# *Preventing corruption and promoting integrity at the sub-national level*

# ESTONIA

## including Tallinn and Tartu



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# EVALUATION REPORT

GRECO
Group of States against Corruption
Groupe d'États contre la corruption

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

# GRECO'S SIXTH EVALUATION ROUND

## Preventing corruption and promoting integrity at the sub-national level

Adopted by GRECO at its 102nd Plenary Meeting

(Strasbourg, 27 March 2026)

Council of Europe

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## I. PREAMBLE

1. The Group of States against Corruption (GRECO) monitors the compliance of its member states with the Council of Europe's anti-corruption instruments. GRECO's monitoring comprises an "evaluation procedure" which is based on country-specific responses to a questionnaire and on-site visits, and which is followed up by an impact assessment ("compliance procedure") which examines the measures taken to implement the recommendations emanating from the country evaluations. A dynamic process of mutual evaluation and peer pressure is applied, combining the expertise of practitioners acting as evaluators and state representatives sitting in plenary.

2. The work carried out by GRECO has led to the adoption of a considerable number of reports that contain a wealth of factual information on European anti-corruption policies and practices. The reports identify achievements and shortcomings in national legislation, regulations, policies, and institutional set-ups, and include recommendations intended to improve the capacity of states to fight corruption and to promote integrity.

3. Membership in GRECO is open, on an equal footing, to Council of Europe member states and non-member states. At present, GRECO is composed of 48 member states[1], including the 46 Council of Europe member states, as well as the United States of America and Kazakhstan. The evaluation and compliance reports adopted by GRECO, as well as other information on GRECO, are available at: www.coe.int/greco.

4. GRECO has decided that the Sixth Evaluation Round will focus on preventing corruption and promoting integrity at the sub-national level. Due to the important role that sub-national authorities play in national democracies, preventing corruption and promoting integrity at the sub-national level is of paramount importance to ensure the quality of governance and accountability of decentralised governments. Bearing in mind each member state's constitutional set-up[2] and based on a dialogue with the member state concerned, two sub-national authorities are identified for evaluation. They include (i) a capital or another major city; (ii) a regional or other sub-national authority or a municipality, in particular in respect of countries having only one sub-national tier. They are selected, inter alia, on the basis of the following criteria: they are mandated to spend public money and/or to manage finances on an executive basis; they are directly elected and/or have a mandate separate from that of central government; and they deliver a broad range of government services to citizens.

[1] Albania, Andorra, Armenia, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Republic of Moldova, Monaco, Montenegro, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, San Marino, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Türkiye, Ukraine, United Kingdom, United States of America.

[2] In this context, the term "constitutional set-up" is to be understood as meaning a country's constitution, practice and specificities.

## II. INTRODUCTION AND METHODOLOGY

5. Estonia joined GRECO in 1999 and has undergone evaluations in five previous rounds, covering different topics linked to the prevention of and fight against corruption[3]. The implementation rates of recommendations in past evaluations are as follows: First Round: 100%; Second Round: 80%; Third Round: 82.4%; Fourth Round: 74% and Fifth Round: 73%[4]. Relevant evaluation and compliance reports are available on GRECO's website at https://www.coe.int/en/web/greco/evaluations/estonia.

6. This Sixth Evaluation Round was launched on 1 January 2025[5]. GRECO's monitoring in this round is based on common standards[6] drawn from Council of Europe instruments, other relevant international reference texts and GRECO's established practice. These apply equally to all its members, while taking due account of their specificities. The evaluation focuses on two main areas. First, it aims to obtain a comprehensive understanding of the competences, mechanisms, and responsibilities of national authorities regarding the promotion of integrity and prevention of corruption at the sub-national level, where applicable. Second, the evaluation aims at providing an in-depth analysis of the existing legislation, regulations, procedures, bodies, and mechanisms, as applicable, addressing the promotion of integrity and prevention of corruption in the two sub-national authorities identified for the evaluation.

7. The two sub-national authorities selected are Tallinn City and Tartu City, which volunteered to participate in this exercise. As Estonia's largest municipalities, their administrative structures and established internal control and anti-corruption systems make them useful case studies for examining the practical application of national laws and integrity frameworks at the sub-national level. GRECO sees volunteering for evaluation in its Sixth Evaluation Round as a testimony to the strong support for and commitment to anti-corruption and integrity demonstrated by the authorities of Tallinn and Tartu, as well as their aspiration to lead by example and their willingness to pursue further improvement.

8. The objective of this report is to evaluate the effectiveness of the measures adopted by the authorities of Estonia, including Tallinn and Tartu, to prevent corruption and promote integrity at the sub-national level. The report contains a critical overview of the situation, reflecting on the efforts made by the actors concerned and the results achieved. It identifies possible shortcomings, makes recommendations for improvement and brings positive achievements and practices to light. The Appendix to this report contains a comprehensive stocktaking exercise covering the legislative framework, institutional arrangements and implementation practices for all topics under evaluation in this round.

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[3] Evaluation round I: Independence, specialisation and means available to national bodies engaged in the prevention and fight against corruption / Extent and scope of immunities, in April 2001; Evaluation round II: Identification, seizure and confiscation of corruption proceeds / Public administration and corruption / Prevention of legal persons being used as shields for corruption / Tax and financial legislation to counter corruption / Links between corruption, organised crime and money laundering, in October 2003; Evaluation round III: Criminalisation of corruption / Transparency of party funding, in November 2007; Evaluation round IV: Prevention of corruption in respect of members of parliament, judges and prosecutors, in June 2012; Evaluation round V: Preventing corruption and promoting integrity in central governments (top executive functions) and law enforcement agencies, in April 2018.

[4] These figures provide a snapshot of the situation regarding the implementation of GRECO's recommendations at the time of formal closure of the compliance procedures.

[5] More information on the methodology is contained in the Evaluation Questionnaire which is available on GRECO's website.

[6] See the list of reference texts relevant to the Sixth Evaluation Round.

9. The recommendations are tailored to the specific situations identified and are addressed: (i) where relevant, to the national authorities; (ii) specifically to the sub-national authorities undergoing evaluation. In keeping with the practice of GRECO, it is for each of these authorities to determine the institutions/bodies responsible for taking the requisite action. Estonia has no more than 18 months, following the adoption of this report, to report back on the action taken in response to recommendations. Where appropriate, this report also highlights good practices.

10. This report is based on replies to the Sixth Evaluation Round Questionnaire, information collected during an on-site visit, and additional information submitted by the Estonian authorities upon request.

11. A GRECO evaluation team (hereafter referred to as the GET), conducted an on-site visit to Tallinn City and Tartu City in Estonia from 7 to 11 April 2025. The GET was composed of Merja NIEMI, Ministerial Adviser, Ministry of Education and Culture (Finland); Silvia SPAETH, Federal Ministry of the Interior (Germany); Laura STEFAN, Anti-Corruption expert, Expert Forum (Romania); and Vladimir PREBILIČ, Member of the European Parliament (Slovenia). The GET was supported by Laura SANZ-LEVIA (Deputy Executive Secretary), Ylli PECO and Tanja GERWIEN (Senior Legal Advisers) from GRECO's Secretariat.

12. The GET met with representatives from the Parliament's Anti-Corruption Select Committee, the Ministry of Justice and Digital Affairs, the Ministry of Regional Affairs and Agriculture, the Ministry of Finance, the Chancellor of Justice, the National Audit Office, the Gender Equality and Equal Treatment Commissioner, the Data Protection Inspectorate, the Internal Security Service and the Police and Border Guard Board. Meetings were also organised with members of Tallinn and Tartu City Councils, City Governments and municipal administrations, as well as representatives from municipal departments, companies, Internal Audit Services and external auditors. In addition, the GET met with judges, prosecutors, civil society organisations, journalists, academics and associations of municipalities. The GET wishes to put on record the good cooperation demonstrated by the national authorities and by the authorities of Tallinn and Tartu in welcoming the evaluation and providing the necessary information before, during and after the evaluation visit.

## III. FINDINGS AND RECOMMENDATIONS

13. This chapter provides an analytical review of the issues that raised concerns with respect to Estonia and, more specifically, the sub-national authorities under evaluation, and which the GET considers relevant. It highlights both the gaps that have led to recommendations to the authorities and the good practices (presented in boxes) identified within the current integrity framework and the existing measures at the national and sub-national levels. The Appendix provides detailed descriptive background information that supports and complements the main findings. It also contains other issues which were reported by the authorities but were not considered to require specific recommendations in respect of Estonia.

14. For ease of reference, the terms "sub-national level", "local level", "local government" and "municipal level" are used interchangeably, and have the same meaning, as do the terms "sub-national authorities" and "municipalities". The term "officials" has a broad meaning and refers to members of municipal councils and governments and staff of municipal administrations. When the report refers to a specific category, it will identify that group clearly.

### Governance structure

15. Estonia is a unitary state with a single tier of local government, consisting of municipalities. As of January 2025, its population reached 1 369 285 inhabitants. At the time of the on-site visit, there were 79 municipalities, which include rural municipalities and cities. Following the local elections held in October 2025, two municipalities merged, bringing the current total to 78 municipalities.

16. The principle of local self-government is enshrined in the Constitution. Estonia has ratified the European Charter of Local Self-Government and the Additional Protocol, both of which have entered into force.

17. The main bodies of a municipality are the municipal council, whose members are elected by the residents, and the municipal government, which consists of the mayor (elected by the council) and deputy mayors (proposed by the mayor and confirmed by the council). Candidates for deputy mayors may or may not be members of the municipal council. If a municipal council member is elected mayor or appointed deputy mayor, their mandate as a council member is suspended. The mayor is also the head of the municipal administration, which is responsible for the day-to-day functioning of the municipality.

18. Municipalities enjoy financial autonomy and have independent budgets, as provided by law. They are required to establish internal control systems and must undergo an annual external audit of their financial accounts. Regarding the two sub-national authorities selected for evaluation, Tallinn is Estonia's capital city and largest municipality. Tartu is the second largest city and is considered the country's intellectual and cultural centre. Both municipalities own municipal companies and have established their own foundations.

19. Ensuring gender balanced representation in both elected and executive municipal bodies is important for democratic legitimacy and governance, as highlighted by the Committee of Ministers' Recommendation Rec (2003)3. As of spring 2025, Tallinn's City

Council consisted of 59 men and 20 women, and Tartu's of 30 men and 19 women. Tallinn's City Government comprised seven men and two women, and Tartu's was made up of five men and one woman. Prior to the local elections held in October 2025, these figures showed that women remained underrepresented in both elected and executive municipal bodies and fell below the 40% threshold for balanced participation recommended by the Council of Europe. Recommendation Rec (2003)3 calls on member states to promote balanced representation of women and men so that neither women nor men fall below this benchmark in political and public decision-making. This standard has been reinforced by the Congress of Local and Regional Authorities in Resolution 404(2016) and Recommendation 390(2016). The authorities of Tallinn and Tartu are therefore encouraged to support the balanced participation of women and men at the municipal level and to regularly monitor and assess progress in achieving it.

20. Following the October 2025 local elections, the situation has slightly improved, with a modest increase in the representation of women. Tallinn's City Council is currently composed of 54 men and 25 women, and Tartu's City Council consists of 29 men and 20 women. Tallinn's City Government consists of five men and two women, and Tartu's City Government of three men and two women. One additional woman is expected to join Tartu's City Government in April 2026.

**Anti-corruption/integrity policy and risk management**

*Anti-corruption and integrity framework*

21. Estonia has a well-developed anti-corruption and integrity framework in place. It is currently implementing the Anti-Corruption Action Plan for 2021–2025, and work is underway to prepare the next strategic framework[7]. The Ministry of Justice and Digital Affairs coordinates the implementation of the Anti-Corruption Action Plan. An Anti-Corruption Network (also referred to as the Corruption Prevention Network) has been established with representatives from institutions responsible for the implementation of the Action Plan. It does not have any representatives from local governments.

22. The GET notes that representatives from local governments are not members of the Anti-Corruption Network, although the authorities maintain that the Estonian Association of Cities and Municipalities were consulted in the preparation of the Anti-Corruption Action Plan and that one member of the network is an employee of the Ministry of Regional Affairs and Agriculture. The GET notes, however, that this person does not hold a mandate from local authorities and therefore has no authority to make decisions on behalf of local governments. The person's role is to represent the Ministry and its local government policy. This lack of direct local government representation is a missed opportunity. Measure 2 of the current Action Plan has been devoted to the transparency of local government activities, and their involvement would help ensure institutional input, ownership and accountability.

23. Under the current Anti-Corruption Action Plan, implementation responsibilities have been mainly assigned to national (central) institutions. However, some activities, such as strengthening the supervision of spatial planning and building permits, and delivering training on internal control system aimed at developing municipalities' capacity. The GET therefore

[7] European Commission's 2025 Rule of Law Report on Estonia.

invites the authorities to consider including representatives from local governments or the Estonian Association of Cities and Municipalities, which represents all 78 municipalities, as regular participants in the Anti-Corruption Network during the implementation of the next Anti-Corruption Action Plan. In the same vein, the GET also considers that the role of the Anti-Corruption Network could be further reinforced and made more proactive in the future, in line with measure 8.4 of the Anti-Corruption Action Plan, which provides that "the Anti-Corruption Network strategic partnership will be strengthened and expanded".

24. To reinforce Estonia's integrity framework at the national and sub-national levels, various laws have been enacted. The most relevant ones are: the Anti-Corruption Act, which establishes procedural restrictions to prevent conflicts of interest, filing obligations and rules on ancillary activities, applicable to council and municipal government members; the Local Government Organisation Act, which contains rules on self-recusal as well as the mayor's obligation to notify the municipal council of ancillary activities; the Civil Service Act, which lays down the obligations of civil servants; the Public Procurement Act, which provides for transparent procedures and the prevention of conflicts of interests; and the Whistleblowers Protection Act.

*Risk management*

25. The Anti-Corruption Act requires municipalities to promote corruption awareness of, ensure compliance with obligations by officials and develop internal anti-corruption procedures.

26. In response, Tallinn has adopted a regulation on the procedure for implementing the Anti-Corruption Act, which requires municipal institutions and companies to identify, assess and mitigate corruption risks. The Internal Audit Service coordinates corruption prevention activities. It has developed a risk-assessment tool and provides instructions and guidance to city agencies and their heads in mapping corruption risks. Tallinn has also had an anti-corruption plan in place since 2019, and the development of a new plan is currently underway.

27. During the on-site visit, the GET met with representatives from the Internal Audit Services of both municipalities. In Tallinn, risk assessment exercises have been carried out over the years using different approaches. In some cases, the City Departments identified and assessed the risks themselves. In others, the Internal Audit Service provided a list of pre-determined risks with evaluation scales, and the Departments were responsible for assessing their relevance and level in relation to their activities. Departments could also add risks specific to their field of activity. Mitigation methods were then applied at the discretion of each Department. A meeting with the Urban Planning Department clarified and confirmed that risk assessments take place annually, and that the four-eye principle applies across the board to control risks.

28. In 2025, the Tallinn Internal Audit Services carried out risk assessment training sessions across all municipal institutions of the City of Tallinn. Following such training, the institutions were required to map both the general risks facing their organisations and the specific corruption risks arising within their activities. During the same period, the Internal Audit Services also met with all foundations and companies wholly owned by the City of Tallinn in order to identify the corruption prevention measures in place and to introduce a pre-determined catalogue of risks, together with evaluation scales, to which the companies and

foundations were able to add further risks as appropriate. The first risk assessments submitted by these entities were received by the Internal Audit Services in spring 2026. The deadline for the submission of full corruption risk assessments and corresponding mitigation measures is set for spring 2027 for all municipal institutions and all foundations and companies wholly owned by the City of Tallinn. In parallel, the Tallinn Internal Audit Services continued to support departmental risk assessments, review already identified risks, assist with additional assessments, and prepare a city-wide risk outlook aimed at strengthening risk management and supervision across the municipality.

29. Tartu has also established a risk assessment plan for the City Government and administration, which is reviewed annually and is not public. The Internal Audit Service monitors the document management system to ensure that confidential information has not been disclosed. In addition, in cooperation with a private company, Tartu has developed an e-training platform. The authorities assess personnel's responses to various questions on the platform and have been able to detect gaps or risks that need to be addressed. In response, they have either assisted the concerned individuals or provided general information to their working unit.

30. One of the main risk areas identified by both municipalities has been public procurement. In response, they have adopted separate procurement procedures, introduced requirements for staff involved in procurement to self-certify the lack of any conflicts of interest, and incorporated anti-corruption clauses into procurement contracts. In Tartu, declarations of interests are periodically reviewed, and routine checks are conducted against public databases, such as the Business Register or the city accounting system, especially when staff involved in procurement share the same last name as contractors, to ensure that contracts have not been concluded between a participating staff member and a related person. The following box outlines the good practice identified by the GET in this area.

**Good Practice – Public Procurement**

In implementing the Procurement Act, Tallinn and Tartu have adopted dedicated procurement procedures that require staff involved in procurement to file declarations self-certifying the absence of conflicts of interest. Internal audit departments verify any suspicions against population and commercial registers to ensure that no conflicts exist. All procurement procedures are carried out through the Public Procurement Register, with information available and traceable online, allowing contracting authorities to confirm the absence of conflicts of interest. Procurement contracts concluded by Tallinn authorities contain standard anti-corruption clauses that set out the obligations of contracting parties to prevent corruption and liability for breaches of these obligations. This layered approach shows an awareness of procurement risks and an effort to put in place safeguards to manage conflicts of interest and prevent corruption.

31. Risks are also assessed during the recruitment process, through human resources and line managers. In Tartu, similar to what applies throughout the country, and as required by § 20 of the Child Protection Act, employees working with children undergo a criminal record check both at the start of employment and periodically thereafter. Failure to carry out such checks is punishable under § $179^1$ of the Penal Code. In Tallinn, criminal background checks

are mandatory before appointment of public servants and other employees, as are reference interviews and information checks through public sources. In addition, Tallinn conducts value-based interviews with candidates, a good practice which has been described in the following box.

**Good Practice – Value-based organisation**

In Tallinn, recruitment practices are guided by a set of common values, which were formulated in 2022, and are assessed during interviews with potential candidates and through entrance exams, with the aim of building a value-based organisation. In 2023, the Human Resources Department, with input from managers, developed leadership principles for heads of Tallinn City departments. A leadership academy was launched in 2025, bringing leaders together informally for motivational catch-up meetings to exchange best practices and learn from each other. Intranet resources are also available to reinforce core values internally. This approach aims to identify candidates who demonstrate integrity, strengthen ethical standards throughout a public servant's career and instil a value-based culture in the organisation.

32. Another risk area identified by the GET concerns the appointment and composition of the supervisory boards of municipal companies and foundations. Tallinn and Tartu own a number of municipal companies and foundations, and hold controlling shares in private legal entities. The GET was informed that information on these entities and their business activities is not always accessible online and public oversight remains limited. Its attention was particularly drawn to the process for appointing members of their supervisory boards, which is assessed below.

33. Supervisory board members of these entities are appointed by the City Government. In March 2025, Tallinn adopted a participation policy in private legal entities, which provides that board members should have the necessary competence and expertise and may include private-sector experts. However, the GET was informed that, in practice, the supervisory boards of municipal companies are often composed based on party affiliation, with City Council members from both the ruling coalition and the opposition being appointed. Similar arrangements exist in Tartu. This practice is not confined to Tallinn and Tartu. The National Audit Office, in an audit report issued in June 2025, noted that in another city 29 out of the 31 City Council members served on supervisory boards since the 2021 local elections.

34. The GET recognises that, as municipal companies and foundations deliver public services, they fall under public control and political accountability. Although the appointment of politically affiliated board members may be intended to ensure this type of public oversight, it carries certain risks.

35. First, politically appointed board members may not always possess the specific expertise or approach their duties with the level of impartiality expected, particularly when appointments are politically negotiated.

36. Second, board membership provides access to sensitive or confidential information[8] and financial compensation (monthly remuneration). This could potentially influence members' priorities towards personal or party interests rather than the objectives of the company. Consequently, supervisory boards might not fully perform their roles in providing strategic guidance, risk oversight and management monitoring with complete objectivity.

37. Third, the participation of City Council members on the supervisory boards of companies raises concerns about their impartiality in fulfilling the Council's oversight role over the City Government, since the existing regulatory framework[9] does not provide a preventive safeguard. This gives rise to conflicts of interest that need to be addressed. The National Audit Office's report of June 2025 referred to a case where the Chairman of the Council's Revision (Audit) Committee was also a member of the supervisory boards of two city associations and, in one of them, chaired the board.

38. The GET notes that on 17 June 2025 Tallinn adopted principles for electing and remunerating management board members of municipal companies and associations covering all "city associations". They introduce, as a rule, public competitions and selection committees to ensure professional and transparent recruitment. Similar safeguards do not exist for supervisory boards, which oversee management boards. As things stand, in both Tallinn and Tartu, appointments to supervisory boards remains politicised, dominated by political appointees, including City Council members. This raises concerns about impartiality, independence and accountability, and may allow for discretionary practices that could undermine effective oversight.

39. Supervisory boards play a crucial role in ensuring independent oversight. The GET considers that, while political appointments may occur, supervisory boards should include independent members to help ensure objectivity and independence. The GET refers to international standards[10] which set out principles for the appointment and composition of supervisory boards, and, in the GET's view, can inform practices in this area. These principles cover key aspects such as member qualifications, the prevention of conflicts of interest, limitations on political interference, and mechanisms to preserve board effectiveness and independence, as outlined below.

40. Board members should be nominated or appointed based on relevant qualifications for the company's sector and business profile. Mechanisms should be in place to avoid conflicts of interest, ensure members can perform their duties objectively, and limit political interference in board processes. Politicians who are in a position to materially influence the operating conditions of municipal companies should not serve on their boards. To maintain board effectiveness and independence, regular evaluations should be conducted. Examples of

[8] This may include, amongst others, financial performance data, strategic plans, contract negotiations, personnel matters, and policy changes.

[9] Tallinn City Government's Order no. 1126 of 20 October 2021 on the working principles of the supervisory boards for municipal companies and foundations prohibits a Council member from performing an act or participating in a decision on an agenda item at a Council meeting, if any of the following circumstances exist: the decision or action of the supervisory board concerns the board member personally or a person related to him/her within the meaning of the Anti-Corruption Act; the board member is aware of his/her own economic or other interest, or that of a related person related within the meaning of the Anti-Corruption Act, which may influence the action or decision; the board member is aware of a risk of corruption.

[10] See the OECD Recommendation on Guidelines on Corporate Governance of State-Owned Enterprises, as amended in 2024.

safeguards may include limits on the continuous terms and reappointments, restrictions on the number of board positions a member can hold and providing resources for access to independent information or expertise.

41. In view of the above, **GRECO recommends that the authorities of Tallinn and Tartu review the rules regarding the appointment of members of the supervisory boards of municipal companies and foundations to ensure that (i) the interests of municipalities are adequately represented, (ii) undue politicisation and conflicts of interest are prevented, (iii) appointments are based on merit, professional qualifications, and transparency, and (iv) there is sufficient independent representation for objectivity and effective oversight**.

**Standards of conduct and ethics**

42. Standards of conduct and ethics are comprehensively covered by the Civil Service Act and the Code of Ethics for Civil Servants, which have been complemented by guidelines issued by the Council of Ethics for Civil Servants and apply directly to civil servants at the municipal level. The Anti-Corruption Act contains rules on conduct that apply to officials, as defined therein and noted in paragraph 131 of the Appendix, and may extend to contracted employees when they perform public functions.

