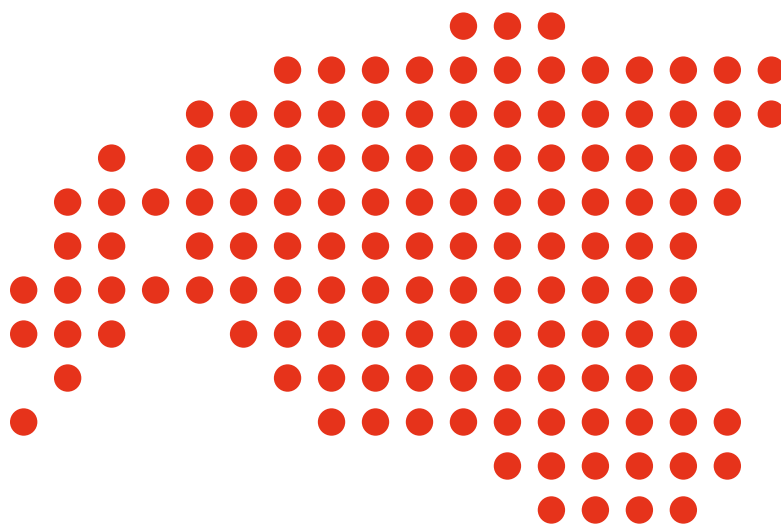


# Social Rights Monitor

2021

Country Monitor:  
**Estonia**



**solidar**



TOGETHER FOR  
SOCIAL EUROPE

	2018	2019	2020	EU-27 2020
<b>GINI index<sup>1</sup></b>	30.6	30.5	30.5	30.1
<b>Unemployment<sup>2</sup></b>	5.4%	4.4%	6.8%	6.3%
<b>Gender Equality Index<sup>3</sup></b>	59.8 (2019)	60.7 (2020)	61.6 (2021)	67.9 (2020)
<b>In-work poverty<sup>4</sup></b>	9.5%	10.3%	10.5%	9.2%
<b>Housing Overcrowding<sup>5</sup></b>	12.6%	13.9%	12.7%	15.6%
<b>CIVICUS Civic Space Monitor<sup>6</sup></b>	OPEN	OPEN	OPEN	N/A

#### Selected indicators on the state of social rights in Europe

Missing data for 2020 are not available at the time of publication of the Social Rights Monitor 2021.

## Equal opportunities and access to the labour market

Estonia has an aging and decreasing population, but over the last 20 years, its people's healthy life expectancy has increased. Considering the ratio of people aged between five and 14 to those aged between 55 and 64, it is estimated that more people will leave the Estonian labour market than enter in the next decade. **A recent analysis indicates that by 2024 there will be almost 50,000 fewer people of working age in Estonia. This trend is putting increasing pressure on the labour market and its growing needs, as well as on the country's system of social**

**protection.** More attention needs to be paid to the financial sustainability of the systems of social and health protection.<sup>7</sup>

However, the National Strategy Group reports that the State Budget Strategy 2022-2025 and Stability Programme 2021<sup>8</sup> did not put forward any decisive changes in welfare and taxation. The NSG recalls that wealth is not appropriately taxed – corporate income tax accounts for 5% of total tax revenue; and that real estate tax is almost non-existent – land tax accounts for 0.1% of total tax revenue.<sup>9</sup>

1 Eurostat (2021). Gini coefficient of equivalised disposable income: [http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&-dataset=ilc\\_di12](http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&-dataset=ilc_di12)

2 Eurostat (2021). Unemployment by sex and age: annual data: [https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une\\_rt\\_a&lang=en](https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en)

3 European Institute for Gender Equality (2020). Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2021/EE>

4 Eurostat (2021). In-work at-risk-of-poverty-rate: <https://ec.europa.eu/eurostat/databrowser/view/tespm070/default/table?lang=en>

5 Eurostat (2021). Overcrowding rate by age, sex and poverty status – total population: [https://ec.europa.eu/eurostat/databrowser/view/ilc\\_lvho05a/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho05a/default/table?lang=en)

