

THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

Recommendation 496 (2023)¹ Monitoring of the application of the European Charter of Local Self-Government in Estonia

1. The Congress of Local and Regional Authorities of the Council of Europe (“the Congress”) refers to:

a. Article 2, paragraph 1*b*, of the Charter of the Congress of Local and Regional Authorities of the Council of Europe appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that one of the aims of the Congress is “to submit proposals to the Committee of Ministers in order to promote local and regional democracy”;

b. Article 1, paragraph 2, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that “[t]he Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government”;

c. Chapter XVIII of the Rules and Procedures of the Congress on the organisation of monitoring procedures;

d. the Contemporary commentary on the explanatory report to the European Charter of Local Self-Government adopted by the Congress Statutory Forum on 7 December 2020;

e. the 2021-2026 Priorities of the Congress, in particular the priority that concerns the quality of representative democracy and citizen participation;

f. the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development, in particular Goal 11 on sustainable cities and communities and Goal 16 on peace, justice and strong institutions;

g. the Guidelines for civil participation in political decision making, adopted by the Committee of Ministers on 27 September 2017;

h. Recommendation CM/Rec(2018)4 of the Committee of Ministers to member States on the participation of citizens in local public life, adopted on 21 March 2018;

i. Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities’ activities, adopted on 4 April 2019;

1. Debated by the Chamber of Local Authorities during the 45th Session on 25 October 2023 and adopted by the Congress on 25 October 2023 (see document [CPL\(2023\)45-03](#), explanatory memorandum), rapporteurs: Harald BERGMANN, Netherlands (L, ILDG), and Sören SCHUMACHER, Germany (R, SOC/G/PD).

j. the previous Congress Recommendation on Local democracy in Estonia ([Recommendation 401 \(2017\)](#));

k. the explanatory memorandum to this Recommendation on the monitoring of the application of the European Charter of Local Self-Government in Estonia.

2. The Congress points out that:

a. Estonia joined the Council of Europe on 14 May 1993, signed the European Charter of Local Self Government (ETS No. 122, “the Charter”) on 4 November 1993 and ratified it on 16 December 1994. Estonia signed the Additional Protocol to the European Charter of Local Self Government on the right to participate in the affairs of a local government (CETS No. 207) on 16 November 2009 and ratified it on 20 April 2011;

b. the Committee on the Honouring of Obligations and Commitments by member States of the European Charter of Local Self-Government (Monitoring Committee) decided to examine the situation of local and regional democracy in Estonia in the light of the Charter. It instructed Harald Bergmann, Netherlands (L, ILDG), and Sören Schumacher, Germany (R, SOC/G/PD), with the task of preparing and submitting to the Congress a report on the implementation of the Charter in Estonia. The delegation was assisted by Dr Bríd Quinn, member of the Group of Independent Experts on the European Charter of Local-Self-Government, and by the Congress Secretariat;

c. the monitoring visit took place from 18 to 20 April 2023. The Congress delegation met representatives of various institutions at all levels of government. The detailed programme of the remote monitoring is appended to the explanatory memorandum;

d. the co-rapporteurs wish to thank the Permanent Representation of Estonia to the Council of Europe and all those with whom they had exchanges during these meetings.

3. The Congress notes with satisfaction:

a. the generally positive organisational impact of the territorial administrative reform carried out in 2017, with 79 rather than the previous 213 municipalities now in operation;

b. the increasing use of technology for both administrative and democratic purposes. Estonian citizens now have more engagement opportunities and easier and more streamlined access to services and information through e-services, e-participation and e-inclusion processes which are highly developed and effectively deployed in Estonia’s local government sector;

c. the expanding role and increasing recognition of the newly created Association of Estonian Cities and Municipalities (in existence since 2018), which plays a developmental role among local authorities and an important representative and advisory role at the national level;

d. the creation of the Ministry of Regional Affairs and Agriculture, which deals with local self-government in the country.

4. The Congress expresses its concern on the following issues:

- a.* the persistence of ambiguity regarding the division of competences between local and State authorities;
- b.* the transfer of competences not always being accompanied by financial resources commensurate with those responsibilities;
- c.* the ongoing dependence of local government on State grants for implementation of their obligations and the limited possibilities for local governments to leverage their own resources;
- d.* the insufficiency of the equalisation fund and the inadequacy of the equalisation formula;
- e.* the shortcomings of the consultation process, which limit the input and impact of local government actors on legislation and decisions which affect them directly.

5. In the light of the foregoing, the Congress requests that the Committee of Ministers invite the authorities of Estonia to:

- a.* revise, in conjunction with local governments, the legislation concerning the division of tasks and functions between local and central governments;

- b.* allocate to local government financial resources commensurate with their responsibilities, thus enabling them to fully exercise their functions;

- c.* increase the possibilities for local governments to generate their own resources by allowing them to introduce additional local taxes;

- d.* increase the financial resources allocated to the equalisation fund and revise the criteria of distribution to take into account the different appropriations and potential of local governments in order to ensure the effectiveness of equalisation mechanisms in smoothing out disparities;

- e.* revise the existing consultation mechanisms to enable effective, timely and meaningful consultation with subnational authorities on all matters that directly concern them.

6. The Congress calls on the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take account of this Recommendation on the monitoring of the application of the European Charter of Local Self-Government in Estonia and the accompanying explanatory memorandum in their activities relating to this member State.