43. Under the law, municipalities must ensure that officials are aware of standards of conduct and anti-corruption measures. Heads of municipal departments and companies must do the same in respect of their employees. In response, Tallinn has adopted Corruption Prevention Guidelines, which provide practical guidance on the application of the Anti-Corruption Act. The authorities also submitted similar guidelines adopted by certain municipal companies or foundations.

44. In Tallinn, the GET heard that new members of the City Council and City Government are expected to undergo induction training after their appointment, including an introduction to the Anti-Corruption Act. Members of the City Government may also participate in other training courses. New personnel receive a training package and are required to sign a statement confirming that they have familiarised themselves with it. Virtual trainings have also been prepared, which are compulsory for new recruits. An e-integrity training course on corruption prevention has been available since December 2025. It contains lessons, a video and written materials, and includes questions to test participants' knowledge. By the end of January 2026, 1 372 individuals had completed it. The city's procurement centre also provides specialised training.

45. In Tartu, efforts have been made to organise training at least once a year. In 2024, an e-training academy was launched, providing online training courses that can be followed at any time. In addition, training activities, including webinars, have been organised by central bodies, such as the Ministry of Justice and Digital Affairs.

46. The GET considers that integrity training is a key component for raising awareness, preventing corruption and enabling officials to handle ethical dilemmas in practice. They should be provided not only upon taking up office but also at regular intervals in order to update knowledge and share practical case-scenarios. Despite the availability of training opportunities, certain gaps remain in practice. Participation largely depends on the individual's initiative, since training is not mandatory at the municipal level, and there is no

obligation for members of the City Councils and City Governments to attend integrity and ethics training.

47. The authorities explained that, in line with the local culture and mentality, officials and employees are expected to recognise the importance of regular participation in corruption prevention trainings rather than being required to complete specific courses. The GET understands that this approach is based on a strong element of trust in officials and employees, which plays an important role in the culture of Estonian public administration. Introducing mandatory training requirements, as has been done in some countries, may not fully align with the prevailing trust-based local culture.

48. Even so, it is necessary that officials, including members of City Councils and City Governments and staff of municipal administrations from diverse professional backgrounds, receive systematic and regular integrity training. Such training helps reinforce the public trust placed in them and ensures that they have a fundamental and updated understanding of integrity standards, rights and obligations. The GET, therefore, considers it appropriate to support the regular participation in integrity training through a tracking mechanism to confirm attendance. Integrity training could also be combined with other topics to make it more attractive for members of City Councils and City Governments. Participation could then be acknowledged through a certificate of attendance or completion.

49. In this context, **GRECO recommends that, in order to ensure systematic and regular participation in trainings, the authorities of Tallinn and Tartu establish a mechanism to ensure that members of City Councils, City Governments and municipal administrations have undertaken relevant integrity training**.

50. Despite the above recommendation, the following good practice merits mentioning as recognition of the efforts made by Tallinn and Tartu to raise awareness.

**Good Practice – e-training courses**

Tallinn and Tartu have developed e-training courses on anti-corruption and ethics for officials, including members of municipal councils and governments and staff of municipal administrations. This appears to be a low-cost and accessible way to raise awareness and reach out as many officials as possible, showing that municipalities can take responsibility and use digital tools to complement the national framework.

51. During the on-site visit, the GET learned that members of the Tallinn and Tartu City Governments and municipal administrations would turn to the City Secretary, the Internal Audit Service or their supervisors, including heads of departments, in case of ethical dilemmas. In addition, where a corruption prevention officer has been designated in the organisation, they may also seek advice from that individual. Members of City Councils would turn to the City Council Offices.

52. The GET notes that confidential advice channels appear to be in place in Tallinn and Tartu. In practice, Internal Audit Services are among the bodies to which officials may turn for advice on integrity and ethical matters. However, questions remain about how consistently

these channels operate in practice, the extent to which confidentiality is secured and whether existing arrangements provide sufficiently clear confidential advice functions distinct from functions related to verification or investigation of integrity breaches.

53. The authorities have clarified that Internal Audit Services do not decide on disciplinary sanctions for integrity breaches which fall within the competence of disciplinary commissions or other competent authorities in accordance with applicable legislation. They also indicated that Internal Audit Services may verify information, clarify relevant circumstances or investigate alleged breaches, in cooperation with legal services where necessary. Their findings may feed into disciplinary processes managed by the competent bodies. The GET notes in this regard that, in the absence of a separate investigation body, Internal Audit Services combine advisory functions with verification and investigation functions. This overlap can blur the line between confidential advice and investigation, potentially discouraging staff from seeking guidance.

54. In order to build trust in the advice provided, it is important that confidentiality is clearly guaranteed in practice and understood by those who seek guidance. It is equally important that confidential advisory functions are clearly separated from verification and investigation functions, both in law and in practice. This can be achieved, for example, through clear rules on confidentiality of advice, defined responsibilities for advisers, secure ways to communicate and record-keeping. Additional measures may include internal guidance or arrangements on handling similar requests consistently and the separation of clearly identifiable confidential advisory functions from verification or investigative activities through organisational, functional, procedural or institutional measures.

55. The authorities should also raise awareness of such channels amongst all officials, including members of City Councils and City Governments and staff of municipal administrations, to ensure that everyone is informed of their availability and purpose. In view of the above, **GRECO recommends that the authorities of Tallinn and Tartu (i) equip counselling channels on integrity and ethics with clear confidentiality safeguards, (ii) raise awareness of these channels amongst all officials, (iii) promote consistent guidance and effective advice, regardless of the channel used, and (iv) establish arrangements to clearly separate confidential advisory functions from the verification and investigation of integrity breaches.**

**Conflicts of interest prevention**

56. Officials, including members of municipal councils and governments as well as staff of municipal administration, must comply with procedural restrictions. These restrictions are set out in § 11 of the Anti-Corruption Act and are designed to prevent conflicts of interest and protect the public interest and the proper functioning of public authority. Breaches of procedural restrictions may constitute either a misdemeanour under the Anti-Corruption Act[11], punishable by a fine of up to 200 fine units (1 600 euros), or a criminal offence under §

[11] § 19 of the Anti-Corruption Act - Violation of procedural restrictions
Knowingly violating a procedural restriction or the terms and conditions of a procedural restriction by an official is punishable by a fine of up to 200 fine unit.

300[1] of the Penal Code[12], which carries a penalty of up to three years' imprisonment. Criminal law also includes other integrity-related/corruption offences.

57. Legal commentators have pointed to several areas of uncertainty in the current legislation. Some key terms in § 11, such as "other interest" and "risk of corruption", are not defined in law, which makes it difficult for officials to know when they must withdraw. There is also no clear guidance on how to apply or document the exceptions listed in this provision. Questions have arisen about whether breaches of the prohibition on delegating certain decisions to subordinates fall under the Anti-Corruption Act or criminal law. The Supreme Court has clarified some issues, including the distinction between misdemeanours and criminal offences[13], the fact that criminal liability concerns only the breach of procedural restrictions rather than any resulting consequences[14], and when a person or private entity is considered to have performed a public function under the Anti-Corruption Act[15]. However, uncertainty remains in practice. To address the remaining ambiguities, the Ministry of Justice and Digital Affairs launched a revision process in February 2026 to further improve the clarity of the law, especially its applicability to criminal proceedings.

58. The authorities further contend that the provision on conflict-of-interest restrictions has indeed allowed for rather broad interpretation. However, they maintain that case law has clarified it significantly and that, in practice, there are no longer major problems with its application. They further note that a draft amendment to the Anti-Corruption Act has passed its first reading in Parliament and would remove the abstract concept of a "risk of corruption". In addition, under Section 300[1] of the Penal Code, a violation of a conflict-of-interest restriction constitutes a criminal offence if it is committed on a large scale. "Large scale" is defined in § 12[1](2) of the Penal Code as damage or scope exceeding EUR 40 000. Accordingly, a violation involving damage below this threshold is treated as a misdemeanour.

59. The GET considers that, despite these clarifications, further practical guidance for members of municipal councils and governments as well as staff of municipal administration is needed to ensure the consistent and transparent application of procedural restrictions across all levels of government. This is particularly necessary for smaller municipalities, which may lack the resources and legal expertise to apply and comply with these rules correctly and consistently. Clearer guidance would also help address concerns about legal uncertainty and public misconceptions regarding their scope, as previously raised by interest groups and the Chancellor of Justice. It would also be in line with Measure 1.2 of the national Anti-Corruption Action Plan for 2021-2025, which calls for the development of guidelines, if necessary, to support a better understanding and more uniform application of the Anti-Corruption Act.

[12] § 300[1] of the Penal Code - Violation of procedural restrictions
(1) Knowingly violating a procedural restriction established by the Anti-corruption Act to a large extent is punishable by a pecuniary punishment or up to one year's imprisonment.
(2) The same act, if committed on a particularly large-scale basis, is punishable by a pecuniary punishment or up to three years' imprisonment. (§ 12[1] sets out the extent of damage caused by an offence, i.e. significant damage if it exceeds 4,000 euros, major damage if it exceeds 40,000 euros and particularly large damage if it exceeds 400,000 euros).
[13] See the Supreme Court's decision no. 1-18-7408 of 8 May 2020.
[14] See the Supreme Court decision no. 1-19-5367 of 28 May 2021.
[15] See the Supreme Court's decision no. 3-1-1-114-10 in 2011, decision no. 3-1-1-98-15 of 11 December 2015, decision no. 1-19-10225 of 14 March 2023 and decision no. 1-21-8803 of 23 December.

60. In view of the above, **GRECO recommends that, based on established domestic case law, the national (central) authorities, in consultation and cooperation with sub-national authorities, develop practical guidance for members of municipal councils and governments as well as staff of municipal administration, on the implementation of procedural restrictions under the Anti-Corruption Act and their relationship to criminal liability, in order to improve legal certainty and consistent application.**

*Secondary/outside activities*

61. Since gifts and benefits are clearly and very strictly regulated, the possibility of having secondary employment or other outside activities requires a deeper look. National legislation and municipal regulations allow officials to engage in secondary activities, provided they immediately notify their direct supervisor. The supervisor and the head of the public authority may authorise or prohibit an official from engaging in such activities if the volume or nature of the work spent interferes with the regular performance of public officials' functions or leads to a breach of the service obligations. Officials must disclose whether their secondary activities are remunerated, but not the amount received.

62. Records of secondary activities are kept separately by each municipal department or agency. In the Tallinn City Office, approximately 32% of public servants and employees engage in secondary activities, and in the Tallinn Strategy Centre, this figure stands at 22%. The amount of time spent on such activities varies. In most cases, only a few hours per month are spent, but in other cases this can reach up to 80 hours per month. Tartu holds information on officials and employees carrying out secondary activities but does not keep systematic records regarding the time spent on such activities or their nature. None of the municipalities maintains records of the additional income earned as a result of engagement in secondary activities.

63. The GET understands that, under Estonian law, public servants and employees have the right to perform remunerated or unpaid secondary activities, unless prohibited by law or contrary to procedural restrictions (see § 10 of the Anti-Corruption Act and § 60 of the Civil Service Act). It was informed that secondary activities are recorded in the internal personnel system and may be refused if they are time consuming or give rise to a conflict of interest. Drawing from the figures above and the information obtained on-site, it appears that the practice is rather common. While the authorities maintain that the employer does not have the right to know the amount of additional income earned, the GET considers that where secondary activities are highly remunerated, this may increase the risk that such activities are prioritised over public service duties, including during working hours, thereby giving rise to integrity and performance risks.

64. When asked about the existence of any specific guidance or guidelines, the municipal authorities indicated that responsible persons send periodic reminder to all public servants and employees to report their secondary activities, or that public servants and employees could seek advice from the Internal Audit Service. The GET understood that there was no written guidance in place. However, following the on-site visit, the authorities pointed to the existence of several existing documents, including a Guide on Secondary Activities issued by the Corruption Prevention Network in 2020, Good Practice on Side Activities issued by the Civil Service Ethics Council in 2023, as well as the Tallinn City Council regulation on the procedure for implementing the Anti-Corruption Act.

65. At the same time, the GET notes that the process is heavily decentralised, and that decision-making is largely left to individual discretion. This may result in varying interpretations and practices, particularly regarding the assessment of workload, the identification of risk factors and the determination of reasonable time limits. These limits may in some cases reach up to 80 hours per month, although it was later clarified that such individuals are generally not employed on a full-time basis by the municipality. For this reason, it would be necessary to consolidate and supplement the existing guidance at municipal level. This could include providing practical examples of authorised and prohibited activities, indicating reasonable time limits, setting out criteria to assess whether the overall workload is reasonable or interferes with the regular performance of official duties, and clarifying the consequences for non-compliance, including failure to report secondary activities, some of which are not covered in the existing documents. Such an approach would support a more consistent application and greater transparency of the existing framework.

66. The GET also takes note of the authorities' consideration of introducing a system for recording secondary activities in Tartu, while being mindful of the need to assess all relevant risks associated with such a system, including data protection, additional administrative burden, the reliability of the resulting data or database system, and financial costs.

67. In light of the above, **GRECO recommends that the authorities of Tallinn and Tartu consolidate and clarify existing guidance on the exercise of secondary activities (including criteria for authorisation and prohibition, practical examples, indicative time limits, overall acceptable workload thresholds, and the treatment of possible breaches) in order to support consistent application and greater transparency at municipal level.**

*Declaration of interests*

68. The Anti-Corruption Act requires officials to submit electronic declarations of interests, through the Registry of Declarations of Interests, which are subsequently published. The Act further empowers a committee to be established at the municipal level to review the declarations. In line with these requirements, Tallinn has set up the Interest Declaration Control Commission and Tartu has empowered the Internal Audit Service to verify declarations of interests submitted by officials.

69. The GET considers that the system described above gives rise to certain shortcomings. The purpose of submitting and publishing declarations of interests is to manage conflict of interests, detect and monitor unjustified assets and strengthen public integrity. In this context, the effectiveness of a declaration system also depends on the existence of appropriate and proportionate follow-up measures in cases of non-compliance. It is therefore important that the municipal authorities identify appropriate and proportionate follow-up measures as permitted by national law, including sanctions or other corrective steps, for non-compliance with declaration requirements. These should be enforced consistently in order to ensure the existence of an effective system.

70. The GET understands that online publication of declarations may have a disciplining effect, especially for elected council members and that, as maintained by the authorities, the declaration system has not shown widespread non-compliance. However, reliance on the publication alone cannot fully substitute for formal accountability measures, including

compliance with declaration obligations, verification of declarations and enforcement of any sanctions, as transparency does not in itself ensure compliance in all cases.

71. The review bodies, which have been established by Tallinn and Tartu, reportedly have limited or no access to various nationwide databases to cross-check information in declarations and, therefore, to perform meaningful and effective verification of declarations. The GET is further concerned that no effective in-depth checks of declarations have taken place to date. This may be due to insufficient resources but is inconsistent with the statutory obligation to ensure accountability. The declaration system would benefit from in-depth verification in order to maintain the integrity of information, detect any false data submitted, and address any public concerns.

72. The GET believes that there should be a strategic and proportionate approach to verification. Instead of verifying an excessively large numbers of declarations (reportedly more than 300 in Tallinn), which would require high implementation costs and resources at the municipal level, a combination of verification methods could be used. These may include systemic verification of declarations filed by high-level local officials, random checks based on a pre-defined percentage of declarations, verification based on risk indicators identified in the declarations, or checks based on external indications or public complaints. The deployment of IT-based tools (e.g. for filtering, flagging inconsistencies or applying risk indicators) could contribute to more efficient verification.

73. Lastly, the overall effectiveness of verification is contingent on coordination between municipal review bodies and other relevant bodies, access to relevant databases, clear procedures for requesting explanations from declarants, and the availability of adequate resources.

74. In light of the above, **GRECO recommends that the authorities of Tallinn and Tartu strengthen the implementation in practice of the applicable legal framework concerning the verification of declarations of interests through (i) the development of an appropriate system for risk-based verification of declarations of interests, (ii) the provision of adequate resources to designated municipal review bodies, (iii) the coordination with relevant authorities to facilitate access to necessary information and databases, and (iv) the identification of appropriate follow-up measures for cases of non-compliance with declaration obligations, which may include sanctions or other corrective steps as provided for in the applicable national legal framework**. Where the national legal framework does not provide for sanctions or is found to be insufficient, consideration may be given at the national level to introducing sanctioning measures.

75. Declarations made by officials of municipal companies, which are not required by the Anti-Corruption Act, are not subject to public disclosure. Auditors of municipal companies have been entrusted with such review, as part of the annual financial audit, the results of which are then forwarded to the City Government. Consideration could also be given to examining how the declarations submitted by officials of municipal companies might be subject to a more effective review system.

**Transparency, access to information and public participation**

76. Transparency at the level of local government is one of the core principles in Estonia. This is manifested through access to and disclosure of official information by Tallinn and Tartu, the public sittings of, and voting in, City Councils, the publication of agendas of both City Councils and City Governments' meetings, the broadcasting of City Councils' sessions and the monitoring of public procurement through the online Public Procurement Register. The box below illustrates this good practice.

**Good Practice – Access to official information**

The Public Information Act governs accessibility to information held by municipalities. The Data Protection Inspectorate supervises its implementation and monitors compliance with its requirements. As a general rule, information is public unless restricted by law. In Tallinn, access restrictions have been subjected to audits by the Internal Audit Service. Accessibility to official information is commendable. During the on-site visit, journalists emphasised that their requests were answered rapidly, with some being replied instantaneously. This is reinforced by the public availability of information, which is disclosed, subject to any statutory restrictions, via document registers that record information that reaches both municipalities. Transparency of and accessibility to official information are a cultural feature of Estonia's governance, allowing citizens and the media to exercise their watchdog role and help expose integrity breaches.

77. Citizen participation in decision-making is an essential element of transparent and accountable governance. In Estonia, citizens' participation at the central level is governed by the Rules for good legislative practice and legislative drafting and the Good Practice of Involvement. At the local level, this is regulated by legal acts adopted by the municipal councils. The authorities indicated that, depending on the nature, substance and importance of legislation, public consultation periods could last between two weeks and one month.

78. Despite the existence of these frameworks, the GET heard differing views about their application and effectiveness. Some interlocutors met on-site reported being unaware of any fixed regulatory deadlines for the public to provide comments on local draft legislation, as this was perceived as uncommon. Other interlocutors reported that City Governments invited, from time to time, interest groups to comment on draft legislation, but it was not clear how these comments were treated, i.e. whether they were accepted or rejected with justification, whether they were published alongside the draft legislation for public scrutiny and whether they led to real policy or legislative changes. In addition, the fact of whether any such participation was inclusive of different segments of society remained uncertain.

79. A different positive account was presented in the area of local planning, for which the local authorities are required to conduct pre-consultation, publication, and consultation or public hearings by law. Similarly, another notable example is that of participatory budgeting, which is highlighted as a good practice in the box below.

80. Following the on-site visit, the Tallinn authorities provided that individuals and interest groups are involved at the preparatory stage of the draft legislation and that an overview of such involvement is provided in the explanatory memorandum to draft legislation. If proposals

are made during the consultation process, written responses are reportedly provided, and a table is also prepared listing the proposals submitted and indicating whether they have been taken into account. They further indicated that the segments consulted are determined on a case-by-case basis, with umbrella organisations generally involved to represent broader interests.

81. It is clear that legal frameworks for citizens' participation are in place. The Tallinn authorities have indicated that studies, satisfaction surveys, feedback questionnaires, reports and analyses are carried out and published in the Tallinn Research Information System[16]. In Tartu, a study on public participation has been commissioned in order to identify areas for improvement, and legislation has been reviewed periodically and amended where necessary.

82. However, the GET considers that there is scope to further review and consolidate these arrangements in order to obtain a comprehensive and comparable picture of how participation mechanisms function in practice, including their inclusiveness, consistency across policy areas and impact on decision-making. Such an approach would help identify remaining gaps (e.g. setting standard time limits for providing comments, consistently providing feedback on citizens' comments and assessing the final impact on the draft legislation) and good practices (e.g. involving representatives from various societal groups to ensure meaningful participation).

83. The Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority, which has entered into force in respect of Estonia (see paragraph 16 above), puts special emphasis on giving effect to the right to participate in the affairs of a local authority. Additionally, the Committee of Ministers' Recommendation CM/Rec(2018)4 on the participation of citizens in local public life, the CM(2017)83 Guidelines for civil participation in political decision making and the Revised Code of Good Practice for Civil Participation in the decision-making process, which was welcomed by the Congress's Resolution 452(2019), provide pertinent guidance for improving public participation at the local level.

84. In light of the above, **GRECO recommends that the authorities of Tallinn and Tartu review and consolidate existing arrangements for citizens' participation in the decision-making process and, where appropriate, adopt or update concrete measures, including revising the relevant rules and procedures to make participation more inclusive, meaningful and effective.**

**Good Practice – Participatory budgeting**

Both Tallinn and Tartu have introduced and implemented participatory budgeting. Tartu pioneered the initiative in 2013, and Tallinn has since expanded the practice, allocating one million euros in 2025 across its districts. This reflects a clear political commitment to involve citizens in local decision-making, by inviting them to propose ideas for public funding and vote for the projects they consider worthy of support (see paragraphs 306 and 316 of the Appendix for more information).

[16] See, for example, the Tallinn residents survey on urban planning.

*Lobbying and third parties*

85. Estonia does not have dedicated lobbying legislation. Nor have Tallinn or Tartu adopted any specific rules regulating lobbying of members of the City Council, City Government or of municipal staff members by lobbyists and third parties with an interest in a particular matter. There are likewise no requirements in either Tallinn or Tartu to disclose such contacts, including the persons met and the subject matter discussed. The only limited practice in place that the GET heard of was in Tallinn, where weekly press releases are issued each Friday on meetings held by the Mayor and Deputy Mayors with stakeholders.

86. Lobbying can play a positive role in the decision-making process by ensuring that officeholders are properly informed of diverse viewpoints before taking decisions. However, in the absence of clear rules, lobbying may take place behind closed doors and give rise to risks of an uneven playing field, undue influence, conflicts of interest and erosion of public trust in decision making. The GET heard several interlocutors acknowledge that lobbying practices were non-transparent at both the parliamentary and municipal level and that lobbying registers would improve accountability. It also heard others expressing scepticism that such registers would add meaningful value in the Estonian context. That said, there is significant public interest in ensuring that lobbying is regulated to promote transparency, integrity and accountability. In this connection, the GET refers to the Committee of Ministers Recommendation CM/REC(2017)2 to member States on the legal regulation of lobbying activities in the context of public decision making, and other international standards[17]. In the context of Estonia, which is characterised by small communities, high risk of informal influence and overlapping roles, this would allow citizens to learn how decisions are made, who is influencing them, and ultimately make informed choices at the ballot box.

87. The GET believes that, despite steps taken to implement GRECO's recommendations on lobbying in the Fifth Round Evaluation Report, and in the absence of any schemes of self-regulation, the time has come for Estonia to consolidate and formalise existing practices, such as Tallinn's press releases, and regulate lobbying at the national level. Such regulation should apply to public officials, whether elected, employed or otherwise, involved in public decision making[18]. It should aim at making interactions between lobbyists and public officeholders transparent, managing conflicts of interest, and enabling meaningful public scrutiny and accountability. Any regulatory measures, which should define lobbying, set the rights and obligations for stakeholders, sanctions for non-compliance, and establish a complaint and enforcement mechanism, should be proportionate and respect individual rights.