6 CIVICUS (2021). Civic space monitor - Estonia: <https://monitor.civicus.org/country/estonia/>

7 Eesti Statistika (2021) Population Pyramid of Estonia 2021: <https://www.stat.ee/rahvastikupyramiid/?lang=en>

8 Rahandus Ministerium (2021) State Budget Strategies and Draft Budgetary Plans: <https://www.rahandusministerium.ee/en/state-budget-and-economy>

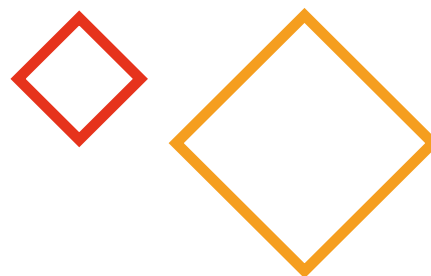
9 Ibid.

After the outbreak of the pandemic, additional measures were undertaken to protect employment and access to the labour market. A temporary subsidy was paid to employees of those employers whose activities were significantly disrupted by the restrictions imposed to prevent the spread of Covid-19. The Estonian Unemployment Insurance Fund paid compensation of 60% of the employee's average monthly salary, up to a maximum of €1,000 per month.<sup>10</sup> This subsidy is estimated to have saved around 65,000 jobs,<sup>11</sup> reducing the number of people falling into extreme poverty – defined as those living on less than €220 per month.<sup>12</sup> Moreover, the National Strategy Group reports that a state study allowance was provided to students from low-income families in order to cover the costs of education. The allowance, based on the revenues of students and their families, ranged from €75 to €220 per month.<sup>13</sup>

The pension system was changed in 2021 by the government that finished its mandate in January 2021. The change allows workers to withdraw money they have allocated to their pension fund,<sup>14</sup> therefore reducing pensions to the “first pillar” – that is, money added by the state. The National Strategy Group reports the introduction of this possibility as a negative development. People who make withdrawals from their pension funds will only receive very low pensions, which might result in a significant deterioration of their quality of life during retirement and old age.

## INCLUSION OF MIGRANTS

As mentioned in last year's Social Rights Monitor, not many changes in Estonia's approach to migration have taken place in 2020 and 2021. The conservative government adopted strategies to limit migration in all its forms. Due to the pandemic, the number of newcomers to the country in 2020 fell around 11%.<sup>15</sup> Most of these came from Syria, Ukraine, and the Russian Federation.<sup>16</sup> **The National Strategy Group reports that borders were closed and that the government did not issue any working visas during the state of emergency.** However, when it again became possible to issue working visas in the second half of 2021, the demand for labour was lowered by the economic impact of the pandemic,<sup>17</sup> and there were 31% fewer registrations for short-term work than there had been before the pandemic. The decline was particularly sharp in the manufacturing and construction sectors, which are normally large employers of migrants.<sup>18</sup>



10 Eesti Töötukassa (2021) Temporary Subsidy Programme: <https://www.tootukassa.ee/eng/content/subsidies-and-benefits/temporary-subsidy-program-0>

11 Ibid.

12 Eesti Statistika (2021) Estimated subsistence minimum: <https://www.stat.ee/en/find-statistics/statistics-theme/well-being/social-exclusion-and-poverty/estimated-subsistence>

13 Ministry of Education and Research (2021) Study allowances and grants: <https://www.hm.ee/en/activities/higher-education/study-allowances-and-state-grants>

14 Rahandus Ministeerium (2021) Lisa pressiteatele - Teisest sambast raha väljavõtmise statistika: [https://www.rahandusministeerium.ee/sites/default/files/news-related-files/lisa-ii\\_sambast\\_lahkujate\\_statistika\\_1.4.2021.pdf](https://www.rahandusministeerium.ee/sites/default/files/news-related-files/lisa-ii_sambast_lahkujate_statistika_1.4.2021.pdf)

