

Small States Differentiated Integration

ESTONIA

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Estonia in EU: dates

- Full member since 2004
 - Regained independence in 1991
 - Accession negotiations started in 1998
- Schengen area 2007
- Eurozone 2011
- EU Council Presidency 2017 (July-Dec)

Economic, social and cultural integration

- Economic integration:
 - Eurozone 2011
 - About 75% of trade with EU countries (5th highest in EU, 2017)
 - Main partners: export to Finland, Sweden, Latvia, Lithuania, Germany; import from Finland, Germany, Lithuania, Sweden, Latvia
- Social integration:
 - Trust in EU high (53% Eurobarometer 2018, 7th highest in EU)
 - 81% feel like citizens of EU (Eurobarometer 2018)
- Cultural integration:
 - Europe since early 20th century: „Let’s be Estonians, but also become Europeans“ (Clear focus on Gustav Suits, Noor Eesti / Young Estonia movement)
 - Self-perception as a Nordic country, close cultural ties with Finland

Coordination of EU affairs in Estonia

- Main responsibility: Government and Prime Minister
- Government Office (EU secretariat):
 - the development of Estonia's positions on issues relating to the European Union;
 - the transposition of European Union legislation;
 - advice and support to the Prime Minister in issues relating to European Union and in the preparation of European Council summits.
- EU Coordination Council: coordination between ministries (new EU legislative initiatives as well as their implementation)
- Ministry of Foreign Affairs: coordinated accession negotiations, currently only coordinates infringement procedures
- EU Affairs Committee in *Riigikogu*: coordinates and provides opinions on EU legislative initiatives in cooperation with other relevant committees; positions are binding for the Government

EU affairs on the ministerial level

- 10 (out of 11) ministries have departments of EU and International relations
 - Tasks: coordination within the ministry and its area of government, cooperation and communication with EU Secretariat and Coordination Council
 - Exception: the Ministry of Justice
- However: EU affairs mostly handled by policy departments (from initiation to transposition, including consulting stakeholders, participation in the EU committees)

Stakeholders in EU policy making

- Consultations with stakeholders are expected, especially during transposition phase
 - Good practice guidelines for consultation (not EU specific) – practice does not always follow the guidelines
 - Ministries responsible for consultations – uneven practices
 - Main issue: to what extent are stakeholders consulted during the policy formulation stages?
- Influence of stakeholders dependent on the policy field and institutional practices:
 - Ministries better at consultations, parliament weaker
 - Representation of weaker interest groups often dependent on one person or a very small group
 - > Easy to push aside

Stakeholders II

- Estonia represented in the EU institutions
- Committee of the Regions – 6 members representing local authorities, appointed by the government, based on the consultation with local government associations (cities, rural municipalities)
- Economic and Social Committee – 6 members, appointed by government, internal agreement on division (2 representatives each from employers, employees and non-profit sector)
- Mostly interest groups do not have the policy capacity to get involved on the EU level – rely on the Estonian government to represent their interests

National debate I

- Strong consensus – clear goal since regaining independence in 1991
 - Security: distancing itself from Russia and former Soviet Union
 - Identity: „restoring Estonia’s place in Europe“
 - Sceptical attitudes in the society > targeted governmental information campaign focussed on Estonian values – successful; opposition campaign focussed on the Constitution - failed
 - Referendum: 67% yes, 33% no
 - Occasionally questions raised in regard to specific policy proposals, e.g. impacts of policies to small businesses, migration issues etc.
- Main position (2015-2019): increasing cooperation within EU; decision-making should balance inter-governmental processes with EU commission and parliament; joint representation in foreign affairs in international organisations and forums, development of the single market
- Estonian image:
 - Trying to be a poster child: transpose everything ASAP
 - Main criticism: too rigid transposition, that does not take into account Estonian interests (during accession negotiations as well as after becoming a member)

National debate II

- Current opposition from EKRE (Estonian Conservative People's Party):
 - After 2019 parliamentary elections 19 seats (3rd largest faction in the parliament), belongs to current coalition, increasing public support
 - Extreme right views – survival and welfare of ethnic Estonians seen as the ultimate goal >
 - 2017 declaration – Estonia should have a new referendum on the EU membership
 - Stance: EU poses a threat due to its immigration policies, undemocratic decision-making in the European Commission, federalisation attempts, hijacking of national defence issues, distancing itself from traditional European values
 - June 2019: Minister of Finance (EKRE) going against coalition agreements and parliamentary authorisation during European Stability Mechanism meeting

National debate III

- High trust, identifying as European citizens
- Support for basic policies (Eurobarometer 2018):
 - 66% Estonian economy benefits from EU membership
 - 85% support Euro
- Main EU issues seen in (Eurobarometer 2018):
 - Immigration 65% - creating biggest opposition in Estonia
 - Terrorism 25%
 - EU finances 14% - investments from EU money
 - /.../
 - Climate change 8% - not seen as a top issue, but might have biggest impact, due to Estonian dependence on oil-shale based electricity production

Free movement: goods, capital, services, and labour

- Estonian EU policy 2015-2019
 - NB! New government has not renewed the document yet, i.e. policy may change
- Main position: „the freer, the better“
 - Goal: „true single market“, minimizing obstacles (e.g. customer rights, intellectual property, data protection, administrative burdens on businesses etc.), creating a favourable business environment
 - Criticising obstacles to free movement of services, e-commerce etc.

Free movement II

- Estonia as a 'leader of e-governance' + Estonian commissioner, responsible for DSM>
- Digital Single Market and its goals, for example:
 - Openness and competition guaranteeing EU's position globally
 - Free movement of data > economic growth through competition
 - Abolishing geoblocking
 - Digital economy, especially sharing-economy business models and their regulation

Free movement III

- Economic and monetary benefits of EU highly supported by the general public
- Free movement of labour:
 - Brain-drain to EU countries, especially Finland (e.g. doctors)
 - Immigration: 46% higher education; 42% high level specialists, 11% managers
 - Estonian immigration quota extremely strict for labour from third countries
 - > Rented labour: enter EU single market from another member state (e.g. Poland), then „rented out“ to Estonia using the free movement of labour rules

Future trajectories I

- Combination of national and EU/International factors
- Estonia trying to increase its visibility
 - Currently Estonian commissioner responsible for Digital Single Market
 - > Estonia vocal about e-governance issues and supports strongly DSM
- Uncertainty for the future: new commissioner, portfolio unknown
- Influence of EKRE?
 - Estonia has traditionally preferred more EU integration, new cooperation modes, stronger single market, more regulation
 - New coalition agreement (April 2019) states that EU should be an „intergovernmental organisation, not a federation“

Future trajectories II

- Allocations from structural funds:
 - Widely used for infrastructure projects (e.g. main roads) but also educational investments, development of administrative capacity
 - Allocations expected to decrease significantly, but new investments still needed
- EU and Russia: Estonia one of the most vocal critics of Russian policies (Ukraine, Georgia, cyber-attacks), strong support for economic sanctions
- Climate change and oil-shale based electricity production:
 - Price of electricity increasing due to EU emission quotas
 - At the same time guarantees energy independence and security (independence from Russian natural gas)
- EU immigration and asylum policies continue to be the most controversial issue