88. These considerations apply not only to national decision-making, but also, and perhaps even more directly to the municipal level. Members of City Councils, City Governments and staff of municipal administrations, who are involved in public decision making, are the first point of contact for citizens and take important decisions affecting their daily life. As officials entrusted with authority, they should have greater responsibility for disclosing and managing

[17] See the OECD Recommendation on Transparency and Integrity in Lobbying and Influence.

[18] According to Recommendation CM/REC(2017)2, "public decision making which is typically the object of lobbying includes, but is not limited to, the development of any legislative proposal, the introduction, amendment, passage or defeat of any bill or regulation, the preparation or amendment of any policy programme, the award or withdrawal of a contract, grant, licence, contribution or other benefit (for example financial or in kind, such as a nomination for a public body appointment)".

their contacts with lobbyists and third parties seeking to influence their decisions. Pending the adoption of national legislation, this could be achieved through enforceable rules, the adoption of policies, procedures and guidelines, and awareness raising measures. The European Code of Conduct for all persons involved in local and regional governance of the Council of Europe's Congress of Local and Regional Authorities lends support to this approach, by requiring all actors to foster transparency, openness and visibility of their activities, including policy and decision-making.

89. In light of the above, **GRECO recommends that (i) lobbying be regulated at the national (central) level through a clear framework to ensure transparency of interactions between lobbyists and public officials involved in public decision making, including at the sub-national level, or (ii) in the absence of such framework, the authorities of Tallinn and Tartu (1) improve the disclosure of contacts of public officials involved in public decision making with lobbyists and third parties seeking to influence public decision-making, including the identity of the persons met (or whom they represent) and the subject matter discussed, and (2) develop and disseminate guidance for public officials on how to engage with lobbyists and third parties in a transparent manner.**

**Control mechanisms, oversight and accountability**

*Internal control*

90. Tallinn and Tartu are equipped with Internal Audit Services that are engaged in a wide range of monitoring processes, which are summarised below.

91. First, Internal Audit Services contribute to risk assessment by issuing instructions to municipal bodies, providing a list of pre-determined risks for municipal departments to assess, reviewing the mapped risks and promoting a culture of risk management. Second, they raise awareness and provide tailored trainings particularly, but not solely, to corruption prevention officers. They also act as a confidential counselling channel and may be consulted on the application of procedural restrictions.

92. Third, they are involved in reviewing declarations of interests, either directly or through participation in municipal committees that have been set up for this purpose, despite the previously identified shortcomings with the verification of declarations. In cases of suspected irregularities, including in procurement procedures, they may conduct checks of declarations of interest against public databases to detect possible conflicts of interest, although decisions on any follow-up action do not lie with them but rest with the competent authorities.

93. Fourth, they conduct financial and performance audits in accordance with the annual audit plan approved by the relevant authorities. Lastly, they act as internal whistleblowing channels by receiving and processing reports, with decision-making resting with the authority responsible for the area in which a breach was identified.

94. The GET refers to the OECD Recommendation on Public Integrity, which "is relevant to all levels of government", and highlights that internal control systems are crucial for municipalities, as they help assess risks, protect against abusive practices, and ensure compliance with operating, financial and legal requirements. They can identify, control or

correct problems, produce more accurate and reliable information, and prepare accurate and timely financial statements.

95. The GET was informed that the Internal Audit Services of Tallinn and Tartu serve as role models for other municipalities. It did not hear any concerns on site about their work and authority. They are independent in the performance of their functions. In Tallinn, oversight is exercised by the Mayor and the City Secretary and, with regard to the internal audit function, also by the Chair of the Audit (Revision) Committee, who is a member of the opposition. While Internal Audit Services play a crucial role in preventing corruption and promoting integrity, it is important that, owing to the breadth of their responsibilities, they have the resources needed to meet the demands placed upon them.

96. The Anti-Corruption Action Plan includes a specific measure (2.1) aimed at strengthening the internal control system of local governments. In light of the extent of their responsibility, including oversight of a workforce of almost 20 000 staff and numerous municipal departments, companies and foundations, it is necessary to equip the Internal Audit Services with capacity commensurate with their tasks, including access to relevant training opportunities. Consequently, **GRECO recommends that the human and administrative capacity of Internal Audit Services in Tallinn and Tartu be strengthened, with resources proportionate to their responsibilities to ensure the proper and effective performance of their duties, and that dedicated training be provided to their staff.** The GET understands that efforts are already underway to reinforce their capacities and expects this recommendation to contribute to an even more effective internal control system in Tallinn and Tartu.

*External auditor*

97. Municipalities and municipal companies in Estonia must have their financial accounts audited annually under the Auditors Activities Act, which treats them as public interest entities. Under the Act, an individual may serve as a sworn auditor for up to seven consecutive years, and an audit firm's engagement may last for up to ten consecutive years or, under certain conditions, up to twenty consecutive years if the re-engagement is re-tendered.

98. The GET learned that, in Tallinn, the same external audit firm had been re-appointed in 2023 for a maximum four-year period, following the conclusion of re-tendering proceedings in accordance with the Public Procurement Act[19]. As a result, the same audit firm has audited the municipality and municipal companies for ten consecutive years. In Tartu, the same external audit firm has been engaged since 2018. The GET understands that the aim of the Public Procurement Act is, amongst others, to ensure the economic use of funds, the equal treatment of tenderers and the effective use of competition in public procurement. At the

[19] Under the Public Procurement Act, in addition to local governments, a contracting authority may also be: (i) a municipal company or another private legal entity, which has been established to perform, as a principal or an ancillary activity in the public interest, a function that does not have an industrial or commercial character, and which is mainly financed by local authorities or in which more than half of the members of the management or supervisory board are appointed by local authorities, or whose management is otherwise jointly or severally controlled by local authorities; (ii) a municipal foundation, if at least half of its founders are local authorities or more than half of the members of its supervisory board are appointed by local authorities; or (iii) a company that operates in the network sector, where more than half of its share or equity capital is owned by local authorities, more than half of the voting rights represented by its shares or holdings are controlled by local authorities, or more than half of the members of its management or supervisory board are directly or indirectly appointed by local authorities.

same time, it is advisable for municipalities to avoid reliance on audit firm engagements over a long period of time, as familiarity and self-interest threats might be created, which has been recognised in international standards[20]. The GET notes however that under the applicable public procurement rules, tenderers cannot be excluded solely on the basis of having previously provided the same service to the same contracting authority.

99. That said, the Auditors Activities Act imposes a rotation of the key audit partner after serving for seven consecutive years, which has been implemented in both Tallinn and Tartu. However, the fact remains that the same audit firm has won successive re-tendering proceedings and has been re-engaged to provide audit services for the last seven to ten consecutive years. In these circumstances, from a governance and integrity viewpoint, rotation of the key audit partner alone may be insufficient where the same firm has been engaged for an extended period. While successive retendering procedures may be conducted in full compliance with procurement rules, additional measures aimed at ensuring auditor independence and objectivity could further strengthen the audit quality, which was also shared by interlocutors during the on-site visit. The challenges surrounding such rotation, e.g. increased costs and reduced institutional memory, can be outweighed by the benefits of enhanced public trust, greater objectivity and strengthened independence of auditors.

100. The Estonian authorities may therefore introduce a cooling-off period before the same audit firm can be re-appointed or adopt clear rules or policies on the periodic rotation of audit firms. Where exclusion of a tenderer is not legally permissible, particular attention should be paid to ensure that the re-tendering proceedings are conducted in a way that does not result in the same firm auditing the same municipality or municipal companies (i.e. public interest entities) for an overly long time or indefinitely. To this end, they could raise awareness of relevant municipal officials and include in audit policies a register or list that shows when auditor rotation is due for each entity.

101. However, if the audit market is limited or concentrated, robust alternative safeguards should be implemented to ensure audit independence. These may include the public disclosure of the audit firm engagement and tenure, the performance of an engagement quality control review, the gradual rotation of the senior members of the audit engagement team with a strict prohibition on reusing members of the previous audit team from the same long-serving audit firm, and the provision of a clear justification for the firm's repeated selection.

102. In view of the above, **GRECO recommends that (i) the authorities of Tallinn and Tartu introduce appropriate safeguards to ensure auditor independence and objectivity in the application of the rotation requirements established under the Auditors Activities Act, in particular in cases of long-term audit firm engagements, and put in place robust alternative safeguards when such rotation is not feasible, and (ii) the national (central) authorities conduct a review of the relevant legislation, namely the Public Procurement Act and the Auditors Activities Act, with a view to resolving any inconsistencies regarding the**

[20] See the 2024 Handbook of the International Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (the independent global standard-setting board), the European Union (EU) Regulation No 537/2014 on specific requirements regarding statutory audit of public-interest entities, the OECD Principles of Corporate Governance, the OECD Recommendation on Guidelines on Corporate Governance of State-Owned Enterprises, all of which recommend various measures to prevent overreliance on the same audit firm for extended periods, and to mitigate familiarity and self-interest threats.

**application of procurement procedure to auditor rotation requirements.** The Board of Auditors, established under the Auditors' Activities Act, may consider issuing relevant guidance for the implementation of this recommendation.

***Disclosure of corruption and integrity violations, whistleblower's protection***

103. Estonia did not have a law on whistleblowers protection until September 2024, when the Act on the protection of persons who report work-related breaches of European Union Law came into effect (hereinafter the Whistleblowers Protection Act). This marks progress compared to the situation assessed in the Fifth Evaluation Round. That said, several areas of concern are addressed in the observations below.

104. The Whistleblowers Protection Act was adopted in response to the country's obligation to transpose the EU Whistleblower Directive, as stated on the Ministry of Justice and Digital Affairs webpage. The GET's interlocutors on-site expressed concern that the Whistleblowers Protection Act's scope of application is very narrow since it only targets breaches of EU law. This restricted coverage, resulting from a political decision, raises questions for individuals, including officials, as to whether and when they can rely on its provisions, and may risk undermining confidence in and support for the law.

105. In this context, during the Fifth Evaluation Round GRECO has consistently insisted that a robust reporting system must allow the reporting of any corruption-related actions, including criminal offences, disciplinary breaches or violations of ethics and integrity rules, and malpractice regardless of whether they relate to national or international law. This approach finds support in the Explanatory Memorandum of Recommendation CM/Rec(2014)7 of the Committee of Ministers to member States on the protection of whistleblowers, in the guidance provided on Principle 1 and Principle 2 of the Appendix to the Recommendation, and in the Council of Europe Congress of Local and Regional Authorities' Resolution 444 (2019) and Recommendation 435 (2019) on the protection of whistleblowers. This is without prejudice to officials' obligation to notify incidents of corruption[21] in accordance with § 6 of the Anti-Corruption Act. Violations of the Anti-Corruption Act, which, as the authorities explained, are considered either a misdemeanour or a criminal offence and must be reported to the competent investigative authority, namely the Police and Border Guard Board or the Internal Security Service.

106. The Whistleblowers Protection Act does not clearly specify the moment from when a reporting person acquires protected whistleblower status, for example whether it applies from the date of the submission of a report, after a preliminary review by the competent authority or only when the authority decides on the merits of the report. Following the on-site visit, the authorities clarified that, under § 6 (2) of the Anti-Corruption Act, protection is granted from the moment the report is made. Still, the GET considers that greater clarity in the Whistleblowers Protection Act itself could help ensure consistent understanding and legal certainty for potential whistleblowers.

107. In addition to internal reporting channels, the Whistleblowers Protection Act provides for the obligation of the competent authority to establish an external channel. The GET heard

[21] Incidents of corruption include demanding, intermediating and receiving income derived from corrupt practices, corrupt use of official position, corrupt use of public resources, corrupt use of influence, corrupt use of inside information, or any other incidents of corruption known to the official.

that, depending on the subject matter, several external channels have been set up, for example the Environmental Board handles violations related to environmental matters, while the Consumer Protection and Technical Regulatory Authority addresses consumer-related infringements. The GET notes that, in this context, it may be difficult for whistleblowers to identify the appropriate external channel, as they cannot be expected to have detailed legal knowledge of the distribution of competences between authorities, in particular where reports may concern several types of irregularities or fall within the competence of more than one authority. This may create confusion for whistleblowers and uncertainty regarding the development of inconsistent administrative practices and the uneven application of the law.

108. In the case of municipalities, it remains unclear how the external channels that they are required to establish and support would operate or be perceived to function independently from those institutions, which is essential to inspire confidence in individuals to report wrongdoing. Given the short period of implementation, the GET considers it important to monitor how the multiplicity of external channels functions in practice and whether it ensures accessibility, clarity, consistency and trust for whistleblowers.

109. The Whistleblowers Protection Act expressly prohibits retaliation, which is welcomed. The authorities have indicated that the concept of retaliation is explained in the explanatory memorandum to the Act, which forms an integral part of the legislation, and that an exhaustive definition was not included in the Act in order to avoid being overly restrictive. However, the GET considers that, since it will ultimately be for domestic courts to determine specific instances of retaliation, the Act could strengthen legal certainty by identifying examples of prohibited retaliatory. These may include, for example, dismissal, suspension, demotion, harassment or other punitive or discriminatory treatment, as well as indirect retaliation against persons directly related or connected to the whistleblower, including former employees[22].

110. Furthermore, the Whistleblowers Protection Act does not provide for concrete protective measures to assist whistleblowers. For example, no provision for confidential advice is made prior to considering blowing the whistle, nor are there other mechanisms, such as interim relief, legal aid or financial or psychological support once retaliation has occurred. These safeguards are broadly in line with Principle 26 of the Appendix to Recommendation CM/Rec(2014)7. Subsequent to the onsite visit, the authorities have indicated that, starting from January 2026, Transparency International Estonia will provide advisory services through a whistleblowing support centre over the next four years. These services will be accessible to both reporting persons and to public authorities and companies that are required to receive reports. The GET notes that it while it was not able to assess the operation of the support centre, and therefore it will be for GRECO to await further information on its functioning in practice and to assess its effectiveness and adequacy in responding to the recommendation set out in paragraph 113 below.

111. The Whistleblowers Protection Act provides for liability of natural persons or legal entities in case of breaches (misdemeanours) specified therein. The authorities indicated that section 22 of the Act designates the Police and Border Guard Board and, in certain cases, the Internal Security Service, as the out-of-court authorities responsible for handling such

[22] See, for example, the European Court of Human Rights judgment in *Hrachya Harutyunyan v. Armenia*, no. 15028/16, 27 August 2024 regarding extension of whistleblower protections after the end of work-based relationship.

misdemeanours and imposing sanctions. They also noted that the Police and Border Guard Board has so far handled two such cases. Still, the GET considers that greater visibility, for example increased public awareness and guidance, should be given to the role of the Police and Border Guard Board. This would strengthen further the credibility and effectiveness of the enforcement mechanism and encourage individuals to report wrongdoing, in the knowledge that breaches of the law can be addressed by the competent authority.

112. Given the recent entry into force of the Whistleblowers Protection Act, the authorities are also recommended to evaluate the effectiveness of the law in order to gain a fuller appreciation of how the law has been implemented, how the system is working and whether changes are required. Some of the methods to assess the effectiveness of the framework may include annual reporting from competent authorities, for example, on the number of whistleblowers reports received, the types of concerns raised, the protective measures applied and the number of cases taken to court, as well as cross-sectoral surveys, public polls and research studies.

113. In view of the above and taking into account the recent implementation of the Whistleblowers Protection Act, **GRECO recommends that the national (central) authorities support the effective implementation of the whistleblower protection framework by (i) conducting a review of the scope of application of the Whistleblowers Protection Act against relevant Council of Europe standards and, based on its findings, amend the Act to ensure alignment with those standards, particularly by extending its scope of application to breaches of national law, (ii) providing practical guidance and training to relevant actors, (iii) ensuring effective access to confidential advice for potential whistleblowers, (iv) clarifying the roles and procedures within the framework, and (v) evaluating the law's effectiveness through data collection and analysis with a view to identifying any need for future amendments**.

114. At the municipal level, it is positive that Tallinn has adopted a procedure to implement the statutory obligations by establishing an internal reporting channel, and that both Tallinn and Tartu have assigned their Internal Audit Services to operate such channels. It is expected that the authorities will take measures to comply with the requirements of the law to protect whistleblowers and others affected by disclosures, in order to offer a safe environment to speak up in the normal way and build confidence in the reporting system. However, for reasons related to Estonia's historical past, reporting corrupt behaviour reminds people of the previous security police and intelligence service snitches and the resulting injustices, which appears to give whistleblowing a negative connotation. This may explain the low number of reports received, which, according to the authorities, have been treated as normal notifications or limited to employment and personnel matters.

115. Against this background, the GET considers that the general public and municipal officials, including members of City Councils, City Governments and staff of municipal administrations, should be made aware of the existence and importance of the Act. The authorities should therefore proactively raise awareness in order to change mindsets, foster positive attitudes, build trust and increase the number of whistleblowers reports. The Congress's Resolution 444 (2019) and Recommendation 435 (2019), which call on local and regional authorities to encourage positive attitudes towards whistleblowing among citizens and to organise national whistleblowing campaigns to promote its added value in the fight

against corruption, as well as establish appropriate confidential reporting channels, lend further support to this approach.

116. In view of the above reasons, **GRECO recommends that (i) the authorities of Tallinn and Tartu provide increased and regular training to all officials, complemented by tailored and comprehensive guidance and, (ii) the national (central) authorities raise awareness among the public to promote positive attitudes towards whistleblowing**.

## IV. CONCLUSIONS AND FOLLOW-UP

117. Estonia has put in place a robust anti-corruption and integrity system. This robustness is also evident at the municipal level, especially with the crucial role played by the Internal Audit Services of Tallinn and Tartu in managing internal control systems. Several good practices have been documented, highlighting the municipalities' commitment to preventing corruption and promoting integrity. They cover a range of areas, including public procurement, value-based organisational culture, e-trainings, access to information, and participatory budgeting.

118. The report has identified several areas where further progress is needed and makes recommendations accordingly. These address a range of issues, including the appointment of supervisory board members of municipal companies and foundations, the development of guidance on procedural restrictions, and the formulation of guidance on secondary activities. These also cover the establishment of a system for risk-based verification of declarations of interests, the assessment of citizens' participation in the decision-making process, the regulation of lobbying, the reinforcement of Internal Audit Services, the rotation of external audit firms, and the strengthening of the whistleblower protection law.

119. The implementation of the recommendations is expected to further strengthen Estonia's integrity system, promote accountability at the local level and strengthen public trust in institutions. This process should take into account the country's value-based organisational culture, trust-based society and historical context. Some recommendations lend themselves to implementation by the relevant national (central) authorities, while others are more directly targeted at the authorities of Tallinn and Tartu. In certain cases, effective implementation will depend on close coordination between national and sub-national authorities, within the country's constitutional framework. It is for Estonia to decide which institutions or bodies are responsible for taking the necessary action.

120. In view of the findings in the present report, GRECO addresses the following recommendations to Estonia:

i. **that the authorities of Tallinn and Tartu review the rules regarding the appointment of members of the supervisory boards of municipal companies and foundations to ensure that (i) the interests of municipalities are adequately represented, (ii) undue politicisation and conflicts of interest are prevented, (iii) appointments are based on merit, professional qualifications, and transparency, and (iv) there is sufficient independent representation for objectivity and effective oversight** (paragraph 41);

ii. **that, in order to ensure systematic and regular participation in trainings, the authorities of Tallinn and Tartu establish a mechanism to ensure that members of City Councils, City Governments and municipal administrations have undertaken relevant integrity training** (paragraph 49);

iii. **that the authorities of Tallinn and Tartu (i) equip counselling channels on integrity and ethics with clear confidentiality safeguards, (ii) raise awareness of these channels amongst all officials, (iii) promote consistent guidance and effective advice, regardless of the channel used, and (iv) establish arrangements to clearly separate confidential advisory functions from the verification and investigation of integrity breaches** (paragraph 55);

iv. **that, based on established domestic case law, the national (central) authorities, in consultation and cooperation with sub-national authorities, develop practical guidance for members of municipal councils and governments as well as staff of municipal administration, on the implementation of procedural restrictions under the Anti-Corruption Act and their relationship to criminal liability, in order to improve legal certainty and consistent application** (paragraph 60);

v. **that the authorities of Tallinn and Tartu consolidate and clarify existing guidance on the exercise of secondary activities (including criteria for authorisation and prohibition, practical examples, indicative time limits, overall acceptable workload thresholds, and the treatment of possible breaches) in order to support consistent application and greater transparency at municipal level** (paragraph 67);

vi. **that the authorities of Tallinn and Tartu strengthen the implementation in practice of the applicable legal framework concerning the verification of declarations of interests through (i) the development of an appropriate system for risk-based verification of declarations of interests, (ii) the provision of adequate resources to designated municipal review bodies, (iii) the coordination with relevant authorities to facilitate access to necessary information and databases, and (iv) the identification of appropriate follow-up measures for cases of non-compliance with declaration obligations, which may include sanctions or other corrective steps as provided for in the applicable national legal framework** (paragraph 74);

vii. **that the authorities of Tallinn and Tartu review and consolidate existing arrangements for citizens' participation in the decision-making process and, where appropriate, adopt or update concrete measures, including revising the relevant rules and procedures to make participation more inclusive, meaningful and effective** (paragraph 84);

viii. **that (i) lobbying be regulated at the national (central) level through a clear framework to ensure transparency of interactions between lobbyists and public officials involved in public decision making, including at the sub-national level, or (ii) in the absence of such framework, the authorities of Tallinn and Tartu (1) improve the disclosure of contacts of public officials involved in public decision making with lobbyists and third parties seeking to influence public**

**decision-making, including the identity of the persons met (or whom they represent) and the subject matter discussed, and (2) develop and disseminate guidance for public officials on how to engage with lobbyists and third parties in a transparent manner** (paragraph 89);

ix. **that the human and administrative capacity of Internal Audit Services in Tallinn and Tartu be strengthened, with resources proportionate to their responsibilities to ensure the proper and effective performance of their duties, and that dedicated training be provided to their staff** (paragraph 96);

x. **that (i) the authorities of Tallinn and Tartu introduce appropriate safeguards to ensure auditor independence and objectivity in the application of the rotation requirements established under the Auditors Activities Act, in particular in cases of long-term audit firm engagements, and put in place robust alternative safeguards when such rotation is not feasible, and (ii) the national (central) authorities conduct a review of the relevant legislation, namely the Public Procurement Act and the Auditors Activities Act, with a view to resolving any inconsistencies regarding the application of procurement procedure to auditor rotation requirements** (paragraph 102);

xi. **that the national (central) authorities support the effective implementation of the whistleblower protection framework by (i) conducting a review of the scope of application of the Whistleblowers Protection Act against relevant Council of Europe standards and, based on its findings, amend the Act to ensure alignment with those standards, particularly by extending its scope of application to breaches of national law, (ii) providing practical guidance and training to relevant actors, (iii) ensuring effective access to confidential advice for potential whistleblowers, (iv) clarifying the roles and procedures within the framework, and (v) evaluating the law's effectiveness through data collection and analysis with a view to identifying any need for future amendments** (paragraph 113);

xii. **that (i) the authorities of Tallinn and Tartu provide increased and regular training to all officials, complemented by tailored and comprehensive guidance and, (ii) the national (central) authorities raise awareness among the public to promote positive attitudes towards whistleblowing** (paragraph 116).