15 Eesti Statistika (2021) Migration: <https://www.stat.ee/en/find-statistics/statistics-theme/population/migration>

16 UNHCR (2021) Estonia Fact Sheet: <https://reporting.unhcr.org/sites/default/files/Bi-annual%20fact%20sheet%202021%2002%20Estonia.pdf>

17 Eesti Pank (2021) Labour Market Review 2021: <https://www.eestipank.ee/en/publications/labour-market-review/2021/labour-market-review-12021>

18 Ibid.

## GOOD PRACTICE

### The International House of Estonia (IHE)

The International House of Estonia (IHE)<sup>19</sup> is based in Tallinn and provides newcomers with a wide range of services that help them settle in the country. Most importantly, it provides free consultation over essential documents, bureaucracy, housing possibilities, language courses, and family reunification. The IHE also wants to provide Estonian employers with useful information and training on how to hire and retain an international workforce.

## EDUCATION AND YOUTH UNEMPLOYMENT

Estonian education and training institutions had to close their doors in March 2020 to reduce the spread of the coronavirus.<sup>20</sup> Learning and education activities were moved entirely online, and educational institutions cooperated with private companies to make use of online learning platforms.<sup>21</sup> As final school exams were cancelled in 2020 due to the pandemic, the government arranged additional state exams in 2021 for upper secondary school students<sup>22</sup> who had already graduated in 2020 but needed a graduation certificate in order to enrol in higher education institutions. This allowed students to pursue their academic careers in Estonia and abroad. However, the basic final examination and upper secondary state exams

were not cancelled or postponed<sup>23</sup> in 2021. The Estonian government needs concrete data on the impact of the pandemic and online teaching on students' skills and learning. Such data will help the government take adequate measures while planning next year's education strategy and mitigate gaps in learning that emerged during the pandemic. The Estonian Ministry of Education and Research has prepared a strategy to support the students who are most in need. It will provide additional courses to prepare for exams, compensatory courses before the beginning of the next academic year, and enhanced support for students' and teachers' mental health.<sup>24</sup>

The dropout rate was low in the early stages of education, but around 25% of young people left their studies in the first year of secondary education, according to figures from 2017. At universities, the dropout rate was even higher, at over 30% for bachelor's degree students.<sup>25</sup> More recent data confirm this trend. In 2021, the number of young people not in education increased by 1.3% compared to 2020.<sup>26</sup> **In 2020, 9.7% of people aged between 15 and 24 were not in employment, education or training, almost 3 percentage points higher than in 2019.**<sup>27</sup> However, as reported by the National Strategy Group, no accurate comparative data are yet ready to enable an assessment of the impact of the pandemic and of distance learning on Estonian education.

Overall, vocational and adult education in Estonia is functioning well, as 74.1% of adult Estonians currently have professional or vocational education certificates.<sup>28</sup> However, the target set by the Estonia 2035 Strategy is 80%.<sup>29</sup>

19 The International House of Estonia – IHE: <https://workinestonia.com/internationalhouse/>

20 ETUCE (2020) Estonia shares digital education tools for distance teaching and learning: <https://www.csee-etuice.org/en/policy-issues/covid-19/latest-updates/3646-estonia-shares-digital-education-tools-for-distance-teaching-and-learning>

21 Ibid.

22 EACEA (2021) Estonia: [https://eacea.ec.europa.eu/national-policies/eurydice/content/national-reforms-school-education-20\\_en](https://eacea.ec.europa.eu/national-policies/eurydice/content/national-reforms-school-education-20_en)

23 Ibid.

24 Ibid.

25 Parliament of Estonia Riigikogu (2017) Soolised lõhed hariduses: <https://rito.riigikogu.ee/wordpress/wp-content/uploads/2017/12/Valk.pdf>

26 Eesti Statistika (2021) Education: <https://www.stat.ee/en/find-statistics/statistics-theme/education>

27 Eesti Statistika (2021) The Tree of Truth – Education: <https://tamm.stat.ee/tulemusvaldkonnad/haridus/indikaatorid/79?lang=en>

