promotional and preventive work in primary level health care services will increase. The pharmacists could also make a greater contribution to preventing diseases and promoting health, so that it would be possible to reduce turning to family physicians or emergency medicine units with to minor health problems.

In order to ensure quality and efficient use of resources, it is necessary to distinguish the competences of nurse and specialised nurse, nurse and care worker, doctor and nurse, as well as pharmacist, assistant pharmacist and nurse. In longer perspective, the health care workers have to improve their skills in providing remote care, as well as their digital, communications (how to forward messages, communicate with patients and colleagues, ground tensions) and consultations skills.