121. GRECO further invites the authorities of Estonia to draw the attention of all sub-national authorities, including, as appropriate, through their associations, to the recommendations contained in this report, where relevant to them, in order to address similar gaps in their own regulations and practices

122. Furthermore, GRECO invites the authorities of Estonia to disseminate the good practices identified in the present report to the other sub-national authorities.

123. Pursuant to Rule 30.2 of the Rules of Procedure, GRECO invites the authorities of Estonia to submit a report on the measures taken to implement the above-mentioned recommendations by 30 September 2027. The measures will be assessed by GRECO through its specific follow-up procedure, in accordance with Rule 31 revised ter.

124. Finally, GRECO invites the authorities of Estonia to authorise, at their earliest convenience, the publication of this report, and to make a translation of it into the national language available to the public.

## APPENDIX – DETAILED DESCRIPTIVE BACKGROUND


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## I. NATIONAL AND SUB-NATIONAL SYSTEM OF GOVERNMENT

### Legal and institutional framework

125. Estonia is a parliamentary republic, where legislative power is vested in the Riigikogu (parliament), and executive power is exercised by the Government (§§ 59 and 86 of the Constitution). The President of the Republic is the Head of State (§ 77 of the Constitution). The Constitution has established the principle of separation and balance of powers among the *Riigikogu*, the President, the Government and the courts (§ 4).

126. Estonia is also a unitary state with a one-tier local government system, composed of municipalities (§ 1 of the Constitution). The protection of citizens' rights and freedoms is the shared responsibility of the legislature, executive, judiciary and municipalities (§ 14 of the Constitution). Chapter XIV of the Constitution provides the legal basis for local self-government, defining the status, the representative body, boundaries, financial autonomy and the right to form associations.

127. Two important pieces of legislation govern Estonia's territorial and administrative structure: (i) the Territory of Estonia Administrative Division Act of 1995 provides the administrative division of Estonia into counties, cities and rural municipalities and regulates the procedure for alteration of administrative-territorial organisation and boundaries, and changes to names of administrative units; and (ii) the Local Government Organisation Act of 1993 outlines the functions, responsibilities, and organisation of local government and the relations of local authorities with one another and with state bodies.

128. As a result, Estonia's current local government system is divided into 78 municipalities (local governments), composed of 63 rural municipalities (*vald*) and 15 cities (*linn*). Municipalities may be further subdivided into municipal districts (*linnaosa, osavald*), having limited powers, as stated in the municipalities' statutes. In addition, Estonia has 15 counties (*maakonnad*), which are state administrative units (not local governments) without separately elected representative bodies or other significant independent competences.

129. In addition to its domestic framework, Estonia has ratified the European Charter of Local Self-Government, which entered into force on 1 April 1995. The Charter establishes the general democratic framework for the operation of local government in Estonia. The country also ratified the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority, which took effect on 1 June 2012. It strengthens democracy by enhancing public participation, transparency, accountability and inclusivity in local governance.

### Anti-corruption and integrity framework and its implementation

130. Estonia is currently implementing the fourth Anti-Corruption Action Plan for 2021–2025[23], and progress reports are available online. Its anti-corruption and integrity framework is governed by several key laws.

[23] Estonia has applied three anti-corruption action plans Anti-Corruption Strategy 2013–2020; Anti-Corruption Strategy 2008–2012; Anti-Corruption Strategy 2004–2008.

131. The Anti-Corruption Act provides the legal basis for preventing conflicts of interest (referred to as procedural restrictions), filing declarations of interests, engaging in ancillary activities and defining liability for violations. It applies to officials as defined in § 2, covering person holding an official position at the national and sub-national levels, including members of municipal councils and governments and staff of municipal administrations. The Local Government Organisation Act primarily focuses on the structure, functioning and organisation of local governments. It also indirectly addresses integrity matters. The Civil Service Act sets the organisation of civil service, establishes the Council of Ethics for Civil Servants (see paragraph 137 below), provides for avoidance of conflicts of interest, and sets out the disciplinary liability of officials for breaches of duties, including ethical breaches. The Administrative Procedure Act prohibits individuals acting on behalf of administrative authorities from participating in proceedings/decisions where they have a personal interest or their impartiality is open to doubt (§10).

132. In addition, the Public Procurement Act establishes transparent procedures for public procurement to ensure effective use of competition and to prevent conflicts of interest that could distort competition (§3). It requires contracting authorities, including municipalities, to adopt internal rules for preventing, identifying and remedying conflicts of interest in public procurement (§ 19(4)6)), and to exclude a tenderer or candidate from the procurement procedure where a conflict of interest cannot otherwise be avoided (§ 95(4)6) and § 98(6)). Finally, the Code of Misdemeanour Procedure, which regulates out-of-court and judicial proceedings in misdemeanour (minor offences) cases, requires officials to self-recuse themselves from such proceedings if their impartiality may be compromised (§25).

133. Together, these laws provide the basis for Estonia's anti-corruption and integrity system, which is implemented by several national and sub-national bodies. The Ministry of Justice and Digital Affairs (MJDA) leads the anti-corruption action plan's development, and each ministry is responsible for implementing tasks assigned to it. An Anti-Corruption Network, overseen by the Ministry of Justice and Digital Affairs, coordinates and monitors the activities between the ministries and relevant institutions under the action plan, develops and shares best practices, supports collaboration, fosters learning, and exchanges experiences. Each ministry and relevant institution has appointed a representative to this network.[24] Representatives from local governments are not members of the Anti-Corruption Network, but they may be invited to attend meetings on relevant topics. The Ministry of Regional Affairs and Agriculture represents the State's local government policy within the Anti-Corruption Network.

134. The MJDA also coordinates national anti-corruption activities[25] (Anti-Corruption Act, § 8). In doing so, it analyses activities and implementation of the Anti-Corruption Act and provides advice. It has developed: (i) training sessions and an e-training programme on

[24] The network is now composed of anti-corruption contacts from various ministries and representatives from partner organisations (e.g. the Police and Border Guard Board, the National Audit Office, Transparency International Estonia, the Estonian Chamber of Commerce and Industry etc.).

[25] The results of a survey of over 360 local government council/board members on the implementation of the Anti-Corruption Act, carried out by the Ministry of Justice in 2020-21, showed that: 20% of surveyed officials had never participated in the Ministry's anti-corruption e-course, and only 10% of those who had not taken the course intended to do so. In response, the Ministry proposed an amendment to §3(2) of the Anti-Corruption Act, aiming to encourage the adoption of a more serious approach to enhance corruption awareness, organise trainings, promote better governance and reduce corruption risks

conflicts of interest and corruption prevention (videos and e-tests[26]); (ii) a corruption risk assessment e-platform for sub-national authorities to assess corruption risks (together with Transparency International Estonia); (iii) the anti-corruption website korruptsioon.ee, which gathers all relevant information, including training, research and necessary contacts, and contains dedicated guidance materials for sub-national authorities; and (iv) oversight of anti-corruption action plans and progress reporting.

135. Despite these measures at the national level, the implementation of the Anti-Corruption Act falls within local governments' right to self-governance. In line with this framework, there is no dedicated reporting system whereby sub-national authorities report to national bodies. Ministries play a very limited role in implementing anti-corruption and integrity legislation and tasks under the Anti-Corruption Action Plan at the sub-national level, mainly by providing guidelines and training material.

136. Within the institutional framework, the Ministry of Regional Affairs and Agriculture handles local government policy, provides guidelines and training on internal control system and manages the platform of local governments' services. It has developed guidelines for the establishment of internal control systems for sub-national authorities. Also, it is responsible for developing, implementing, coordinating and monitoring regional development, territorial administration policy, and local government's financial management principles.

137. In addition, the Ministry of Finance is responsible for public service and personnel policy of the state. It coordinates the development of uniform principles of public service ethics, manages the Council of Ethics for Civil Servants, which provides advice on the implementation of the Code of Ethics for Civil Servants (Civil Service Act, § 12). It also issues guidelines and good practices on conflicts of interest, gifts, favour and benefits, and secondary employment.

138. Finally, the *Riigikogu* Select Anti-Corruption Committee exercises parliamentary oversight on the implementation of anti-corruption measures. It may also deliberate on corruption incidents involving officials within the meaning of the Anti-Corruption Act (Anti-Corruption Act[27], § 9, §13 (1)).

[26] Whether the act constitutes a criminal offence, or a misdemeanour depends on the value of the transaction. If the amount involved exceeds 40,000 euros, it qualifies as a criminal offence; otherwise, it is considered a misdemeanour. Available in English on YouTube.

[27] Under §13 (1) of the Anti-Corruption Act, officials include, amongst others, members of local government councils, members of rural municipality or city governments, rural municipality or city district elders, managers of rural municipality or city agencies (**§ 13 (1) 2));** officials of rural municipalities or cities, if local government council thereof establishes such obligation (**§ 13 (1) 11));** members of the management bodies of public undertakings for the purposes of the Competition Act, if such obligation is established by the minister exercising dominant influence of the state in the undertaking, the local government council if the local government has dominant influence on the undertaking or the supervisory board or comparable body of a legal person in public law if the legal person in public law has dominant influence over the undertaking (**§ 13 (1) 13))**; members of management bodies of foundations established by the state, local governments or a legal persons in public law, if such obligation is established by the minister exercising the rights of the state, local government council or the supervisory board or comparable bodies of the legal persons in public law (**§ 13 (1) 14))**; persons to whom the competence of making the decision or performing the act in the case of performance of public duties has been delegated by law or an administrative contract, if such obligation is established by the minister exercising supervision over the person, local government council or the supervisory board or comparable bodies of the legal persons in public law (**§ 13 (1) 15))**.

*Supervision and control mechanisms of municipalities*

139. The Local Government Organisation Act clarifies the relations with state bodies and supervision of local authorities' activities (§ 66), outlining three main types of supervision: (i) administrative supervision over the activities of a local authority to ensure that the administrative act complies with applicable laws and regulations and, most importantly, the public interest, (ii) (legal) supervision over the conformity of the legislation of general application passed by a local authority, carried out by the Chancellor of Justice, and (iii) financial supervision over the activities of a local authority carried out by the National Audit Office.

140. More specifically, the Ministry of Justice and Digital Affairs exercises administrative supervision over the legality of administrative acts (not actions) of local authorities, and the Ministry of Finance in the cases and to the extent provided by law over legality and purposefulness of the use of state assets in the use or possession of local authorities (Government of the Republic Act, § $75^3$). The Ministry of Justice and Digital Affairs may involve other relevant ministries in reviewing these acts, as they have the right to control the performance of state functions assigned to local authorities by law or administrative contract. For example, the Ministry of Education and Research oversees the legality of activities of preschool education institutions and their operators, ensuring accessibility.

141. If a ministry finds a local authority's administrative act unlawful and contrary to the public interest, it can issue a written proposal to repeal it or bring it into conformity with the law within 30 days of becoming aware of the administrative act. If, within 30 working days of receiving the ministry's written proposal, the local authority fails to comply, the concerned ministry may file a complaint (protest) with the Administrative Court under the Code of Administrative Court. If a ministry discovers misuse of state assets by a local authority, it reports the matter to the State Audit Office, an investigative body, or another competent authority.

142. In addition to ministerial oversight, the Chancellor of Justice (also the Ombudsman) reviews the conformity of municipal legal acts of general application with the Constitution and national laws. As an independent official, the Chancellor's work is guided by the Chancellor of Justice Act and the opinions are published on its website.

143. Finally, the National Audit Office conducts external financial audits over different authorities, including municipalities, municipality-owned foundations and non-profit associations, as well as municipality-controlled companies (National Audit Office Act, §§ 6-7). The audit covers the management, use and disposal of state- and municipal-owned property held by local governments (i.e. similar to and administrative supervision in the broad sense). The audit reports are not binding on local government and are accessible online (National Audit Office Reports).

**Statistics on corruption offences**

144. The MJDA collects nationwide statistics on corruption crimes, covering both the state institutions and sub-national authorities. The following statistics are manually extracted data only for registered crimes, i.e. initiated criminal cases, related to corruption for sub-national authorities.

| Year | Criminal cases initiated in connection with corruption suspicions involving sub-national authorities |
|---|---|
| 2023 | 25 |
| 2022 | 62 |
| 2021 | 14 |
| 2020 | 16 |
| 2019 | 24 |

## II. INTEGRITY SYSTEM AT THE SUB-NATIONAL LEVEL

### Governance structure, functions and finances

*National framework regarding municipal governance and finances*

145. Under the Local Government Organisation Act (LGOA), the bodies of a municipality are: (i) the municipal council, the representative body of a local authority elected by its residents, and (ii) the municipal administration, the executive body formed by the municipal council (§ 4). In addition to the LGOA, a municipality is governed by its statutes which are established, amended or repealed by the municipal council and regulate the procedures for the formation and functioning of its bodies (§ 8). Municipal functions cover a wide range of local services, including education, culture, sports, social welfare, spatial planning, water supply and sewerage, waste management and local public transportation, and the construction and maintenance of roads or streets (LGOA, § 6).

146. As the main representative body, the municipal council (*volikogu*) is elected for a four-year term through free, general, uniform, direct and secret elections. Estonian citizens and citizens of the European Union, who are aged 16 and above, may vote, subject to legal restrictions provided for by law. The municipal council's term may be shortened by law in case of municipal mergers, divisions, or operational paralysis (Constitution, § 156). A municipal council member's mandate may terminate prematurely on grounds listed in § 18 of the LGOA, including changes in residence outside the municipality, loss of Estonian citizenship, a criminal conviction.

147. Under § 22 of the LGOA, the municipal council is responsible for, among other things, adopting the city budget, approving annual reports, imposing local taxes and duties and altering local government boundaries and forming municipal districts. The municipal council also approves the size and structure of the municipal administration, confirms appointments to the municipal government and decides on the establishment or dissolution of municipal agencies (which are not legal persons for the provision of services) foundations and companies.

148. The municipal council may also form standing or *ad hoc* committees (*alaline/ajutine komisjon* – LGOA, § 47). The only mandatory committee is the Revision/Audit Committee (*revisjonikomisjon*), which, in accordance with LGOA, § 48, is composed of at least three council members and is responsible for overseeing the activities of the municipal government, including municipal agencies, companies, foundations and non-profit organisations under the dominant influence of a municipality.

149. The chairperson of the council is elected by majority secret vote. The chairperson convenes and presides over council sessions, represents the council, and prepares items to be discussed. The council may assign the preparation of issues to the municipal administration.

150. The municipal council elects the mayor (*linnapea, vallavanem*), who then forms the municipal government (LGOA, § 28). The municipal government assumes office on the date of confirmation of its appointment to office by the municipal council and serves for the same term. The mayor organises the work of the municipal government.

151. Grounds for termination of office are regulated by the LGOA and the Anti-corruption Act and include: resignation, vote of no-confidence by the Council (initiated by at least ¼ of municipal council members) (LGOA, § 46), appointment to another state or local government office/position (§ 49), incapacity, criminal conviction (Anti-Corruption Act, § 3 and LGOA, § 48); or, loss of citizenship. Individuals with relevant criminal records cannot serve as mayor or be appointed to the municipal administration.

152. The municipal government prepares the issues to be discussed by the municipal council (such as drafts and documents), based on the government's position or the council's decisions, implements council decisions, and manages local matters either assigned by the council or the statutes of the municipality or not within the council's direct competence (LGOA, § 30).

153. The mayor also heads the municipal administration, which typically includes departments. Its organisational structure is determined by the municipal council and varies by municipality size. The mayor must appoint a city secretary or a rural municipality secretary, who is a legally trained official (*linnasekretär, vallasekretär)* responsible for ensuring legal compliance of regulations (LGOA, §§ 50 and 55). The secretary is not a member of the municipal administration but participates in the municipal administration sessions with the right to speak.

154. By law, municipalities must ensure that officials performing public duties (including government members) have no criminal conviction for offences such as a crime related to the abuse of professional rights or violation of official duties, fraud, abuse of trust, bribery or brokering, influence peddling, crime against public trust or economic crime (LGOA, § $48^2$ and Anti-corruption Act, § 3). Officials undergo criminal record checks, which are conducted before appointment or employment and are repeated annually thereafter by an authorised recruitment official.

155. Municipalities enjoy financial autonomy, which gives them discretion in deciding local matters, without state interference.[28] They have independent budgets, as provided by law[29], and have the right to establish and collect taxes and impose duties. The Local Government Financial Management Act (LGFMA) regulates the preparation, adoption, implementation and reporting of local government financial management, ensuring financial discipline and financial risk management. Obligations may only be imposed on them by law or an agreement. Any state-imposed expenditures must be funded by the state budget (Constitution, Chapter XIV, and LGOA, §§ 5 and 6). Contracts involving expenditures from the municipal budget requires approval by the municipal council (LGOA, § 13).

156. Amendments to the LGFMA have been enacted to, among other things, extend financial management rules to the entire local government group (i.e. the local government

[28] This was reinforced by a judgment of Estonia's Supreme Court (Supreme Court of Estonia, Case 3-4-1-8-09 of 16 March 2010), which has found that independent decision-making on local matters is the basis of a municipality's autonomy, which is a fundamental principle of the European Charter of Local Self-Government. The latter supports the decentralisation of public authority by limiting and balancing state power and by allowing council members to make decisions independently from central state authority and to prioritise local interests, in particular when conflicts arise between state and local interests.

[29] Local Taxes Act enumerates local taxes providing the procedure to impose and collect them.

and its dependent units), require local governments to submit the draft budget strategy to the Ministry of Regional Affairs and Agriculture for opinion before approval in the event that financial discipline measures are not applied, and oblige local governments to include in the annual activity report an overview of the implementation of the internal control system. In addition, amendments to the LGOA were adopted on 21 January 2026 and will enter into force on 1 July 2026, providing a legal basis for the internal control system in local government units, including its role and functions, as well as defining responsibilities for its operation and implementation.

157. Municipal revenues consist of taxes, grants, sales of services and other income. More than half of the total revenue of municipalities comes from personal income tax paid by their residents (part of which goes to the state). Land tax is paid in full to local budgets. In addition to national taxes, municipalities may also impose local taxes (e.g., advertising tax, parking fees) in their territory, but these account for only a small proportion of the local budget. They are also eligible for various subsidies from the state budget.

158. Municipalities may establish and operate companies, non-governmental organisations and foundations in accordance with the Commercial Code, the Foundations Act and the Non-profit Associations Act. These companies and foundations are registered in the Business Register, which is the official portal containing information on all legal entities registered in Estonia.

*Tallinn City's governance and finances*

159. Tallinn City is the capital and the largest city of Estonia, and had a population of approximately 461,346 on 1 January 2024. It is governed as a municipality and does not enjoy any special legal status as the capital.[30] Tallinn City is divided into eight districts (see map), each with its own city district council which represents local residents and provides opinions and proposals on district-related matters, including organisation and living conditions. Around 91,000 people commute to and from Tallinn daily (2021 data).

160. Tallinn City is a member of the Estonian Association of Cities and Municipalities, a non-profit organisation representing all local governments and consolidating their positions in national policy making, including in areas such as budgeting and foreign relations. Tallinn also belongs to Harju County Association of Local Authorities, a non-profit organisation comprising all local-government units in Harju County and promoting cooperation and joint projects among them.

161. Governance is exercised by the Tallinn City Council and the City Government. As at the time of the on-site visit in April 2025, the City Council (*Tallinna Linnavolikogu*) is the city's representative body, composed of 79 elected members (59 men and 20 women), chosen every four years through proportional representation. The last local elections took place on 19 October 2025, resulting in the City Council composed of 54 men and 25 women. The City Council is responsible for setting local policies, approving the city's budget and legislating on key issues such as urban planning, education and public transport. The current City Council also determines the number of members of the next council, which must be an odd number and at least seven members, based on population data (Municipal Council Election Act, § 7).

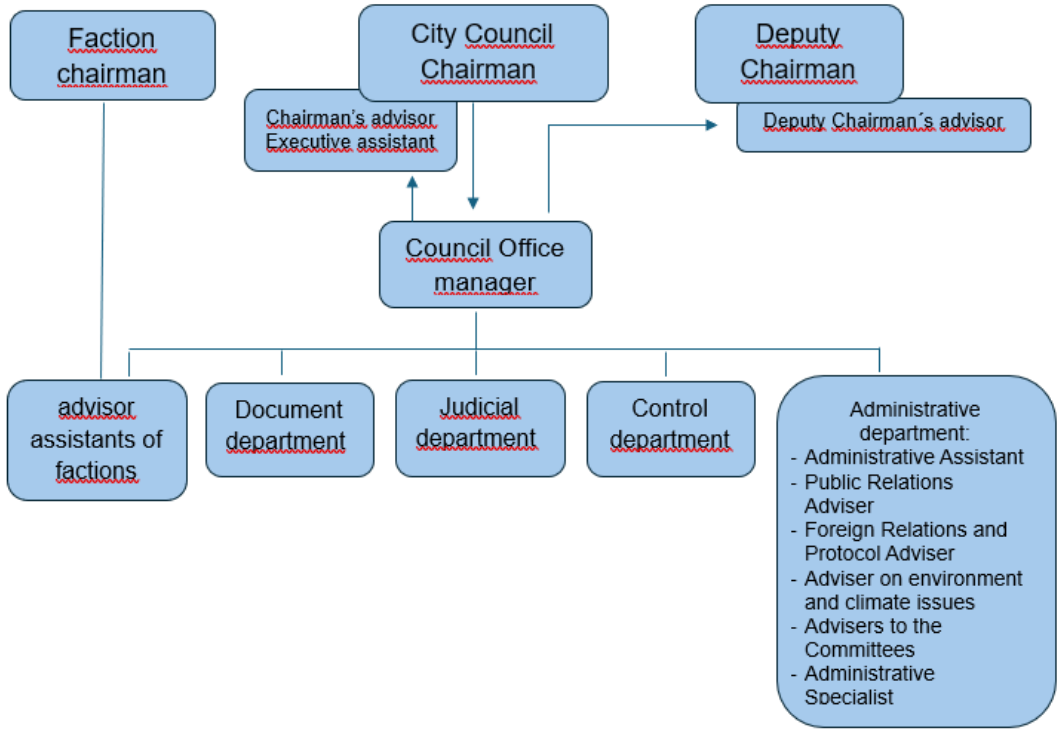
[30] Regarding the status of Tallinn City, see Section 2.2 of the Report on the Monitoring of the application of the European Charter of Local Self-Government in Estonia of 25 October 2023 (CPL(2023)45-03).

162. The City Council operates as a plenary under the Tallinn City Statute and its Rules of Procedure, which define members' rights and obligations. Members must comply with the Municipal Council Election Act. The Chairperson (*volikogu esimees*) is elected by secret majority vote, organises the Council's work, represents it and performs duties as provided by law or municipal statute. Each member has an individual account on the Teele information system.

163. The City Council has several working bodies. Factions can be formed by five or more council members. As at the time of the on-site visit in April 2025, six factions existed, while five factions were formed following the October 2025 local elections. The City Council establishes permanent sectoral committees, including the Revision/Audit Committee (see paragraph 148 above), which supervises the activities of the City Administration and its agencies. The Presidium, consisting of the Chairperson, the Deputy Chairpersons, faction leaders, standing committee chairs, and district council chairs, is an advisory body to the City Council Chairperson. It reviews the draft agenda for Council meetings and proposals for changes to the work organisation.