28 Ibid.

29 Vabariigi Valitsus (2021) Eesti 2035: <https://valitsus.ee/strateegia-eesti-2035-arengukavad-ja-planeering/strateegia>

# Fair working conditions

The 2019 Guidelines and Recommendations for employers and employees on health and safety in telework<sup>30</sup> adopted by the Estonian Ministry of Social Affairs became particularly relevant for employees' working conditions after the outbreak of the pandemic. Teleworking became the norm for sectors in which it is possible. In 2020, 40,400 more people than in 2019 teleworked, reaching almost 200,000 people at the end of 2020.<sup>31</sup> The increase in women who teleworked was bigger than the increase in men.<sup>32</sup> The National Strategy Group reports that some of the positive aspects of teleworking were a better balance between work and personal life. However, employees working from home generally felt disconnected from their workplace.<sup>33</sup> During school closures, women were often left alone while working, taking care of children and young people, and doing most of the housework.<sup>34</sup>

**The unemployment rate reached 6.9% in the second quarter of 2021,<sup>35</sup> a dramatic increase from the recent annual minimum of 4.4% in 2019.** Until then, Estonia had been on a trend of decreasing unemployment, from a peak of 12.3% in 2011.<sup>36</sup> The pandemic and the measures to cope with it increased the

number of unemployed, exacerbating geographical inequalities. Northeastern Estonia registered double the unemployment rate of the northern region, where the capital Tallinn is located.<sup>37</sup> However, average monthly wages kept increasing from 2010 despite the pandemic. In June 2021, the average gross monthly salary was €1,448, a 6.7% increase from the previous year.<sup>38</sup>

In last year's chapter on Estonia, the increasing inappropriate use of contracts was mentioned, as more flexibility often coincided with reduced social protection for workers.<sup>39</sup> In 2020 and 2021, a new form of contract is being developed by a tripartite committee composed of the social partners – employees and employers – and the Ministry of Social Affairs. The new employment contract has been developed in order to increase flexibility, and it allows a variable number of working hours every week.<sup>40</sup> In April 2021, the Ministry of Social Affairs signed a goodwill agreement with the Estonian Trade Union of Commercial and Servicing Employees, the Estonian Traders' Association, the Estonian Trade Union Confederation, and the Estonian Employers' Confederation.<sup>41</sup> The new variable-hours contract<sup>42</sup> is now being tested

30 Eurofound (2020) Living and working in Estonia <https://www.eurofound.europa.eu/country/estonia#working-life>

31 Eesti Statistika (2021) Aastaga lisandus üle 40 000 kaugtöö tegija: <https://www.stat.ee/et/uudised/aastaga-lisandus-ule-40-000-kaugtoo-tegija>

32 Ibid.

33 Ministry of Social Affairs (2017) Tulemusi tööelu-uuringust: Kui levinud on Eestis kaugtöö vormis töötamine: <https://somblogi.wordpress.com/2017/03/29/tulemusi-tooelu-uuringust-kui-levinud-on-eestis-kaugtoo-vormis-tootamine/>

34 EIGE (2021) Estonia Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2021/country/EE>

35 Eesti Statistika (2021) Unemployment rate: <https://www.stat.ee/en/find-statistics/statistics-theme/work-life/labour-market/unemployment-rate>

36 Ibid.

37 Eesti Statistika (2021) Labour status of population by region, county, and age group: [https://andmed.stat.ee/en/stat/sotsiaalelu\\_tooturg\\_tooturu-uldandmed\\_aastastatistika/TT4645](https://andmed.stat.ee/en/stat/sotsiaalelu_tooturg_tooturu-uldandmed_aastastatistika/TT4645)

38 Eesti Statistika (2021) Average monthly gross wages and salaries: <https://www.stat.ee/en/find-statistics/statistics-theme/work-life/wages-and-salaries-and-labour-costs/average-monthly-gross-wages-and-salaries>