164. The City Council Office (also referred to as the City Council Secretariat) is a municipal authority and supports the Council's work, its committees and factions. It prepares and organises meetings of the Council and the Presidium, publishes and preserves legislation adopted by the Council, and reviews memoranda and petitions addressed to the Council. The Office is led by an office manager and staffed by advisers, employees of the judicial and document department as well as the control and administrative department. Its non-staff comprises 10 politically appointed employees, such as advisers, assistants and consultants linked to the mandates of the City Council Chairperson, Deputy Chairperson and factions.

The structure of Tallinn City Council Office




*Situation on 16 November 2024*

165. Tallinn also manages a substantial budget and financial framework. The budget for Tallinn City is prepared in accordance with the Local Government Financial Management Act, the Tallinn Development Strategy "Tallinn 2035," and the Tallinn Budget Strategy for 2025-2028. The annual budget for Tallinn City in 2025 was EUR 1.32 billion. Tax revenues constitute 71-73% of total revenues. Of this, national taxes account for 69-72%, including personal income tax at 67-69%. However, local taxes make up only 1.1-1.4%. Other sources of revenues include sales of goods and services (10-11%), state budget subsidies (14-17%) and external financing (1-2%,) depending on the year (Tallinn Budget Strategy for 2025-2028). The largest share of Tallinn's operating expenses is allocated to education (40.6%), followed by mobility (19.3%), and social welfare and healthcare (14.7%). By category of expenditure, labour costs represent 47% of operating expenses, administrative costs 31.1%, and subsidies 20.6%.

166. While the City Council adopts the city budget and sets policies, the Tallinn City Government (*Tallinna Linnvalitsus*) is the collegial executive body, responsible for implementing Tallinn City Council's decisions, managing daily operations and supervising city agencies and their subordinate institutions. It is headed by the Mayor (*linnapea*), who is elected by the City Council (usually from among its members) by a majority of secret ballot. Deputy Mayors are nominated by the Mayor and confirmed by the City Council.

167. As of 1 October 2024, the City Government consisted of nine members (seven men and two women): the Mayor, and eight Deputy Mayors (*Abilinnapea*), each overseeing an area set out in the Mayor Directive No. T-4-1/24/4 (as amended on 18 August 2025). Following the October 2025 local elections, the City Government is composed of seven members (five men and two women): the Mayor and six Deputy Mayors, with the division of duties set out in Mayor's Directive No. T-4-1/25/16 of 9 December 2025. Members of the City Government are assisted by advisers and assistants, whose names and contact details are available online.

168. Criminal record checks are conducted before appointment or employment. These are carried out by heads of city authorities or institutions (for officials and employees performing a public function), by the internal auditor (for heads of authorities/institutions, the board of the association, the audit committee and the member of the board), and by the head of the City Council (for members of city administration). If a disqualifying offence under §3(4) of the Anti-Corruption Act is identified, the person is not hired or is dismissed if already appointed (Regulation §9).

169. The City Government is assisted by the City Office, which provides support for the work of the City Government's members, ensures the legal quality of regulations to be passed and the functioning of the internal control system, represents the city in courts and organises local, general and European elections. The City Secretary (*linnasekretär*), who is appointed and dismissed by the mayor, in accordance with the Statutes, leads its work. The City Secretary also prepares meetings of the city administration (the City Council Office does the same for the City Council meetings).

170. Other city authorities, which support the City Government, include the Strategic Management Office (also known as the Strategy Centre). It manages the implementation of the City Government's policies, objectives and the city's projects, including the provision of the city's public services (such as e-services), the preparation of the city's budget, the analysis of resources needed, the preparation of the city's development strategy, the participation of

the city in private legal entities. The Strategy Centre is headed by the City Chancellor, who is appointed and removed from office by the City Government, on the proposal of the mayor (see the Statutes of the Tallinn Strategy Centre). It comprises structural units dealing with personnel, digital services, strategic planning, financial management and enterprise services (also see Tallinn Statutes, § 51[1] (1)).

171. In addition, various City Government departments (i.e. city agencies - Tallinn Statutes, § 52) operate in Tallinn, with roles and responsibilities defined in respective statutes and other legal acts, such as the Education Department, the Transport Department, the Urban Environment and Public Works Department, the Urban Planning Department, and the Municipal Police Department. They manage their own sub-budgets, and their heads are appointed and dismissed by the City Government on the proposal of the mayor.

172. Tallinn also acts as a shareholder, partner or founder in private legal entities, in accordance with the procedures established by the City Council and § 35 of the LGOA. Tallinn owns 100% of the shares in six municipal companies and holds partial shares in three others. It fully owns seven foundations and is one of the founders of five additional ones. The City's participation in private legal entities is organised by the Strategy Centre and governed by City Council Regulation no. 2 of 6 February 2025 on the procedure for participation in legal entities, which sets out guiding principles, with further details to be approved by the City Government. Tallinn City's budget has allocated subsidies for operating expenses and targeted financing.

173. In line with this framework, the City Government adopted a participation policy in private legal entities on 25 March 2025, which provides that supervisory board members of the city's companies and foundations are appointed by the City Government. The principles for forming the supervisory board require the selection of persons with the necessary competence and expertise, including the participation of experts from the private sector. At the same time, Tallinn City officials and members of the City Council may also serve on supervisory boards, which usually consist of three to seven members. Their terms of office are determined in the articles of association.

174. The day-to-day management of municipal companies is entrusted to a management board, whose members are selected by public competition, in line with the Participation Policy and City Government's Order no. 629 of 17 June 2025 on the principles for electing and remunerating members of management boards of municipal companies and association.

*Tartu City's governance and finances*

175. Tartu City is the second-largest city in Estonia, with a population of approximately 97,307 as of 31 July 2025[31]. The city comprises one administrative district. Around 25,000 people commute to and from Tartu daily (2021 data).

176. Tartu City is also a member of the Estonian Association of Cities and Municipalities (see paragraph 160 above) and participates in the Association of Municipalities of Tartu County, a non-profit organisation that brings together eight municipalities in the region. The Association supports cooperation on issues such as culture, education, welfare, and broader regional and

[31] https://www.tartu.ee/en

national initiatives. In terms of gender balance, Tartu adheres to the Equal Treatment Act, the Gender Equality Act, and has adopted its own Tartu Gender Equality Plan.

177. At the municipal level, governance is regulated by the Tartu City Statute. It sets out the organisation of the City Council (elections, sessions, rules of procedure), the City Government (formation and functioning), the City Administration (rules of procedure), the City authorities (formation) and the bodies administered by them, as well as provisions on development and preparation of the City's budget.

178. The City Council is Tartu's legislative body, responsible for shaping local policies, approving the city budget, and overseeing its implementation. At the time of the on-site visit in April 2025, it consisted of 49 members, 30 men and 19 women, while, following the October 2025 local elections, it is composed of 29 men and 20 women. The Council's Chairperson and Deputy Chairpersons are elected by secret ballot.

179. Political factions may also be formed by at least five members, and a member can belong to only one faction at a time. At the time of the on-site visit in April 2025, there were four factions, while, following the October 2025 local elections, six factions were formed.

180. The City Council also establishes committees and elects their chairs and vice-chairs. At the time of the on-site visit in April 2015, it had eight standing committees, which were reduced to six following the October 2025 local elections, each with a different scope of activity, including the Audit Committee, and one (currently inactive) temporary committee. The composition of the City Council and committees, members' primary workplace, and contact information are published on the city's website, with members' consent[32].

181. The City Council also has a Presidium, an advisory body to the Chairperson, and composed of the Chairperson, Deputy Chairperson, faction heads and representatives of non-affiliated members (Tartu City Statute, § 6).

182. Administrative, technical, and economic support is provided by the Tartu City Council Office (otherwise referred to as the secretariat), which is a municipal authority, headed by a Director (Civil Service Act, § 6 (3) 1). The City Council Office has eight employees and oversees service delivery, organises Council meetings and ensures consistent management practices.

183. The City Council's activities are funded exclusively by the city budget and reflected in the city's annual financial report. The City Council Office's budget covers salaries for elected officials, committee members and Secretariat staff and operational costs for meetings, travel and training. The draft budget for 2024 was based on the Local Government Financial Management Act, the Tartu City Development Strategy 2030, the Development Plan 2018–2026, and the Budget Strategy 2024–2027.

184. Tartu City's revenues come from various sources, such as taxes, grants, sales of goods, assets and services. Personal income tax accounts for 50% of total revenue, while grants make up about one-third. Other taxes include land tax and local taxes such as advertising tax, street/road closure fees, and parking fees. In 2024, total revenue increased by €6.6 million (3%) compared to 2023. The city budget for 2025 was EUR 313.5 million (compared to

[32] Also see https://tartu.ee/et/volikogu/liikmed and https://tartu.ee/et/volikogu-komisjonid

EUR 305.3 million in 2024). 77% of the budget is allocated to core activities, with a core budget surplus of €3.4 million (up €4 million from 2023). The overall budget deficit stands at €45.7 million.

185. In addition to its legislative and budgetary functions, the City Council also elects the Mayor by secret ballot from among its members. The current mayor was first elected on 8 April 2014 and subsequently re-elected on 14 November 2017, 19 November 2021 and 4 December 2025. The mayor proposes Deputy Mayors for confirmation by the City Council, thereby forming the Tartu City Government (*Tartu Linnvalitsus*). It serves as the executive body responsible for implementing decisions of the Tartu City Council, managing the city's daily affairs, and supervising municipal agencies (excluding the City Council Office) and their subordinate institutions. As at 1 September 2025, the City Government comprised six members, five men and one woman: the Mayor and five Deputy Mayors. Following the October 2025 local elections, it now consists of three men and two women, with one additional woman expected to join in April 2026.

186. The City Government regulations and orders are adopted by majority vote. Dissenting opinions may be recorded in meeting minutes. Non-regulatory decisions are also reflected in the minutes (Tartu City Statute, §19(3)).

187. The City Government is supported by the City Office (otherwise known as the Office of the City Government), which is led by the City Secretary. The City Office includes the legal service, personnel service and three departments: IT Systems and Management, Population Facts, and Supervision. According to the City Government's organisational chart, the Internal Audit Service is administratively subordinate to the mayor[33], while other departments report to one of the deputy mayors. Each department is headed by a director.

188. The division of responsibilities among City Government members is outlined in Mayor's Directive No. 04.07.2024-27 (15 April 2024) and published on Tartu City's website.

189. This organisational framework is supported by a workforce. As of 31 October 2024, Tartu employed 8 elected officials (2 in the City Council, 6 in the City Government), 151 civil servants, 216 employees in the City Government, 2 City Council Office staff and 9 City Council advisors.

190. Criminal record checks for officials and staff can be conducted by the internal auditor, personnel manager, or heads of relevant authorities. Mandatory checks apply only to those working with children.

191. Like Tallinn, Tartu City acts as a shareholder, partner, founder, or member in private legal entities, as permitted by the City Council. It owns three enterprises (100% shareholding) and has established 17 foundations. Members of their supervisory boards are appointed through City Government directives.

**Municipal administration**

[33] According to §2 of the Tartu City Internal Audit Regulations, the Internal Audit Service is functionally subordinate to the City Council and administratively subordinate to the mayor. It is led by the Head of Internal Audit (appointed by the City Council and dismissed by the mayor).

*National framework regarding municipal employment*

192. Employment in the municipal administration is regulated by the Civil Service Act or the Employment Contracts Act. The Civil Service Act applies to officials of local government authorities and, in the cases provided for by it, to their employees. It does not apply to members of the municipal council or city government unless stated otherwise.

193. Within this framework, the Civil Service Act defines an official as a person in a public-law service relationship with the local government, involving the exercise of official authority (i.e. civil service). At the municipal level, this includes tasks such as directing authorities, administrative supervision, internal audits, and preparing or implementing policy decisions (§ 7 (1)-(3)). A local government authority is a body financed by the municipal budget, which exercises official authority, such as municipal offices, councils, governments and their structural units, including district governments (§ 6).

194. In contrast, employees are recruited under an employment contract to perform supporting tasks, such as accounting, human resources, records management, procurement, information technology, which do not involve official authority. Their employment is governed by the Employment Contracts Act. Advisers to members of municipal councils and municipal governments are also employed under this Act.

195. The Civil Service Act also sets out the conditions and restrictions for entry into service. Estonian citizens who have at least secondary education, legal capacity, and are proficient in Estonian may be employed. EU citizens may also be employed, except in roles involving direction of authorities or the exercise of state supervision. Certain individuals are barred from public service, in particular those serving sentences for intentional criminal offences[34], with criminal records for crimes against the state, prohibited from working in a specific field by court decision, in situations of conflict of interest due to close family relationship with direct supervisors, or subject to other restrictions provided by law. Municipal authorities must ensure that no official has been convicted of crimes such as abuse of office, fraud, bribery, influence peddling, breach of trust, or economic offences while performing public functions (Anti-Corruption Act, § 3 (4), Civil Service Act, § 15, and see paragraph 154 above).

196. The Civil Service Act requires vacant posts to be generally filled through public competition, based on pre-published conditions (§§ 16-18). Recruitment must follow the principles of equal treatment and non-discrimination, in accordance with the Equal Treatment Act and Gender Equality Act (Civil Service Act, § 13; Employment Contracts Act, § 3). Municipal councils set the requirements for employment in a local government authority, including education, work experience, knowledge and skills needed for the role (Civil Service Act, § 14 (3)). A reserve list may be established, based on a ranking of persons who participated in the competition but were not appointed to the advertised post.

197. After appointment, civil servants are subject to annual assessment interviews to evaluate performance, professional development and training needs (§ 30). Measures are also

[34] Any official convicted of an intentional criminal offense is disqualified from public service and must be dismissed from office.

implemented to develop their professional knowledge and skills. An official's basic salary, including variable pay and additional income, is published online.[35]

198. While the Civil Service Act provides for performance appraisals, it does not contain specific provisions regulating promotions. However, it sets out provisions on dismissal or redundancy, which may result from liquidation of the authority, abolition of the post, changes to job descriptions, failure to pass probation, reduced work capacity, disciplinary offences or any circumstance that would disqualify the official from employment (§ 86-95).

199. Breaches of duty may result in disciplinary sanctions under the Civil Service Act, such as a reprimand, a reduction of the basic salary by up to 30% for up to six months and dismissal (§ 70). Beyond sanctions, the Civil Service Act establishes the Council of Ethics for Civil Servants under the Ministry of Finance, which operates independently, approves the Code of Ethics for Civil Servants and reinforces the core values and ethical standards of officials (see also paragraph 137 above).

200. Under § 7(6) of the Civil Service Act, the chairman or vice-chairman of the City Council, political factions and members of the City Government may be assisted by advisers, who work under an employment contract for a specific period of time, not exceeding their respective terms of office.

*Employment in Tallinn City municipal administration*

201. Recruitment to public administration is governed by Tallinn City Government Regulation No. 5 (10 February 2021) on the Procedure for Recruitment and Selection of Officials and Employees. It applies to the recruitment and selection of officials (governed by the Civil Service Act) and employees (regulated by the Employment Contracts Act). Advisers are not subject to the Procedure. The Procedure ensures a uniform, professional and transparent process, with equal treatment and open competition for all candidates.

202. In practice, vacancies are filled through public competition or, if necessary, through internal competition (§4). Recruitment and selection of officials and employees is organised by a personnel officer in cooperation with the immediate manager, while the recruitment of the head of an institution and city director is managed by the human resources service (§ 5). For these senior posts, a three-member selection committee is established by order of the Mayor, which must include an external expert in the field. Depending on the position, members may include the City Chancellor or the City Secretary.

203. Candidates are assessed through several procedures. For officials and employees, suitability is evaluated by human resources officers, and selected candidates are invited to job interviews. Additional information may be gathered through practical tasks (e.g. test work, essay or case study) or competence-based evaluations. The immediate manager and the human resources officer make the final decision on appointment. For directors and heads of institutions, a shortlist of up to five candidates is presented to the selection committee, which conducts additional interviews and makes a recommendation to the hiring manager or Mayor for appointment.

[35] The website provides a detailed overview of the salaries of local government officials (available only in Estonian).

204. Criminal background checks are mandatory before appointment of officials, as are reference interviews and information checks through public sources (§7 (9) and § 9(2)). These checks are repeated at least once a year thereafter for officials and employees performing public duties (see Tallinn City Regulation on the procedure for implemented the Anti-Corruption Act, § 9(2)].

205. Remuneration of officials and employees in the managed institutions is determined by Mayor Decree No. T-4-1/22/27 (28 October 2022) on the Principles for Remuneration of Employees of institutions administered by Tallinn City authorities. Based on the structure and staffing plans approved by the City Council, salary grades and ranges are set for the City Council Office by the Chairperson, and for other agencies by Tallinn City Government, following Tallinn City Council Regulation No. 11 (1 June 2023), on Salary Guidelines for Tallin City authorities, § 3(4)). An official's base salary for the current year must be published by 1 May, along with total income from the previous year, including basic salary, variable salary, bonuses and allowances. The staffing plan and salary ranges for 2025 for positions in the municipal agencies of Tallinn City (excluding the Tallinn City Council Office), which were approved by Tallinn City Government Order No. 1105 on 10 December 2024. Depending on the position, the basic salary ranges from 1,000 to 7,700 EUR.

206. Separate provisions apply to members of the City Council and its committees. City Council committee chairpersons receive a salary of 300 EUR gross per month; vice-chairpersons receive 150 EUR per month (gross). Attendance is monitored by the City Council Secretariat, and fees are paid quarterly. Social tax is paid on these salaries, ensuring health insurance coverage. These provisions are governed by the Tallinn City Council's Regulation No. 4 (20 February 2014) on the Amount and Payment Procedure for the Compensation for Participation in the Work of the Tallinn City Council and District Representative Bodies.

207. The salary data summarised above is reflected in the following tables, which have been provided by Tallinn City authorities.

| Employee | Annual average no. of full-time employees in 2023 (workload) | Official salary | Additional benefits, bonuses | Average monthly salary in 2023 | Average annual salary in 2023 |
|---|---|---|---|---|---|
| Incl. elected and appointed positions | 8 | 669 646 | 43 031 | 7 055 | 90 098 |
| Incl. public officials | 749 | 21 547 400 | 2 436 361 | 2 396 | 32 009 |
| Incl. employees | 851 | 22 310 749 | 2 366 826 | 2 184 | 28 990 |

| | *Average salary reduced to full-time in 2023* | *Average total annual salary reduced to full-time divided into monthly salary in 2023* |
|---|---|---|
| ***Officials (appointed):*** | | |
| Junior Specialist | 1 780 | 1 952 |
| Mid-Level Specialist | 2 001 | 2 236 |
| Top Specialist | 2 506 | 2 802 |
| Adviser | 2 180 | 2 528 |
| Heads of Structural Units | 3 175 | 3 552 |
| Management | 5 437 | 6 136 |
| | | |
| ***Employees (contract based):*** | | |
| Employees | 913 | 1 007 |

| | | |
|---|---|---|
| Junior Specialist | 1 384 | 1 564 |
| Mid-Level Specialist | 2 020 | 2 240 |
| Top Specialist | 2 703 | 3 014 |
| Adviser | 2 406 | 2 657 |
| Heads of Structural Units | 3 409 | 3 841 |
| | | |

208. Political advisers are not subject to the Procedure for Recruitment and selection of officials and employees, except for the application of recruitment and selection principles set out therein. The requirements for advisers, their main duties, rights and obligations are set out in the job descriptions appended to their employment contracts. The job descriptions are available online, as are their salaries.

*Employment in Tartu City municipal administration*

209. Recruitment and remuneration are governed by the Tartu City Charter, the Salary Guidelines for Tartu City Government Agencies, the Recruitment and Selection Procedure for Officials of Tartu City Government Agencies, and the Tartu City Government Work Organisation Rules. The Mayor's salary is calculated as 0.85 of the top civil servant pay scale, with €400/month for personal vehicle use and unlimited mobile phone usage (Tartu City Council Decision No. 12, 19 November 2021). Deputy Mayors are paid 0.75 of the base rate and receive the same benefits.

210. Employees working with children undergo a criminal record check both at the start of employment and periodically thereafter. Employees must declare secondary activities upon entering service and throughout their employment. In procurement cases, they must also declare the absence of conflicts of interest. The internal audit service regularly reviews employees' involvement in associations and any transactions between these associations and Tartu City.

211. In 2023, the average total salary for employees of the Tartu City Government was 31,310.32 EUR. Permanent employee benefits include a health promotion allowance of up to 400 EUR (reduced to 200 EUR in 2023), a 200 EUR bonus for milestone anniversaries, a 200 EUR support payment for the death of a close relative or family member. The average total bonuses paid to Tartu City Government employees in 2023 were 2 652 EUR (included in the total salary calculation).

212. The Tartu City Council's Chairperson's salary is 75% of the highest salary rate for state officials, which has been €9,199.92 since 1 April 2024, resulting in an estimated salary of €6,899.94. The Chairperson also receives a monthly allowance of 37.5% of the highest salary rate, amounting to 3,449.97 EUR. The Tartu City Council's Vice-Chairperson receives 25% of the Chairperson's salary, totalling 1,724.99 EUR. Committee chairs and faction leaders receive 25% of the average Estonian salary, while Committee's Vice-Chairs receive 5%. These calculations are based on the average gross monthly salary in Estonia from the second quarter of the previous year and are updated annually on 1 January. In 2024, committee chairs and faction leaders received 468.25 EUR, and Committee vice-chairs received 93.65 EUR.

213. A City Council member receives a monthly fee of 25% of the average salary, except for months without Council sessions (468.25 EUR in 2024). A committee member earns 3% of the average salary per meeting attended (56.19 EUR in 2024). No fee is paid for written

participation in meetings. The salary guidelines for municipal agencies of Tartu City of are available in Estonian.

*Consolidated Overview of Salaries in 2023:*

| employee | Annual average number of full-time employees in 2023 (workload) | Official salary | Additional benefits, bonuses | Average monthly salary in 2023 | Average annual salary in 2023 |
|---|---|---|---|---|---|
| total | 368 | 10 545 355 | 976 220 | 2 388 | 31 310 |
| including elected and appointed positions | 6 | 423 869 | 36 836 | 6 048 | 78 888 |
| including public officials | 154 | 4 162 193 | 413 388 | 2 258 | 29 789 |
| including employees | 209 | 5 959 293 | 525 996 | 2 381 | 31 099 |

214. Political factions have complete freedom to decide on the recruitment of their advisers. Their tasks include supporting the organisation of the factions' activities, participating in City Council sessions and factions' meetings, attending City Council committee meetings if needed, preparing draft regulations and inquiries initiated by factions. The exact scope of their work and the type of assistance expected from them is determined by each faction independently.

**Anti-corruption/integrity policy and risk management**

*Risk management in Tallinn City*

215. The Anti-Corruption Act requires sub-national authorities to, amongst other things, promote corruption awareness, ensure compliance of obligations by officials, and develop internal anti-corruption procedures (§3(3)). In implementation of the Act, an action plan for anti-corruption measures for the 2019-2024 period was adopted and published online, together with its progress reports. In February 2025 a new regulation on the procedure for implementing the Anti-Corruption Act entered into force (Regulation). This Regulation applies to officials, as defined in the Anti-Corruption Act, § 2 (1) and further set out in its §7. In this connection, the Tallinn City Office has also approved a list of officials, as have certain municipal departments.

216. The Regulation requires institutions and companies to (i) assess corruption risks, including identifying risk-prone position, procedures and activities, (ii) implement relevant corruption prevention measures under the Anti-Corruption Act, and (iii) develop internal anti-corruption guides tailored to their sector (e.g. healthcare, education). Corruption prevention activities are coordinated by the City Internal Audit Service and municipal authorities are obliged to follow its instructions (§ 3 (1)-(2)). Under the Regulation, heads of public institutions are responsible for the implementation of corruption prevention measures and controls, awareness-raising activities and training of personnel, and for designating a responsible office or person to manage corruption prevention, oversee corruption risk mitigation, and advise public officials on corruption prevention matters (§ 5 (5)).

217. In practice, this means that risk assessment is conducted annually and submitted to the agency head and Internal Audit Service.[36] Since 10 October 2022, most agencies use a risk-assessment tool provided by the Internal Audit Service. Agencies not using this tool use a table listing tasks, risks, and mitigation measures. All agencies must identify, and document risks related to integrity, corruption, or conflicts of interest. If risks are assessed as high, they must be prioritised and mitigated. The general expectation is that heads of institutions will focus on high-level risks, whereas heads of organisational units will focus on medium-level risks. Critical risks must be addressed immediately, while significant risks require an action plan to be developed to implement mitigation measures. Municipal agencies may involve external experts (e.g. a law firm) to assess corruption risks. This has been done by the Tallinn City Property Department and by the Tallinn City Planning Department.

218. These summaries are then circulated to agency employees, and mitigation tasks are assigned to specific individuals. Employees are required to be familiar with anti-corruption risk mitigation rules, and periodic checks are conducted to ensure effective implementation. These assessments also help determine whether the measures need to be adjusted to mitigate new or emerging risks. Each head of agency must submit annual reports to the Internal Audit Service summarising corruption risk assessments and implementation prevention measures in the preceding year (§ 5 (3)). The Internal Audit Service provides instructions and consolidates the reports into a city-wide summary report, which is submitted annually to the City Government. The City Government, in turn, informs the City Council about the status of corruption prevention.

219. Corruption risks were further examined in a follow-up audit carried out by the City Internal Audit Service in 2023-2024, which assessed the implementation of recommendations made during previous audits in municipal agencies for 2019-2020. This was done on the basis of documents on the assessment of corruption risks, submitted by the municipal agencies to the city internal auditor's office for analysis. Common areas identified as prone to integrity risks included the processing of planning and permit applications, as well as public procurement. Forms of corruption identified include bribery, nepotism, abuse of office, revolving doors, trading in skills and confidential information, falsifying data or documents, favouring certain business partners or unequal treatment, wasteful or improper use of assets or resources. Mitigation measures included creating organisational rules, formalising processes and procedures in which multiple officials and management levels are involved to prevent illegal or unethical actions by individuals or groups, filing declarations of interests, and raising employee awareness.

220. Since public procurement has been identified as particularly vulnerable, Tallinn City's institutions follow the public procurement procedures set out in the Public Procurement Act. They are conducted through the Public Procurement Register that implements security measures to mitigate potential risks. In addition, Tallinn City Council Order No. 34 (18 December 2023) on Procurement Procedure specifies measures for preventing, identifying, and eliminating conflicts of interest. Participating companies are required to confirm in the Public Procurement Register the absence of grounds for exclusion. In addition to the background and reliability checks applied in the public procurement register, the contracting authority may request additional evidence from bidders.

[36] Point 12.2 of Tallinn City Government Regulation No. 60 (16 June 2004) on General Guidelines for Internal Auditing in Tallinn's Municipal Agencies and Their Managed Institutions.

221. All contracts concluded in writing as a result of a public procurement procedure must include standard anti-corruption clauses, which set out the obligations of contracting parties to prevent corruption and the liability for breaches of these obligations. Concluded procurement contracts are published online. If, after signing a contract, it is discovered that a person involved in the procurement procedure had a conflict of interest, the institution assesses whether this affected the outcome of the procurement procedure. If the conflict of interest influenced the procurement result, the institution may take steps to annul the contract or apply other legal remedies.

*Risk management in Tartu City*

222. The Tartu City Government follows the Anti-Corruption Act but does not have a separate anti-corruption action plan. Procurement is carried out under the Public Procurement Act, and Tartu City Council's Procurement Procedures require responsible individuals to confirm they have no conflicts of interest before starting any procurement process or to inform of any arising conflicts during the organisation of public procurement. If a conflict is identified, individuals must inform their superior, and they will be excluded from the procurement process (§11 (2)). The composition of procurement committees is disclosed in accordance with the conditions set out in the procurement notice. The content of the procurement contract is made public once the procurement documents are published, before the submission of bids.

223. To date, there have been no instances of conflicts of interest being discovered retrospectively. In situations where a conflict of interest arises, the first rule is recusal or decision-making by a superior official. However, the Tartu City Government has not developed any mechanisms for assessing the integrity risks of contractors, service providers, or partners.

224. A document entitled *"ABC of the Head of the Institution"* (on the application of the Anti-Corruption Act) addresses corruption prevention.

**Standards of conduct and ethics**

*Ethical rules and guidelines at the national and sub-national levels*

225. At the national level, the Civil Service Act, which covers officials of local government authorities and, as applicable, their employees, sets out specific obligations, such as the requirement to behave respectably in and outside service, avoiding actions that might discredit them or the institution they serve, to preserve confidentiality of information, and to inform the employer is they take up ancillary activities (§§ 51, 55, 60).

226. The Council of Ethics for Civil Servants has adopted the Code of Ethics for Civil Servants which is available on the Ministry of Finance's website. It applies to all civil servants both on the national and sub-national levels and defines six core ethical values: legality, people-centredness, reliability, competence, impartiality, openness and cooperation, together with explanations and examples. The Code is mandatory for officials (civil servants), and while not legally binding for employees in state and sub-national institutions, they are expected to observe it. The Council monitors its implementation and provides guidance.

227. The Council of Ethics for Civil Servants has also issued complementary guidelines, notably Guidelines on Avoiding Conflicts of Interest in Civil Servants' Training Activities, Guidelines on avoiding conflicts of interest when public officials move between the public and private sectors, Guidelines on Gifts and Benefits Related to Official Duties and Guidelines on Side Activities, which include practical examples.

228. At the municipal level, each Tallinn City authority has its own corruption prevention manual, which is approved by its head. The City Office's Corruption Prevention Guidelines, adopted in 2022, provides practical guidance on implementing the Anti-Corruption Act, with examples of common corruption-risk situations in the institution's activities, such as conflicts of interests, secondary activities, and gifts. Both officials and employees are responsible for complying with the Guide. Violations may result in loss of trust and dismissal or termination of the employment contract. Depending on the nature and severity of the act, the misconduct may be classified as a misdemeanour under the Anti-Corruption Act or as a criminal offense under the Penal Code. The Municipal Police Department has also issued its separate guidelines.

229. In Tartu City, the Code of Ethics for Civil Servants and the associated guidelines provided by the Council of Ethics for Civil Servants are directly applicable. These ethical standards apply not only to civil servants, but also to all municipal employees, who are further required to disclose any side activities. The implementation of the Code of Ethics and the guidelines is the shared responsibility of the City Government members, heads of departments, and the Internal Audit Service. In practice, these standards are enforced. Over the last five years, at least one case of ethics-related misconduct led to employment termination of a civil servant.

*Ethics training and awareness at the national and sub-national levels*

230. Under the Anti-Corruption Act (§ 3(3)), local government (municipal) institutions, their foundations, and public undertakings as defined in the Competition Act (§ 2) must ensure that officials are aware of anti-corruption measures.

231. To support this obligation, training activities have been introduced at both national and municipal levels. At the national level, the e-learning course on conflicts of interest and corruption, which has been developed by the Ministry of Justice and Digital Affairs consists of eight modules followed by a test, is intended for all public officials, including those in local governments, and is available here. Additional dedicated guidance on conflicts of interest, which provides case scenarios with corresponding recommendations, has been prepared for local councils by the Ministry of Justice and Digital Affairs, Tartu City Government, the Police and Border Guard Board, the Ministry of Finance and the National Audit and is available online. Sectoral training materials concerning education and health care professionals are available here and here and here. In 2021-2022, the local government policy department of the Ministry of Finance (now part of the Ministry of Regional Affairs and Agriculture) organised training sessions on developing internal control systems based on ministry-issued guidelines.

232. The Association of Estonian Cities and Municipalities has also organised trainings for newly elected council members, covering ethics and corruption prevention. The training materials, together with a guidance on the code of ethics and its supplementing guidelines, are available here and here.

233. At the municipal level, Tallinn has developed more specific rules to ensure compliance. The Tallinn City Regulation provides that heads of institutions must ensure their officials' awareness of anti-corruption practices and that all officials, including new recruits, must receive anti-corruption training at least once a year (§ 6(2)(2)). The Corruption Prevention Guide of the Tallinn City Office also requires public officials to participate regularly in corruption prevention training, which may be conducted by the respective authority, an association or the City Internal Audit Service (§ 6(3)). Officials must also review anti-corruption information and explanations on the Tallinn City's internal website, the authority or association's internal website, and on the website www.korruptsioon.ee (§ 6 (4)).

234. In addition to these general training obligations, when taking office (or employment), new officials (and in some institutions, employees) must receive information about the Anti-Corruption Act's online training and the e-learning *course "Preventing Corruption and Conflicts of Interest in the Public Sector."* Some institutions also require new employees to confirm that they have reviewed the documents and completed the online training. After starting their positions, officials and employees with official duties must undergo regular anti-corruption training. Online courses are available on Tallinn City's employee intranet, managed by the Internal Audit Service, which regularly adds and updates material related to anti-corruption activities for all public authorities. It has recently added a self-developed e-course "Prevention of Corruption", which will be mandatory for all public officials. The course is only available to employees of the city authorities and is available on the internal website at https://tallinn.coursy.io. In the future, it is planned to make the course available also to employees of the authorities under the administration of the city administrative agencies.

235. Tallinn City also organises both centralised and internal anti-corruption training and information days. Centralised anti-corruption training sessions are held at least twice a year and are open to all employees. Upon request, the Head of the Procedural Division of Tallinn Internal Audit Service also conducts anti-corruption information sessions for agencies. More specifically, on 20 February 2024, the Tallinn Strategy Centre launched a digital learning platform called "Tallinn e-Academy" (TEA). An e-integrity training course on corruption prevention, with lessons, a video and written materials, has been available since December 2025. By the end of January 2026, 1 372 individuals had completed it, and it includes questions to test participants' knowledge. This e-learning platform is intended for all employees of city agencies and subordinate institutions.

236. Similar practices are also in place in Tartu City, which provides ongoing consultation and periodic training sessions, including in electronic format.

*Confidential counselling at the sub-national level*

237. The statute of the Internal Audit Service of Tallinn City stipulates that, in addition to providing independent assessment of the internal control systems and supervising the legality and expediency of the activities of city institutions, the Service also offers consultations on issues within its competence. In this capacity, it advises members of the City Government and city leadership on internal control matters and, when needed, provides confidential counselling to civil servants on an individual basis. Similarly, in Tartu City, the Internal Audit Service provides confidential counselling upon request from a politically elected or appointed person or official.

## Conflicts of interest

*National framework for managing conflicts of interest*

238. In Estonia, conflicts of interest are addressed at the national level through three interrelated ethical concepts. The first concept covers procedural restrictions (prohibitions). All officials, regardless of their duties, are subject to procedural restrictions under the Anti-Corruption Act (see also Fifth Evaluation Round Report, paragraphs 92-93). Hence, if an official suspects that there is a conflict of interest in his/her own performance of duties or a colleague's, the official is obliged to report it accordingly (§ 11 (2)). The Anti-Corruption Act also provides for exceptions to restrictions (§ 11 (3)), which must be immediately and permanently published on the relevant public agency's website.

239. The second concept refers to broader recusal obligations arising mainly from procedural laws that apply to specific people in specific situations. The relevant laws are the Local Government Organisation Act (§ 17 (5), § 49 (12))[37], the Administrative Procedure Act (§ 10), the Public Procurement Act (§§ 3-4) and the Code of Misdemeanour Procedure (§ 25). For example, the Administrative Procedure Act also restricts the participation of individuals in administrative proceedings where conflicts may arise by virtue of their acting on behalf of an administrative authority (§10).

240. Finally, the third concept involves general ethical standards under the Code of Ethics for Civil Servants and the Civil Service Act (§ 7), which include impartiality and integrity. Officials must avoid accepting gifts, benefits and services that could compromise professional independence and objectivity.

241. The Ministry of Justice and Digital Affairs has issued a dedicated guide for local governments titled "How to Avoid Conflicts of Interest in Local Governments" to help with the implementation of the above rules, which explains procedural restrictions and related persons and provides practical examples.

*Management of conflicts of interest at the sub-national level*

242. At the municipal level, the Tallinn City Regulation provides that, prior to the appointment of officials and annually thereafter, a city authority must check (i) any links between officials and legal entities from the business register to assess if transactions have occurred with such entities, and (ii) any transactions and activities with legal persons connected with the official (§ 11 (3)). Under the Regulation, officials must inform their immediate superior (or appointing body) if their involvement in a matter gives rise to a conflict of interest, relates to their personal or related persons' interests, or may lead to corruption (§ 12).

[37] The Local Government Organisation Act provides rules restricting the participation in debates on items on the order of business. In particular, a municipal council member, who was elected mayor or was approved as a member of the city government or appointed to a paid position as a member of the municipal administration of the same city, cannot participate in council's deliberations or vote on matters affecting his/her remuneration or compensation (§ 17 (6), § 17 (62) and § 49 (13)).

243. Similar restrictions apply to elected officials. Under the Tallinn City Statute, members of the City Council may not participate in the preparation, discussion, or decision-making of an individual act of the Council if they are subject to restrictions pursuant to the Anti-Corruption Act (§22 (5)-(6). The disqualification of a member of the Tallinn City Government and the City Secretary from participating in the discussions and decision-making of an agenda item that is subject to a procedural restriction is regulated by § 18 (5) of the Regulation of the City Government. While recent meeting minutes are available on the TEELE platform, the number of disqualifications has not been tallied.

244. In addition, specific safeguards are in place for public procurement. The Procurement Procedure outlines measures to prevent, detect, and manage conflicts of interest in public procurement procedures (§ 3). Individuals involved in procurement must: (i) sign a conflict-of-interest prevention declaration, registered in the institution's document management system; (ii) re-sign annually if they remain involved in procurement; and (iii) ensure service providers involved in procurement also sign such declarations. The declaration includes a commitment to (i) refrain from sending invitations to participate in the process to related persons, accept bids, negotiate or make proposals to them, to purchase goods or order services or construction work or sign contracts to such an effect with them; (ii) abstain from evaluating submitted bids and (iii) report any conflict-of-interest risks and, if necessary, withdraw from the process.

245. Supervision of conflict-of-interest rules is carried out by the Internal Audit Service, which assesses violations of operational restrictions and makes proposals for preventing conflicts of interest. If a violation occurs, the Service must be informed and will initiate a supervisory procedure. It prepares a memo for the City Government and the institution's head, summarising the violation and recommending disciplinary or corrective actions.

246. In violations are identified, disciplinary liability may apply under the Civil Service Act (§ 72), particularly in cases of a serious breach of duties involving deliberate misconduct, damage to institutional reputation, or harm to other parties or public interest. Also, a breach of other applicable laws may lead to disciplinary liability. An employment contract may be terminated in case of a breach of an obligation or reduced work capacity. Termination of an employment contract must be preceded by a warning given to the employee. While a warning is generally required before termination, in serious cases, immediate termination is permitted due to the particular gravity of the breach of the obligation or for another reason pursuant to the principle of good faith (Employment Contracts Act, § 88 (3)).

247. More serious cases involving suspected crime or misconduct are referred to the Police and Border Guard Board's Central Criminal Police Corruption Crimes Bureau. As regards sanctions, intentional violation ("knowing" violation) of a procedural restriction or the terms and conditions of a procedural restriction is punishable by a fine of up to 200 fine units[38] (Anti-Corruption Act § 19) or up to one year's imprisonment (Penal Code § 300[1]).

248. In practice, between 2020 and 2024, the Internal Audit Service has submitted to the Corruption Crimes Bureau of the Police and Border Guard Board the following criminal reports regarding violations of conflicts of interest restrictions:

[38] The Penal Code defines fine units in § 47 (1) as "(…) A fine unit is the base amount of a fine and is equal to 4 euros."

1) 2020: suspicion of a violation of § 11 of Anti-Corruption Act "procedural restrictions" by an employee of the Tallin City Museum regarding the signing of a procurement contract (Police and Border Guard Board did not start an investigation).
2) 2021: suspicion of a violation of § 11 of Anti-Corruption Act "procedural restrictions" by an employee of the Kadriorg Park regarding the signing of employment contracts. (Police and Border Guard Board did start an investigation).
3) 2022: suspicion of violation of § 11 of Anti-corruption Act "procedural restrictions" by employee of Tallinn City Planning Department (Police and Border Guard Board did not start an investigation).
4) 2024: suspicion of a violation of § 11 of Anti-Corruption Act "procedural restrictions" by an employee of the public limited company Tallinna Arendused (Police and Border Guard Board did not start an investigation based on § 19 of Anti-corruption Act).

249. In contrast to Tallinn, Tartu City has not provided any specific information under this section.

**Incompatibilities, prohibitions or restrictions of certain activities**

*National framework regarding incompatibilities, prohibitions and restrictions*

250. Article 29 of the Constitution provides that citizens have the right to freely choose their area of activity, occupation and employment. This right, however, may be subject to restrictions. For example, the Anti-Corruption Act allows an official to engage in secondary activities, outside his/her official duties, provided that such activities are not prohibited by law and do not violate procedural restrictions (§ 10).

251. Restrictions and prohibitions apply to both elected and appointed officials. The Local Government Organisation Act imposes restrictions for mayors. A mayor may not simultaneously hold any elected or appointed office at the state or local government level[39], including in the same municipal council. A mayor must notify the council in writing if engaging in secondary activities such as: employment under a contract, participation in another local government, membership in a business partnership, serving on the management or supervisory body of a legal entity. The council may partially or fully prohibit such activities if they interfere with the mayor's official duties or lead to a breach of duties (Local Government Organisation Act, § 50).

252. Similar restrictions apply to members of the municipal government. Under the Local Government Organisation Act (§ $50^1$), they are obliged to immediately inform the municipal council in writing if they engage, or intend to engage, in activities outside their official duties—such as employment or service contracts, elected or appointed office, entrepreneurship, or membership in the management or supervisory bodies of legal persons. The council may restrict these activities if they interfere with, or result in a breach of, official duties. Furthermore, the mandate of municipal council members is suspended if they start work at a municipal administrative agency under an employment contract (Local Government Organisation Act).

[39] The Status of Members of the Riigikogu Act (§ 23) prohibits a Member of Parliament from serving concurrently as a rural municipality mayor or city mayor, member of rural municipality government or city government, or official of a municipality.

253. As noted in paragraphs 195 above, the Civil Service Act prohibits the employment of certain categories of individuals in the civil service, including: (i) persons with a criminal conviction for intentional offences, even if the criminal record has been expunged; (ii) persons deprived by court judgment of the right to work in a specific position or area of activity; and (iii) individuals with close family members (spouse/partner, children, parents, grandparents, grandchildren, etc.) in a direct supervisory role over the post in question. These restrictions are verified by the human resources personnel. If any disqualifying conditions are identified, the candidate is not appointed or hired.

254. The Civil Service Act (§ 60) also prohibits officials from (i) supervising a connected person (e.g. a relative or close associate); and (ii) earning profits from ancillary activities that overlap with the official's core responsibilities. Exceptions are made for research and pedagogical activity in an educational establishment if the official notifies the institution of his / her ancillary activity in advance.

255. For employees who are not officials/civil servants, but hold positions of authority, secondary activities are considered any work or business similar or closely related to the contractual duties. In such a case, reporting obligations may be imposed as preventive measures (Anti-Corruption Act, § 10). These obligations are typically included in the organisation's internal work rules or individual employment agreements. Officials must notify their direct supervisor and the head of the organisation in writing—using a reproducible format—when starting or engaging in any secondary activity. Additional guidance is available in the Guidelines on Secondary Activities, developed by the Council of Ethics for Civil Servants (see paragraph 227 above).

*Regulation of incompatibilities, prohibitions and restrictions at the sub-national level*

256. Various legal documents regulate incompatibilities, prohibitions and restrictions in Tallinn City. The Tallinn City Statute (§ 44 (3)) provides that the Mayor cannot hold any other elected or appointed government position outside of his/her official duties, as defined in the Anti-Corruption Act. If the Mayor is involved or intends to be involved in external activities, such as employment or service contracts, roles in other municipalities, businesses, or membership in a legal entity's management or supervisory body, s/he must inform the City Council in writing.

257. In addition, the Regulation (§ 9 (1))[40] provides that a public authority performing public duties must check the criminal record of an official for any criminal conviction referred to in § 3(4) of the Anti-Corruption Act before appointment (or entering into an employment contract) and verify continued compliance at least once a year. Criminal record information is checked: by the head of the institution or company for officials and employees, by the City's internal auditor for the head of the institution, the supervisory board, the revision committee, and the board members of the company, and by the director of the Tallinn City Office for members of the City Government (§ 9 (3)). The Regulation reinforces that restrictions on

[40] Under § 3(4) of the Anti-Corruption Act, institutions performing public duties must ensure that no public official with a conviction for offenses like professional misconduct, fraud, misuse of trust, bribery, influence peddling, or other crimes against public trust or economic crimes performs public tasks under employment or contract. The fulfilment of this obligation has been implemented for years as outlined in the draft regulation based on the Anti-Corruption Act. The only change is that the draft makes the internal rules more precise and explicitly codifies practices already in place.

official activities are based on the Civil Service Act (§§ 11-13).In addition, the Corruption Prevention Guide further clarifies activity restrictions.

258. Secondary activities are regulated by § 10 of the Regulation, which requires officials to immediately report such activities to their direct supervisor and the head of the public authority. A structural unit or position must be designated to keep records of the secondary activities of officials. City departments may also establish restrictions on outside or ancillary activities. For example, § 7 of the City Office's Rules of Procedures requires officials and employees to immediately inform their immediate supervisor and the City Secretary if they engage, or intend to engage, in a secondary activity. The City Secretary may prohibit an official from engaging in such activities, and any decision will be communicated in writing. Furthermore, point 4 of the Tallinn Transport Department's anti-corruption guideline (directive number T-17-1/24/87, adopted on 22 October 2024), sets out restrictions on activities and includes explicit requirements for officials to immediately inform the head of department if they intend to engage in: employment or service contract (e.g. a mandate agreement); elected or appointed public positions; entrepreneurial activity or partnership roles; Board membership in any legal entity (e.g., LLCs, public limited company, cooperatives).

259. In Tartu City, oversight of incompatibilities is carried out by different authorities depending on the role: the Tartu City Council oversees incompatibilities for members of the Tartu City Government; the Mayor is responsible for monitoring the Deputy Mayors; and for officials, the primary responsibility lies with department heads and the relevant Deputy Mayor. Where incompatibilities or violations are identified, potential consequences may include termination or suspension of duties, disciplinary penalties, dismissal from office, or a ban on engaging in secondary activities.

260. In addition, all Tartu City Government employees are required to report any secondary activities. The notifications of secondary activities are stored in the employee's electronic file by the human resources department. The notification includes (i) whether the employee works or engages in secondary activities outside the Tartu City Government and (ii) whether the employee belongs to, or is involved in, a profit-making association, a general partnership, or a limited partnership, or engages in entrepreneurial activities. Employees are under the obligation to promptly inform their immediate supervisor and the human resources department of any changes to their secondary activities.