39 Corti, M. (2020) Social Rights Monitor 2020 –Estonia Country Monitor: [https://www.solidar.org/system/downloads/attachments/000/001/198/original/02\\_SRM2020\\_Estonia\\_RO\\_online\\_-\\_english.pdf?1608118623](https://www.solidar.org/system/downloads/attachments/000/001/198/original/02_SRM2020_Estonia_RO_online_-_english.pdf?1608118623)

40 Estonian Trade Union Confederation (2021) Hea tahte kokkuleppega tehakse ettepanek piloteerida jaekaubandussektoris paindlikumaid töölepinguid: <https://www.eakl.ee/hea-tahte-kokkuleppega-tehakse-etepanek-piloteerida-jaekaubandussektoris-paindlikumaid-toolepinguid>

41 Parliament of Estonia (2021) The Riigikogu extended the circle of people who are exempt from the restrictions on the acquisition of immovables: <https://www.riigikogu.ee/en/sitting-reviews/the-riigikogu-extended-the-circle-of-people-who-are-exempt-from-the-restrictions-on-the-acquisition-of-immovables/>

42 Bill on Amendments to the Employment Contracts Act and the Taxation Act (403 SE): <https://www.riigikogu.ee/tegevus/eel-noud/eelnou/e95c54e0-c3bf-47e7-aea4-fc0875d7e85e/T%C3%B6%C3%B6lepingu%20seaduse%20ja%20maksukorralduse%20seaduse%20muutmise%20seadus>

through a piloting experiment in the retail sector, in which employees can work an additional eight hours per week.<sup>43</sup> The National Strategy Group thinks that this new type of contract could potentially result in more people working shorter working weeks, while maintaining the employment protection granted by traditional employment contracts. The additional weekly working hours must be agreed by both employer and employee, but employees may come under pressure or obligation to accept the additional working time.

## GENDER EQUALITY

Progress in gender equality has slowed over the last couple of years.<sup>44</sup> Men and women are still not granted equal access to work or good working conditions. Part-time employment is more common among women than men, as the rate of full time equivalent (FTE) employment among women is 15.6 percentage points lower than that of men.<sup>45</sup> The gender pay gap decreased by 1.5 percentage points over the year. In 2020, women's average gross hourly pay was €7.70 and men's was €9.13. The largest gaps between men's and women's wages were in finance and insurance (29.4%), mining and quarrying (26.1%), and information and

communication (24.1%).<sup>46</sup> Gender inequality can also be seen in women's average monthly earnings, which are 23% below those of men. Women are therefore most at risk of living in poverty.<sup>47</sup>

On the plus side, parental leave in Estonia lasts for 36 months and can be transferred between the newborn's parents. However, self-employed workers are not eligible for parental leave.<sup>48</sup>

In addition, the allocation of time – one of the main indicators of the Gender Equality Index – reflects gender inequalities that are still present in the country: 76% of women say they are the person in charge of doing daily housework, while only 47% of men say the same.<sup>49</sup> This leaves women with less time to work and develop personal interests. In Estonia, as in the majority of the countries analysed, **gender inequalities are not adequately addressed by policies and laws to give equal opportunities to all. Decision-making and political power is mainly held by men in Estonia:** they represent 74% of members of the Estonian Parliament and 71% of members of regional and local assemblies.<sup>50</sup> The disproportion is even worse on the boards of large, quoted Estonian companies, where women represent just 9% of members.<sup>51</sup>

43 Ibid.

44 EIGE (2021) Estonia Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2021/country/EE>

45 Eesti Statistika (2021) Sooline palgalõhe vähenes aastaga taas: <https://www.stat.ee/et/uudised/sooline-palgalõhe-2020>

46 Ibid.

47 EIGE (2021) Estonia Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2021/country/EE>

48 EIGE (2021) Who is eligible for parental leave in Estonia: <https://eige.europa.eu/publications/who-eligible-parental-leave-estonia>

49 EIGE (2021) Estonia Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2021/country/EE>

50 Ibid.

51 Ibid.



# Social protection and inclusion

The Estonian constitution<sup>52</sup> is the main source of social protection rights, particularly through its second chapter, which recognizes the universal right to public assistance. It pays special attention to support for households living with children and people with disabilities. The constitution also says that social protection should be guaranteed to migrants. But the National Strategy Group reports that people without Estonian nationality need to be either in possession of a work contract or attending an educational institution in the country if they are to receive social-security and healthcare benefits. Others have to bear the costs themselves. This puts migrants who do not speak the Estonian language at a particular disadvantage, especially in healthcare.