261. As regards post-employment restrictions, former officials are prohibited, for a period of one year after leaving office, from becoming a related person to a private legal entity which they directly or permanently supervised during their final year of public office (Civil Service Act, § 60(5)). An exemption can be granted by the appointing authority, taking into account the size of the local-government unit, the specific nature of the former position or the limited pool of qualified individuals who fulfil the required criteria (§ 60(6)). Such exception must follow an administrative procedure, in accordance with the Administrative Procedure Act. However, there is no legal requirement to report or seek prior approval for post-employment activities.

**Gifts and benefits**

*National framework on gifts and benefits*

262. Public officials are prohibited from accepting any benefit associated with their official duties, except for gifts that are clearly understood as common courtesy and not corruptive (Anti-Corruption Act, § 4). If officials cannot refuse a benefit, they must immediately notify their agency or the person with appointing authority and hand it over without delay. If the benefit cannot be handed over, the official must pay its market value.

263. Failure to comply with these provisions is punishable by a fine of up to 200 fine units. Income derived from corrupt practices refers to any material or non-material benefit that is offered to an official—or to a third person—because of the official's position, or that is requested by the official in connection with their official duties, except for benefits that are clearly understood as common courtesy.

264. Apart from misdemeanours, the Penal Code criminalises passive bribery (Article 294). Sanctions for misdemeanours imposed pursuant to the Anti-Corruption Act do not preclude criminal prosecution and sanctions where applicable.

265. In addition, the Code of Ethics for Public Servants states that the core value of impartiality means that officials refrain from accepting gifts, benefits and favours that could call into question their professional independence and objectivity. In support of this core value, the Council of Ethics for Civil Servants has developed Guidelines on Gifts and Benefits (see paragraph 227 above), which provide practical guidelines on how officials should act when offered gifts and other benefits. Local government officials and employees are encouraged to follow the Guidelines.

*Regulation of gifts and benefits at the sub-national level*

266. In Tallinn City, the Regulation has a separate chapter on gifts and benefits (Chapter 4). The Regulation defines terms such as benefits, corrupt income, customary courtesies and benefits directed at a public authority. As a general rule, public officials may only accept customary courtesy gifts. Officials who fail to report or surrender corrupt income may be fined up to 200 fine units (Anti-Corruption Act, § 18). In addition, disciplinary proceedings may be initiated, potentially leading to a disciplinary penalty or dismissal in serious cases (Civil Service Act, Section 73).

267. City departments may also regulate the acceptance of gifts through internal corruption prevention guidelines. For instance, the Order of the Head of the Tallinn Education Department of 3 March 2023, Order No. T-7-1/23/105, covers certain aspects in the corruption prevention guidelines, notably how benefits directed towards officials are handled, defines corrupt income and provides examples. However, there is no provision specifying a set value or price range for permissible gifts.

268. Tallinn City does not maintain a gift register or compile statistics on gifts, as officials are not allowed to accept them.

269. In Tartu City, officials are expected to follow the Guidelines on Gifts and Benefits, developed by the Council of Ethics for Civil Servants. Tartu City Government has not developed any specific rules on the acceptance or registration of gifts.

**Contracts with sub-national authorities and private entities**

270. Under the Local Government Organisation Act, local authorities fulfil state functions that are either assigned by law or arising under a contract between an authorised state body and a specific municipal council (§ 6 (4)). Municipal councils, administrations and administrative agencies also have the right to cooperate with all other local authorities outside Estonia and enter into contracts with them. In such cases, the relevant administrative agency must inform the municipal council about this cooperation, and prior approval is required if the contract entails expenses or proprietary obligations for the local budget (§ 13).

271. Officials must not act or make a decision involving themselves or related persons (Anti-Corruption Act, § 7 (list of connected people)), especially where there is an economic or personal interest which may have an impact on the act or decision (§ 11). This includes contracts. For example, a mayor cannot sign a contract with a company in which s/he holds a 10% stake and is required to recuse him-/herself from entering such a transaction. Exceptions are permitted in special circumstances, such as emergencies (§ 10 (3)).

272. In addition, public procurement restrictions and measures to prevent, identify and eliminate conflicts of interest are covered by the Public Procurement Act (§ 9 (4) (6)).

**Misuse of public resources and confidential information**

273. Under the Public Information Act, the intentional release of incorrect public information or the unauthorised disclosure or release of information intended for internal use is punishable by a fine of up to 300 fine units (§ $54^1$). The Personal Data Protection Act provides for further misdemeanours, including breaches of data transmission procedures (EU Regulation No. 2016/679 of the European Parliament and the Council, Articles 44-49), with fines up to 20,000,000 EUR.

274. Besides information-related offences, the Anti-Corruption Act prohibits officials from using their position, public resources, influence or inside information for personal gain. Such misuse is punishable by a fine of up to 300 fine units (§ 7), while the misuse of confidential information and of public resources may also amount to a crime. Several provisions of the Penal Code may apply, depending on the circumstances (e.g. Penal Code, § 157, § $157^1$, § 201 (2) (3); § $217^2$ etc.). In less serious cases, or in addition to misdemeanours/criminal punishment, misuse of confidential information and the misuse of public resources may lead to a disciplinary sanction, including a warning or termination of employment.

275. In the last five years, one court decision has been enforced (Link to the court decision in Estonian) and one procedure has been initiated (Link to the article - in Estonian), involving Deputy Mayors of Tartu City.

276. At the municipal level, Tartu City reports that there have been no intentional violations regarding the misuse of confidential information over the past five years. The City Government registers all violations related to personal data. Although there have been no cases of intentional unlawful disclosure of personal data or providing unauthorised access to it, 3-10 incidents occur annually, mostly due to (i) errors in the document management system, where the creator fails to apply access restrictions properly (ii) and occasional technical vulnerabilities in information systems, where users could access others' data or a potential access loophole. In one case, the supervisory authority issued a warning to

employees. For minor violations, the Tartu city prefers clarification, training, or implementing IT solutions that reduce the likelihood of accidental or careless violations.

**Declaration of assets, liabilities and interests**

*Declaration requirements*

277. At the national level, the Anti-Corruption Act (see Chapter 3) requires officials (declarants) to submit declarations of interests disclosing information regarding their property and other perceived interests that may potentially impact the performance of their official duties. For the purpose of the Act, officials include, amongst others, members of local government councils, members of city governments, city district elders and managers of city agencies, as well as officials of cities and members of management bodies of foundations established by local governments, where so determined by the local government council.

278. These declarations must include information on immovable property ownership, vehicles, securities, holdings in companies, liabilities, annual income and other relevant assets. Declarations are submitted through the Registry of Declarations of Interests, which has been established under Government Regulation No. 60 (24 April 2014), and allows for electronic submission, storage, management, verification, and publication of declarations. They are partially pre-filled with information held and obtained by other public authorities.

279. Declarations must be submitted within four months of taking office or from the date on which the obligation arises, and subsequently, they must be submitted annually. Declarants are not required to file more than one declaration in a calendar year, even if they take on a new position during that time. Subject to the protection of personal data, declarations are public and are stored in a national registry.

280. Failure to submit the declaration by the deadline without a valid reason, concealing information that is significant for assessing corruption risks, or submitting false information is prohibited. Valid reasons include the official's illness or other circumstances beyond their control that prevented the declaration from being submitted on time. Once the obstacle is removed, the declaration must be submitted without delay.

281. At the municipal level, the Tallinn City Regulation has obliged members of the City Council, members of the City Government, district elders, heads of public authorities and administered institutions to submit a declaration of interests (§ 17). In addition, members of supervisory boards, audit committees, and management boards of companies and associations must submit annual declarations to the company's management board, disclosing their own and their connected persons' business interests and secondary activities (§ 20).

282. In Tartu City, declarations of interests are regulated by the Anti-Corruption Act, as there are no city-specific regulations. The City Council members, including the Deputy Chairs and the Chair of the Council, as well as members of the Tartu City Government, including the Mayor and Deputy Mayors have an obligation to submit declarations of interests. The Tartu City Council Secretariat informs Tartu City Council members of their obligation upon taking office and ensures compliance through regular reminders. The electronic submission platform

for declarations of interests also sends notifications about this obligation, and City Council members are additionally reminded during Tartu City Council meetings.

*Review mechanisms*

283. The Anti-Corruption Act empowers a committee established by a local government council to verify the declarations, request explanations and make enquiries with credit institutions and other available databases (§ 15). All actions taken must be recorded and, in the case of suspicions of an offence, the declaration is forwarded to the relevant prosecutor's office.

284. In line with these provisions, the Tallinn City Council has established the Interest Declaration Control Commission, which is responsible for reviewing declarations and reporting to the City Council. The Commission is chaired by the City Internal Auditor and includes the Chair of the City Council's Revision Committee, the Head of the City Council Office, the Head of the Procedures Department of the City Internal Audit Service and the Head of the Internal Control Sector of the Education Department.

285. For municipal companies, the management board is responsible for forwarding the declarations to the auditor performing the company's annual financial audit and for keeping a register of the declarations. The auditor will submit a summary of observations on the compliance with the Anti-Corruption Act to the management board, including whether the company has established mitigating corruption risks measures and whether awareness of corruption prevention and compliance monitoring of obligations are ensured. The declarations will not be subject to public disclosure. The management board will then submit an overview of the observations and the company's annual financial audit report to the City Government. The board may also decide to require other company officials to submit declarations. The City's Internal Audit service has the right to review the declarations of members of the governing body and other company officials, particularly in cases of suspected wrongdoing.

286. In Tartu City, the Internal Audit Service of the City Government serves as the committee responsible for verifying declarations of interests submitted by officials (Tartu City Council Regulation No. 15 (24 April 2014) on the Supervision of the Interests of Officials). In addition, at least once a year, the Internal Audit Service reviews transactions between the City and connected parties disclosed in declarations of interests submitted by Tartu City Council members. The review verifies whether transactions between the City and connected persons have occurred and been conducted at market prices.

**Transparency, access to information and public participation**

*Access to information*

287. At the national level, access to information, including that held by local governments and by municipal companies to the extent that they perform public tasks or services, is regulated by the Public Information Act. According to § 3(1) of the Act, public information is defined as any data that is recorded and documented on any medium or in any form, created or obtained while performing public tasks as prescribed by law. The Act does not apply to municipal companies and foundations which operate in the private sphere and do not perform

any public functions. The Act sets conditions, procedures, and methods for access to public information, as well as grounds for refusing access (§ 35).

288. The Act further prohibits classifying certain information as internal (i.e. restricted), including the results of public opinion polls, generalised statistical surveys, economic and social forecasts, environmental notices, the results of research or analyses conducted by local governments, and documents concerning the use of budgetary funds (§ 36).

289. The Act also regulates limited-access public information and procedures for granting such access, which are not covered by other laws. It sets out the principles for establishing and managing databases, supervision and their access procedures. In addition, the Act regulates the publication of municipal council legislation, city government legislation, draft development plans, draft budget strategy and draft county development strategy.

290. At the municipal level, the Mayor of Tallinn has adopted General Order No. T-4-1/21/14 on the Unified Administrative Procedure for Document Management for Tallinn City Authorities, which outlines responsibilities, disclosure procedures, access restrictions, recording, retention, coordination, and transmission of information. As a rule, information is public, unless restricted by law. Access restrictions are assigned in accordance with a classification scheme, set out in internal procedures governing access to public information, which are available online.

291. Access restrictions are subject to audits. In 2024, the Internal Audit Service assessed access restrictions applied to documents registered in the City's document management system (referred to as *Postipoiss*) across 10 city agencies and 6 managed institutions. Findings were provided to the agencies, along with guidance for improvement. In response, the Data Protection Bureau of the Tallinn Strategy Centre's Digital Services Department created replies to frequently asked questions on public information issues, which are available on the internal website.

292. Tallinn City authorities publish information proactively. They make available metadata on city documents in the document register (http://dhs.tallinn.ee/atp/). The Tallinn City Statute (Chapter XI) requires that legal acts of the City Council and the City Government be published on Tallinn City's website within 10 days of adoption, unless publication is prohibited or restricted by law (§81 (1)). Legal acts of general importance are also published in the Official Journal (State Gazette). The Tallinn City Council Office and the City Secretary are responsible for drafting, publishing and distributing legal acts (§ 81 (9)). Draft legal acts of the City Council and City Government are processed through the Tallinn Legal Act Information System (https://teele.tallinn.ee/.

293. To promote access to information, Tallinn regularly organises training sessions on access to information and data protection, coordinated by the Data Protection Bureau of the Digital Services Department. For example, training sessions on the Public Information Act and the Disclosure of Information in the Document Management System *Postipoiss* were held in April and November 2024. Furthermore, officials and employees may attend other relevant trainings offered by public and private training providers.

294. Similarly, in Tartu City, training sessions on transparency and access to information are organised regularly for officials and other public sector employees. New employees undergo

mandatory data protection training, which explains the scope of public information and access restrictions.

*Transparency and public participation in decision-making*

295. One of the core principles of local government in Estonia is the transparency of its activities (LGOA, § 3 (6)), which is demonstrated by the fact that city councils' sessions are public, unless closed by a qualified vote or prohibited/restricted by law (§ 44 (4)) and that voting in city councils is public, except for personal elections (§ 45 (2)).

296. Under § 7 (4) of the LGOA, the rules of legislative drafting established by the Government apply to draft regulations of a municipal council and a municipal administration with the specifications arising from the legal status of a local authority. The specific procedure for the implementation of rules of legislative drafting may be established by municipal councils. In this context, the Government has issued Rules for good legislative practice and legislative drafting. A legislative intent is the initial step for drafting a legislative instrument (an Act), followed by a concept and draft act, which must be supplemented by an *ex-ante* impact assessment or an *ex-post* assessment and an explanatory memorandum. Interest groups and the public are involved in the preparation of the legislative intent, concept and draft Act, and coordination is carried out in compliance with the provisions of the Rules of the Government, the latter of which specifically applies when preparing a legal act to be adopted or a decision to be made at the level of the *Riigikogu*, the Government and ministers. The opinions and proposals of engaged interest groups, which have and have not been taken into account, are indicated [41] the Good Practice of Involvement and submitted in an appendix to the explanatory memorandum.

297. In addition, sectoral legislation requires disclosure to and consultation with the public. The Planning Act requires public disclosure and involvement of interested parties in local government spatial plans, and the Building Code requires disclosure for construction projects. Drafts are subject to impact assessments and public consultation. The development of general acts often includes impact assessments, which are made available to the public. At the local level, a city government organises the involvement of all interested persons in the preparation of a development plan and budget strategy through public discussions and publication of the draft development plan and budget strategy on its website for at least two weeks (LGOA, § $37^2$, (5), (6)). The same applies to the preparation, processing, adoption and publication of county development strategy (§ 374). Parents also make up the majority of members of boards of trustees of schools and kindergartens, in accordance with the Basic Schools and Upper Secondary Schools Act (§ 73) and Early Childhood Education Act (§ 26).

[41] Under the Good Practice of Involvement, a government authority identifies, determines and contacts the interest groups, such as natural persons, legal persons or non-formal associations, who could be affected by the intended act and may be invited to participate in the public consultation which must be carried out in two stages: when submitting an intention to develop a draft act, a proposal to prepare a strategy document and when the draft has already been developed. The government authority provides information on the opening of public consultation to the interest groups, which are invited to provide comments within an adequate period of time (usually four weeks). In reply, the government authority provides feedback on their comments within 30 days of the end of consultation, and prepares a summary about the consultation results, including consideration of the proposals or comments and a justification of whether they were accepted. The summary is published in the Information System of Draft Act next to the to the draft act being proposed.

298. Citizens may also participate in local government under the LGOA (Chapter 4). At least 1% of residents in the city (minimum five people), may propose the adoption, amendment, or annulment of legislation or submit proposals for addressing other local community matters to the City Council or City Government, which must consider them within three months. Everyone may also request the City Council or City Government to amend or annul acts/decisions that unlawfully restrict their rights.

299. The municipal council adopts regulations as legislation of general application or resolutions as legislation of specific application. Legislation of general application is published in the official online legal database, *Riigi Teataja* (www.riigiteataja.ee), and legislation of specific application in the Tallinn Legal Acts Information System (https://teele.tallinn.ee). In addition, minutes of municipal council meetings are accessible to everyone in accordance with law. Voting in the council is open and decisions are taken by a majority of the votes in favour, with some decisions requiring a qualified majority of two thirds of the votes (e.g. amendments to the merger agreement adopted upon alteration of administrative-territorial organisation of the local authorities within the first election cycle after the entry into force of such changes).

300. The municipal administration may issue regulations as legislation of general application and pass orders as legislation of specific application (§ 7). All legislation is publicly accessible in the *Riigi Teataja*. Exceptions apply only to legally restricted or internal-use information (Local Government Organisation Act, § 31). Sessions of the municipal administration are closed, and its decisions are taken by a majority of votes in favour.

301. At the municipal level, Tallinn has established concrete measures to implement transparency requirements. Tallinn City Council's meeting agendas are publicly accessible on Teele and meetings are broadcasted live: Tallinna Linnavolikogu | Tallinn. Regular public sittings of the Tallinn City Council and regular information sessions are held every Thursday and can be accessed via Youtube. Voting in the City Council is public, except for elections of persons in public office. Agendas, minutes of sittings, and legislation are published on Teele.

302. The Tallinn City Government carries out its tasks through legal acts, economic activity, supervision, and citizens' participation. The City Government's weekly timetables and press conferences[42] are available on the Tallinn City website. The City Government meetings are closed and its decisions are taken by a majority of votes in favour (Tallinn City Statute, §50). Its minutes and legal acts are published in Teele information system. It may form temporary committees to perform its duties and develop proposals on specific matters (§ $50^1$).

303. Tallinn City also involves interest groups, such as a group of natural persons as well as a legal person or an informal association that may be affected by an intended regulatory decision. Before adoption, draft legal acts of the city are shared with civil society organisations. The requirements for the City Council's legal acts are set out in § 8 of Tallinn City Council Regulation No. 28 (13 December 2012) on the Rules of Procedure of the Tallinn City Council, and for the City Government's legal acts, in §§ 2-6 of Tallinn City Government Regulation No. 33 (12 November 2024 on the Regulations of the Tallinn City Government). The City Government Regulation states that interest groups may be involved in the preparation and drafting of a regulation and the drafter decides on the need and scope of

[42] Previous press conferences are also available on YouTube.

involvement. Tallinn City follows a five-step citizen engagement process: (i) problem identification and initial communication; (ii) preparation of draft proposals and consultation; (iii) public discussions and engagement; (iv) publication of draft legislation and decision-making via city council meetings (live streamed); and (v) post-decision feedback and (impact) monitoring, including surveys and evaluations.

304. These practices are supported by research, which is published in the Tallinn Research Information System.

305. In order to collect feedback, relevant consultations are also conducted via media, the city website (tallinn.ee), and social media, e.g. when a new planning project is initiated or when there are plans to change public service arrangements. This approach has led to wider discussions on topics such as bus routes and circular economy.

306. Participatory budgeting has been in place since 2020 following the Ministry of Finance's Participatory Budgeting Guide (2018), allowing the participation of residents (not elected to representative bodies) to influence the planning and allocation of public funds. The city decides on the rules (Tallinn City Council Regulation on the Procedure for implementing the participatory budget of the Tallinn City), including the size of the participatory budget, the types of proposals eligible for funding, and the criteria for compliance. Once the process is launched, the public is informed and anyone can submit ideas. After the ideas are collected, an experts committee then evaluates their feasibility and compliance with the established requirements and may merge or supplement similar ideas during its review. The shortlisted proposals are put to a referendum, and those receiving the most votes are implemented. All residents of Tallinn aged 14 and above, as registered in the population register, may vote for up to three proposals in their district of residence. For the 2024 participatory budget, the city allocated a total of one million euros, of which 75% was distributed equally amongst the city districts and the remaining 25% according to the number of residents in each district as of 1 July. For the 2025 participatory budget, the collection period for proposals ran from 25 March to 14 April.

307. The Administrative Procedure Act, (§§ 56 (1), (2), (3)) requires administrative acts to be reasoned in writing, and indicate factual and legal basis as well as discretionary considerations. The Tallinn City Council and the City Government provide an explanatory memorandum or explanations within the legal act itself.

308. Transparency also extends to municipal spending. Public procurement is tracked through the Public Procurement Register, ensuring both the transparency of expenditures and the ability for citizens and the media to follow how public funds are used.

309. Beyond procurement, citizen participation is also encouraged at the district level, where meetings and discussions are held regularly for residents to raise local issues.

310. In Tartu, the City Government organises meetings in accordance with the Statutes of the City of Tartu, § 19 (1)). Agendas are available online through the city's document management system, and press releases or conferences accompany major decisions.

311. The preparation of the development plan and the budget strategy of Tartu City follow the same requirements as Tallinn City and must involve all interested parties (LGOA, § $37^2$).

The development plan and the budget strategy of Tartu City must consider the balanced long-term directions and needs of the economic, social, cultural, and natural environments (Statutes of the City of Tartu (Chapter 5)). The Procedure for Preparing Development Documents of Tartu City (in force since 29 May 2023) regulates the disclosure of documents, public consultation and transparency of the process. Urban planning is governed by the Planning Act; participation in and disclosure of construction projects follow the Building Code. Impact assessments are conducted for general acts, which affect the public, e.g. environmental impacts are assessed during the initiation of detailed plans

312. Tartu City has established a procedure that allows citizens to participate in the legislative process. Citizens can submit proposals and opinions on draft laws and participate in public discussions. The participation process is regulated by the Tartu City's legal acts, which ensure citizens' right to engage in and influence the development of the city's legislation. Legal acts can be challenged within the timeframe stipulated by the Planning Act.

313. Tartu City Council and City Government append explanatory notes and additional files to their legal acts. Where necessary, detailed explanations are included. Council's meetings are held at least once a month, presided over by the Chairperson or Deputy Chairpersons, and are broadcast online Tartu City Government weekly schedules, meeting records and adopted legal acts are publicly accessible in the city's document registry.

314. The implementation of public procurement can be tracked via the Public Procurement Register, ensuring transparency in the use of public funds. The register is public, and all data is accessible to everyone.

315. Research and analyses are published in Tartu City's research register. Communication and participation efforts are facilitated through the official website, tartu.ee, and social media platforms. This allows residents to engage in discussions on topics such as transportation management and circular economy initiatives.

316. Tartu City also has also applied participatory budgeting since 2013, as shown online. The process allows citizens to decide how to use part of the City's investment budget. Currently, residents of Tartu can decide on the use of 200,000 euros. It begins every spring with a public call for ideas. The number of submitted ideas varies from year to year. After the call for ideas, the ideas are evaluated by experts whose task is to assess the feasibility of the ideas and their compliance with the conditions of the participatory budget. This is followed by public discussions together with the idea submitters, after which the authors can further refine their ideas. Next, the ideas are presented publicly in the local community and the city. On one hand, the authors introduce their ideas, and on the other, the city government invites residents to participate in the voting and presents all ideas proposed for voting. At the beginning of October each year, a public vote is held to select the two ideas with the most support, which the city government will implement in the following budget year. To date, 22 ideas have been implemented or are in the process of being implemented in Tartu. The goal of participatory budgeting is to increase citizen participation in shaping the city's development, encourage communities to cooperate more with each other, and improve the city's infrastructure.

*Lobbying and third parties*

317. In implementation of the Anti-Corruption Action Plan for 2021-2025, the Government issued a good practice for top executive officials in communicating with lobbyists in 2021. There are no sanctions for violating the good practice, but the guidelines place responsibility on heads of institutions to ensure that practices are implemented, and monitoring measures are put in place. However, local governments are not bound by the obligation on the national government to disclose meetings, including the persons met and the subject matter discussed. In Tallinn, the weekly schedules of City Government members' (pre-information) are published online. Tartu City has not provided any specific information under this section.

**Control mechanisms, oversight and accountability**

*Compliance mechanisms*

318. Rules on supervisory control are provided by the LGOA (§ $66^1$). Municipal administrations oversee the legality and purpose of activities carried out by the city administrative agencies, their officials, and agencies under their authority. In exercising supervisory control, municipal administrations may (i) issue an order or instruction to eliminate deficiencies in legal acts; (ii) suspend the implementation of an act or the validity of a legal instrument; or (iii) invalidate legal acts or instruments.

319. In practise, Tallinn City Council's Audit Committee conducted in 2023 an audit on "Control of the Implementation of Anti-Corruption Measures in City Administrative Agencies and Managed Institutions, including the Notification and Training of Public Officials on the Implementation of the Anti-Corruption Act in 2020–2021". The audit report found that, while the hotline for reporting possible violations had existed since 2018, no reports had been received during the audited period due to low level of public awareness and difficulties locating the hotline number on the website. The report also noted that verification of compliance with restrictions was only possible for transactions made by companies directly associated with the public official, but not with other related persons. To address this shortcoming, standard contractual clauses were to be included in procurement contracts. E-Training was made available to new officials via korrptsioon.ee. The Internal Audit Service, however, lacked adequate resources to fully address and coordinate corruption prevention across all authorities, including municipal companies.

320. In line with paragraph 169 above, compliance is further ensured by the Tallin City Office, which centrally coordinates legal affairs, including litigation, oversees the legality of municipal legislation, organises the internal control system, and manages the functioning of the administration (Tallinn City Council's Regulation No. 24 (10 December 2020) on the Statute of the City Office). The City Office also provides independent assessments of the legality and expediency of the activities of municipal agencies, companies and foundations, coordinates their internal audit activities and may request all data and documents necessary for the performance of its duties. The City Office's powers are exercised by the City Secretary, the City Internal Auditor and relevant structural units.

321. As stated in paragraph 216 above, heads of public institutions are responsible for implementing anti-corruption measures, designating an official or office responsible for organising anti-corruption activities and mitigating corruption risks. This official/office conducts risk assessment, plans mitigating measures, develops and update anti-corruption guidelines, informs officials of their responsibilities and restrictions under the Anti-Corruption

Act, ensures compliance with restrictions, monitors transactions involving entities linked to officials, informs personnel about the obligation to report secondary (ancillary) activities and maintains relevant records. In smaller institutions, the head may carry out these duties directly (Regulation, § 5 (5)(3)).

322. In Tartu City, compliance responsibilities lie with the Personnel Department and the Internal Audit Service of the Tartu City Government.

*Internal control/audit*

323. The Local Government Organisation Act (§ $48^1$), as amended in January 2026, will require municipal councils to ensure the implementation of an internal control systemin the local government from July 2026. In addition, the City Government is responsible for implementing an internal control system and for its productivity.

324. In Tallinn City, internal control and internal audit are regulated by the City Statute (Chapter $VI^1$). The internal control system is defined as a comprehensive set of legal and operational measures to ensure compliance with laws, protect assets from waste, misuse, incompetent management, and other similar damage, enable efficiency of the institution's activities in fulfilling its tasks, and guarantee the collection, storage and publication of accurate, timely and reliable information about the institution's activities (§ $54^2$ (1)). The City Council ensures the implementation of the internal control system and the organisation of the internal auditor's professional activities. The City Government implements the system and is responsible for its effectiveness. Also, heads of institutions are responsible for the implementation and effectiveness of internal control in their respective entities.

325. According to the Statute, internal audit assesses and analyses the existence, effectiveness and compliance with legal requirements of internal control systems in city institutions. Tallinn's internal audit is centralised and two-tiered. At the institutional level, internal audit is managed by the city agencies, whose head appoints a relevant person or establishes a structural unit, if necessary. At the City level, the Internal Audit Service organises internal audits in city agencies (§ $54^3$). The City Government establishes rules for these audits.

326. As stated in paragraph 320 above, the City Office ensures the functioning of the internal control system. The City Secretary proposes candidates for appointment or dismissal of the City Internal Auditor to the Mayor, and, upon the Mayor's suggestion, appointments are made by decision of the City Government. According to the City Secretary's General Order No. T-5-1/25/13 (9 October 2025) on Regulation of the Internal Audit Service of the City, the Internal Audit Service is subordinate to the City Secretary in matters relating to risk management coordination, administrative matters and the Procedure Department, and to the City Council in matters relating to internal auditing. Functional subordination includes the approval of the internal audit mandate and resources, as well as ensuring the independence of internal audit.

327. The service consists of two departments: (i) the Procedure Department and (ii) the Audit Department, the latter having been renamed from the Supervision Department on 9 October 2025, following the adoption of the City Secretary's regulation on the Internal Audit Service. As at 1 October 2024, it employed 12 officials, notably the city internal audit officer, a directly subordinate senior specialist and a head and four officials in each of the constituent

departments. Both departments prepare independent assessments, particularly on the legality and appropriateness; cooperate (operationally) for urgent audits, including forming joint working groups when necessary; participate in the supervision of the service's senior specialist and other tasks assigned to the service; coordinate and, where necessary, draft general orders for the Mayor and perform other tasks specified in the service's work plan and relevant documents

328. In Tartu City, internal audit is governed by the Statute of the Internal Audit Service, according to which the Department is functionally subordinate to the City Council and administratively subordinate to the Mayor. The City Council and the City Government are responsible for ensuring the implementation and effectiveness of the internal control system.

329. The Statute requires the Internal Audit Service to draw up annual action plans, based on risk assessment and input from the City Government, the Audit Committee and the Council. In practice, over the past three years, the Tartu City Council has approved the Department's annual action plan (see, for example, the 2024 Action Plan), and the head of internal audit has also presented the Council with a summary of the department's activities and completed audit results, which are published online. In addition, summaries of audit reports are included in the City's annual financial statements.

*External control/audit*

330. In connection with the independent supervision and control exercised by State bodies outlined in paragraphs 139-143 above, Tallinn City has undergone five audits carried out by the National Audit Office in recent years.[43] In 2024, the Chancellor of Justice addressed issues concerning activities of Tallinn City institutions, including the involvement of affected persons in construction rights proceedings and the participation of a housing association in the building notification process. Furthermore, the Chancellor of Justice's opinions on Tarty City institutions are publicly available (in Estonian only).

331. In addition, every municipality must undergo an annual external audit of their financial accounts. The Auditors Activities Act, which sets out the requirements for a sworn auditor (i.e. a natural person) and an audit firm (i.e. a legal entity), applies to local governments as public sector entities (§ 12). It provides that a sworn auditor may perform professional services through an audit firm (§ 7). The same sworn auditor may sign a sworn auditor's report for up to seven consecutive years, and an audit firm may provide services for up to ten consecutive years, extendable for up to twenty consecutive years under the conditions provided for in Regulation No 537/2014 of the European Parliament and of the Council on specific requirements regarding statutory audit of public-interest entities (§§ 55 and 65[1]). The external auditor carries out a financial audit of the accounts of the Municipality and, where applicable, of municipal companies. Its findings are shared with the City Government and presented to the City Council's Revision Committee.

332. An external auditor has audited the Tartu City's financial statement for fiscal years 2019–2022. As a rule, the external auditor does not directly verify declarations of interests,

[43] 2024: Development of Heat Economy in Local Governments; 2023: Organisation of Home Services; Effectiveness of the Management of Substance Benefit as National Social Assistance; 2022: Ensuring the Quality of Local Road Maintenance; 2021: Detecting Social Problems Among the Elderly by Local Governments; 2020: Role of Local Authorities in Promoting Business.

but assesses whether connected-party transactions, based on the declarations, comply with market conditions.

*Independent/social audit*

333. No independent or social audits have been conducted in either Tallinn or Tartu. The Estonian legal system does not provide for such audits.

*Administrative review*

334. Individuals may start challenge proceedings (i.e. administrative review or complaint) if they believe that their rights have been violated or their freedoms restricted by an administrative decision or during administrative proceedings, in accordance with Chapter 5 of the Administrative Procedure Act. A challenge may be filed with the administrative authority which issued the contested administrative decision or took the impugned measure, or with the supervisory authority overseeing it.

335. The primary functions of challenge proceedings are to protect individual rights, exercise self-control by the administration, and reduce the workload of administrative courts. However, they cannot be filed against an act or measure of an administrative authority directly supervised by the Government of Estonia (Administrative Act, Chapter 5). Challenge proceedings are not mandatory and serve as a less formal alternative to court procedures, which may not always be as effective. If a challenge is not upheld, the individual may then appeal to the administrative court. Alternatively, individuals may skip challenge proceedings altogether and go directly to court.

336. In practice, the Ministry of Justice challenged Tallinn City Government's Order No. 755 (21 June 2021) on the Establishment of detailed planning of *Tuulenurga tn* 1 property in Pirita district. The plan would have allowed the construction of a football hall on the adjacent plot of land of the Maarjamäe Memorial.

337. Similarly, in Tartu, administrative acts may be challenged either through challenge proceedings or directly before the administrative court. However, public procurement cases must first be dealt with by the Procurement Dispute Committee, which is a mandatory pre-court procedure, governed by the Public Procurement Act. The Procurement Dispute Committee's decision may be appealed to the administrative court.

*Judicial review*

338. The Constitution (§ 15) provides that everyone has the right to turn to the court in case of violation of their rights and freedoms. Anyone may request that any law, regulation, or act relevant to the proceedings be declared unconstitutional. The court must follow the Constitution and declare unconstitutional any law, regulation, or act that violates the rights and freedoms established in the Constitution or is otherwise in conflict with it.

339. Every person has the right to turn to the court if they believe their own subjective rights have been violated by an administrative authority in a public legal relationship (Code of Administrative Court Procedure). A person may institute proceedings for the protection of others or the public interest only when explicitly prescribed by law (e.g., in the case of planning

under the Planning Act). A claim must be filed within 30 days of becoming aware of the contested administrative act. The administrative case must be decided by an independent and impartial court in a fair, timely manner, and at minimal cost. The state fee for filing an administrative case is currently 20 EUR (see State Fees Act).

340. Legal representation is not required. Individuals only need to provide written reasons for which they believe their rights were violated. The administrative court has the obligation to assist individuals where necessary and has an investigative duty, meaning it must find the legal basis and identify the facts required to resolve the case. The court system is three-tiered (Administrative Court - Circuit Court - Supreme Court).

**Disclosure of corruption and integrity violations, whistleblower protection**

*Public complaint mechanisms*

341. The reporting of suspected corruption cases is regulated by the Anti-Corruption Act (§ 6), which outlines the obligations and procedures for individuals to report such incident, ensuring transparency and accountability within public institutions. Most importantly, officials are expressly prohibited from concealing any known incidents of corruption. If agencies performing public duties are notified of a corruption report, the confidentiality of the "fact of notification" (i.e. the formal fact that a report has been received) is preserved. Information about the fact of notification may be disclosed only with the written consent of the notifier. If the notifier is a witness in criminal proceedings, these proceedings apply to the incidents of corruption while protecting the confidentiality of the fact of notification. If the notifier knowingly communicates incorrect information, confidentiality is not guaranteed.

342. In practice, any incidents of corruption can be reported to the Police and Border Guard Board. Detailed information on how to report corruption, including the procedures and contact details are available at: https://www.politsei.ee/en/corruption-offences.

343. In addition, complaints about disciplinary violations, including breaches of ethical codes, can be submitted internally within the institution. Complaints may also be filed with the Chancellor of Justice (Ombudsman), who is authorised to investigate violations of human rights and freedoms. If necessary, individuals may also seek judicial protection of their individual rights in case of breach.

344. At the municipal level, Tallinn has put in place several channels for reporting corruption. The public is able to report incidents anonymously through the corruption hotline at 640 4002 (created on 30 May 2018) or by email at korruptsioonivihje@tallinnlv.ee. Both channels are available on Tallinn's official website, and reports received are forwarded directly to the City's Internal Audit Service to ensure confidentiality.

345. In Tartu, suspected corruption may be reported anonymously through an online form (there is no dedicated corruption hotline) or by email to vihje@tartu.ee. For both channels, reports are handled by the Internal Audit Service. Corruption cases may also be reported directly to the head of the institution or the relevant department head.

*Officials' reporting obligations*

346. At the national level, public officials are required to report any violations of the Anti-Corruption Act (§6 (1)), or any other corruption-related incident they become aware of.

347. Building on this obligation, the Tallinn City Council's Regulation stipulates that an official or other person (e.g., employee or contractor) must immediately report any violation of the prohibitions set forth in the Anti-Corruption Act, any reasonable suspicion of a corruption case, or a possible corruption case, to the head of the public institution or the City's Internal Audit Service. The procedure for reporting corruption-related incidents is provided in institutional corruption prevention guidelines, such as those of the Tallinn City Office and the Municipal Police Department (see paragraph 228 above).

348. In Tartu City, the duty to report is established by law, and there are no separate reporting rules. Officials are expected to contact law enforcement agencies, such as the Police and Border Guard or the Internal Security Service.

*Whistleblower protection*

349. As stated in paragraph 346 above, the reporting of corruption cases is regulated by the Anti-Corruption Act (§ 6). In September 2024 the Act on Protection of persons who report work-related breaches of European Union Law entered into force (the Whistleblower Protection Act). The Act, which also applies to municipal authorities (§ 6), provides legal grounds for reporting breaches of EU law in one of the areas set out in its material scope (§2), when they have become known in the context of work-related activities. Reporting can take place through an internal channel, the head of the reporting person, an external channel or by public disclosure (§ 4).

350. Under the Act, internal reporting must be operated by a person or department designated by a competent authority, especially for a municipal authority and an agency administered by it with 50 or more employees, or a municipality with 10,000 or more inhabitants. Only the designated person or department have access to the reporting channel. An external reporting channel for the receipt of reports of breaches must be established outside the competent authority, which is required to establish its functioning (§ 9).

351. The Act requires that an acknowledgment of receipt be sent to the reporting person within seven days of the receipt of the report, unless the report is transmitted to the competent authority within five days. Follow-up and feedback on the processing of the report must be given within three months. The Act further stipulates protection of confidentiality and processing of personal data, while it prohibits retaliation, including attempts and threats thereof. Hindering reporting of breaches, retaliation against whistleblowers and breaching their confidentiality are punishable by a fine ranging from 1,200 to 100,000 euros, depending on whether the offender is a natural person or legal entity.

352. At the municipal level, in November 2024 the Tallinn City Government adopted a procedure for receiving, processing and following up on reports of violations. Breaches of EU law may be reported internally, by email (rikkumisteavitus@tallinnlv.ee), to the City Office's Internal Audit Service. Only this service has access to the reporting channel and reports, thus ensuring the confidentiality of the whistleblower's identify. A confirmation of receipt is sent within seven days of its receipt, while anonymous reports are not accepted since contact details are required, and illegible and incomprehensible reports are not processed.

353. The Internal Audit Service is responsible for determining whether it is competent to handle a report. If so, it conducts an investigation and prepares a report, containing proposals to eliminate the deficiencies identified. The report is submitted to the relevant authority and to the responsible Deputy Mayor to adopt appropriate follow-up measures to identify, eliminate and prevent violations. The relevant authority will report back to the Internal Audit Service and the Deputy Mayor on the actions taken.

354. Training sessions have been organised to raise awareness of the whistleblower protection in Tallinn. For instance, a training session for city officials took place on 19 November 2024, based on corruption-related court decisions and cases. Internal control staff have also attended training on the EU Whistleblower Protection Law since 1 September 2024. The internal control office also organised relevant training for city institutions in November-December 2024. However, Tallinn does not compile annual statistics on reports, nor does it keep specific records of reports submitted directly to heads of institutions.

355. In Tartu, anonymous reports may be submitted through the city's website. There are no restrictions on who can file a whistleblower report. Reports are reviewed by officials in the Internal Audit Service. Acknowledgement of receipt is sent to the whistleblower within seven days of receipt of the report, unless the whistleblower has expressly prohibited it or doing so would jeopardise confidentiality. If the City Government is not competent to process the report, it will be forwarded to the relevant authority within five working days after receipt, while informing the whistleblower and respecting the confidentiality undertakings.

356. Feedback on a report is provided through the same channel used for submission, unless the whistleblower requests otherwise. The City Government ensures appropriate follow-up actions to investigate, correct, and prevent the issue, or refer the report to relevant authorities. Feedback is generally provided to the whistleblower within three months of its receipt, or six months if the report has been submitted via an external notification channel, unless the whistleblower has expressly prohibited it or doing so would jeopardise the whistleblower's confidentiality.

357. Any form of direct or indirect retaliation against the whistleblower, such as coercive measures or threats resulting from reporting a breach, is strictly prohibited. If retaliatory measures are taken against a whistleblower after reporting a breach, it is presumed that the measures were taken because of the report, unless proven otherwise by the employer.

358. Whistleblowers are not liable for any legal consequences arising from the disclosure of information, provided they had reasonable grounds to believe that the disclosure was necessary to expose the breach, except where such disclosure constitutes a crime or misdemeanour. The same applies to the disclosure of business secrets

359. Despite these safeguards, no submitted reports have been classified as whistleblower reports, and none have led to the initiation of proceedings.

**Enforcement and sanctions**

*Non-criminal enforcement mechanisms*

360. If the head of an institution or the city's internal control service identifies a violation of the Anti-Corruption Act or the applicable anti-corruption regulations in Tallinn, disciplinary proceedings may be initiated under the Civil Service Act (Chapter 8). Disciplinary measures include a warning under the Employment Contracts Act, a reprimand, reduction of base salary by up to 30% for up to six months, or dismissal. If the employee violates his/her duties despite a warning, the employer may terminate the employment contract immediately (§ 88).

361. The same rules apply in Tartu. In situations where the head of the institution or the Internal Audit Service identifies a violation of the Anti-Corruption Act, disciplinary proceedings may be initiated under the Civil Service Act, and the employee, who is a public official, may receive a warning under the Employment Contracts Act. The disciplinary measure is determined by the appointing authority based on all evidence and circumstances. It may include a reprimand, salary reduction, or dismissal (Civil Service Act (§ 70)). Recurring violations, in spite of a warning imposed by the head of the institution, may result in immediate termination of employment (Employment Contracts Act, § 88).

362. The Council of Ethics for Civil Servants can be contacted for ethical issues (Civil Service Act, § 12(1)). It advises officials and institutions on general issues of official ethics. As regards individual cases, the Council of Ethics for Civil Servants analyses the official's conduct in relation to the principles of official ethics and issues an opinion. Based on its opinion, the institution may decide whether to apply disciplinary responsibility to the official involved in the specific case. However, the Council of Ethics for Civil Servants will not consider an individual case if a disciplinary procedure is underway; the official has approached the Council of Ethics for Civil Servants regarding a matter that does not concern him/her, or the official has not attempted to resolve the matter internally within the institution.

363. The Council of Ethics for Civil Servants focuses on officials under the Civil Service Act. This excludes members of the *Riigikogu*, members of the Government of Estonia, members of local government councils, mayors, employees of state and local government-controlled institutions (e.g. schools, kindergartens, etc.), employees of state and local government-owned companies, foundations, and non-profit organisations, and individuals working in state and local government agencies under an employment contract.

*Criminal procedure*

364. Criminal proceedings against locally elected officials and public servants follow the same procedures as for any individual. They do not enjoy any procedural privileges or benefit from special procedures. Additional measures that may be imposed during the criminal process may include, for example, removal from office (Code of Criminal Procedure, § 141).

365. Jurisdiction for conducting investigations is shared between the Police and Border Guard Board and the Internal Security Service, in accordance with a regulation that has been in force since 2013 and subsequently amended. In this framework, the Police and Border Guard Board is responsible for pre-trial proceedings in relation to all criminal offences that have not been assigned to the Internal Security Service, or on the basis of other investigative authority in accordance with the Code of Criminal Procedure, or in respect of certain criminal offences committed by officials or employees of the Internal Security Service.

366. The Internal Security Service is responsible for investigating specifically designated criminal offences, as well as corruption-related offences committed by certain high-level officials, such as the President of the Republic, members of the *Riigikogu*, members of the Government, the Chancellor of Justice, judges or prosecutors, and the heads of the Tallinn, Tartu, Narva, Pärnu, Kohtla-Järve or Jõhvi local government units or their state authorities. Its jurisdiction also covers other officials or employees performing managerial functions, heads of legal persons in public law, legal persons with State participation or their groups or legal persons established by the State or its structural units, and officials or employees performing managerial functions or members of a management or supervisory body, if their activities could pose a threat to national security.

367. In Tartu City, no one has been removed from office as a result of corruption or integrity related misconduct.

*Statistics*

368. In 2022, the former elder of Pirita district, which is part of the Tallinn City, was charged with corruption. In a judgment of 19 November 2024 (case No. 1-24-6439), Harju County Court found the person guilty of accepting a bribe on a large scale, embezzlement committed by a public official, and a breach of procedural restrictions (conflict-of-interest rules).

369. In Tartu City, one political deputy mayor resigned in connection with an accusation, and court proceedings are underway. Furthermore, in another case, the former Deputy Mayor of Tartu was charged with corruption, and the court gave a final decision on 21 September 2021 (court ruling here (in Estonian).

Membership of the Council of Europe's anti-corruption body, the Group of States against corruption (GRECO), spans the European continent and also includes the United States of America and Kazakhstan.

**GRECO members (48) by date of accession:**

Belgium, Bulgaria, Cyprus, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Lithuania, Luxembourg, Romania, the Slovak Republic, Slovenia, Spain, Sweden (founding states – 1 May 1999); Poland (20 May 1999), Hungary (9 July 1999), Georgia (16 September 1999), the United Kingdom (18 September 1999), Bosnia and Herzegovina (25 February 2000), Latvia (27 July 2000), Denmark (3 August 2000), the United States of America (20 September 2000), North Macedonia (7 October 2000), Croatia (2 December 2000), Norway (6 January 2001), Albania (27 April 2001), Malta (11 May 2001), the Republic of Moldova (28 June 2001), the Netherlands (18 December 2001), Portugal (1 January 2002), Czechia (9 February 2002), Serbia (1 April 2003), Türkiye (1 January 2004), Armenia (20 January 2004), Azerbaijan (1 June 2004), Andorra (28 January 2005), Ukraine (1 January 2006), Montenegro (6 June 2006), Switzerland (1 July 2006), Austria (1 December 2006), Italy (30 June 2007), Monaco (1 July 2007), Liechtenstein (1 January 2010), San Marino (13 August 2010), and Kazakhstan (16 January 2020).

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The Council of Europe is the continent's leading human rights organisation. It comprises 46 member states, including all members of the European Union. All Council of Europe member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law. The European Court of Human Rights oversees the implementation of the Convention in the member states.

GRECO
Group of States against Corruption
Groupe d'États contre la corruption

COUNCIL OF EUROPE
CONSEIL DE L'EUROPE