## HEALTHCARE

Estonia has a unified national healthcare insurance system, which ensures access to all people with no distinction based on income or place of residence.<sup>53</sup> **Only 6.7% of national GDP is spent on healthcare,<sup>54</sup> and the system is mainly funded through workforce taxation, which contributes to the Haigekassa, the Estonian Health Insurance Fund (EHIF).<sup>55</sup>** In order to receive healthcare services in Estonia, someone must be a permanent resident of the country or be living there on a temporary

residence permit.<sup>56</sup> The National Strategy Group reports that, overall, Estonia has an efficient healthcare system with satisfied patients. However, they often have to wait on incredibly long waiting lists, especially in rural areas. A recently published analysis by the European office of the World Health Organization,<sup>57</sup> reports that Estonia significantly cut public health expenditure after the 2008 crisis. This led to an increase in patients' out-of-pocket payments, a trend that was not later reversed.

An analysis in 2021 by the Estonian Ministry of Social Affairs makes it clear that it is becoming less sustainable to finance healthcare from social contributions. It cited increasingly flexible forms of work as one particular cause. While people's expectations of healthcare are rising, the proportion of people contributing to health insurance is sharply decreasing, putting future generations at risk of not being adequately covered.<sup>58</sup>

**In 2021, remote healthcare services were introduced.<sup>59</sup>** Importantly, an online register<sup>60</sup> was created, a move particularly welcomed by the National Strategy Group. The NSG reports that communications between doctors and patients have been facilitated thanks to the digitization of medical records. Telehealth became more widespread in Estonia after March 2020, in the wake of the Covid-19 outbreak. In 2021, healthcare professionals have provided

52 Estonian Constitution: <https://www.riigiteataja.ee/en/eli/530102013003/consolide>

53 European Union Social Fund (2021) Healthcare in Estonia 2021: [https://issuu.com/settleinestonia/docs/tervishoid\\_2021\\_eng](https://issuu.com/settleinestonia/docs/tervishoid_2021_eng)

54 Eurostat (2020) Healthcare expenditure statistics

55 Eesti Haigekassa – the Estonian Health Insurance Fund EHIF: <https://haigekassa.ee/en>

56 Ibid.

57 WHO Europe (2021) Spending on health in Europe: entering a new era: <https://apps.who.int/iris/bitstream/handle/10665/340910/9789289055079-eng.pdf>

58 Sotsiaalministeerium (2021) ANALÜÜS TERVISHOIUSÜSTEEMI RAHASTAMISE JÄTKUSUUTLIKKUSE NING AVIKINDLUSTAMATA ISIKUTELE TERVISHOIUTEENUSTE KÄTTESAADAVUSE TAGAMISEKS: [https://www.sm.ee/sites/default/files/content-editors/Tervishoid/tervishoiu\\_rahastamise\\_analuus.pdf](https://www.sm.ee/sites/default/files/content-editors/Tervishoid/tervishoiu_rahastamise_analuus.pdf)

59 European Union Social Fund (2021) Healthcare in Estonia 2021: [https://issuu.com/settleinestonia/docs/tervishoid\\_2021\\_eng](https://issuu.com/settleinestonia/docs/tervishoid_2021_eng)

60 Patsiendiportaal (Patient portal): <https://www.digilugu.ee/login>

specialised care services remotely. According to the National Strategy Group, the Estonian Health Insurance Fund now finances both remote visits and remote therapies, which can take place via phone or video chat. The National Strategy Group reports that the remote service provided most often at the beginning of 2021 was psychological help. Next most common were services in gynaecology, endocrinology, and neurology. The National Strategy Group thinks that remote services are a major innovation in Estonian healthcare.

## HOUSING

The housing and rental market in Estonia is not regulated by the state, and local authorities have limited possibilities to intervene. According to the National Strategy Group, municipalities can influence housing policy by planning and selling residential plots and granting building rights. During 2021, no major changes in housing policy were made. However, the country has already undertaken a process for developing the housing sector, as part of the Estonian National Development Plan of the Energy Sector Until 2030.<sup>61</sup> According to the National Strategy Group, it mainly provides support to renovate apartment buildings and small houses to improve their energy efficiency or to help low-income households with three or more children. In addition, the Plan grants allowances to adapt houses and apartments for people with physical disabilities, the National Strategy Group reports.

On average, Estonian households live in homes that are less overcrowded than the European average.<sup>62</sup> Moreover, Estonia experiences lower percentages of people living in a house with

a leaking roof than the European average, and the majority of the people are able to keep their homes adequately warm.<sup>63</sup> However, Estonia registered the largest increase in house prices among European countries between 2010 and 2020: prices rose 96%, making it almost impossible for the majority of the population to buy a house. Most worryingly, rents in Estonia increased 156% over the same period (2010 to 2020), the biggest increase in the EU. This has had a dramatic impact, particularly on young people, who make up many lower-income households.<sup>64</sup>

## JUST TRANSITION TO A GREEN ECONOMY

The National Strategy Group reports that Estonians' perspective on the climate emergency and the necessity of adopting a just-transition approach is slowly changing. There is a clear recognition of the relationship between human activities and climate change, according to research published by the Ministry of the Environment in 2020.<sup>65</sup> However, the environmental situation in Estonia is considered to be generally good, so global problems such as climate change are considered distant and almost irrelevant for Estonia. Even when environmental disasters happen, such as more-frequent heat waves and an increase in storm surges, it is difficult for the majority of Estonians to link daily changes in the country's environment to the global situation.<sup>66</sup> However, Estonians perceive individual activities to be the main drivers of climate change and propose solutions such as reductions in consumption and car trips.<sup>67</sup> Compared to 2016, the number of people who consider that Estonia has not prepared adequately to deal with the climate

61 Eesti energiamajanduse arengukava 2030: [https://www.mkm.ee/sites/default/files/enmak\\_2030\\_koos\\_elamumajanduse\\_lisa-ga.pdf](https://www.mkm.ee/sites/default/files/enmak_2030_koos_elamumajanduse_lisa-ga.pdf)

62 European Commission (2020) Quality of housing: <https://ec.europa.eu/eurostat/cache/digpub/housing/bloc-1c.html?lang=en>

63 Ibid.

64 Ibid.

65 Keskkonnaministeerium (2020) Eesti elanike keskkonnateadlikkuse uuring: <file:///C:/Users/socialaffair/Downloads/Eesti%20elanike%20keskkonnateadlikkuse%20uuring%202020.pdf>

66 Ibid.

67 Ibid.



emergency had increased. Now, 43% of survey respondents are concerned about their ecological footprints and for the future of the next generations.

The contribution of the Estonian Recovery and Resilience Plan to just transition to a greener economy amounts to 42% of its total funding.<sup>68</sup> The Plan is structured in three main pillars: green transition in enterprises, sustainable transport, and energy efficiency. Decarbonising the economy is one of the main challenges for Estonia, according to the National Strategy Group, especially because of its widespread use of oil shale. The envisaged National Development Plan for the Energy Sector plans to develop a strategy to phase out oil shale,<sup>69</sup> which

will create new incentives for renewable energies and facilitate investment in energy-storage solutions.<sup>70</sup>

Creating new jobs while implementing the carbon neutrality targets will provide a longer-term opportunity to restructure and improve the competitiveness of the economy and better prepare for the future. Strategic investments over the next decade will support innovation and the creation of new, high-value-added jobs in low-carbon and sustainable sectors.<sup>71</sup> Investment in human capital development can also help to prevent the emergence of bottlenecks in technical skills – that is, shortages of skills that are in demand – through education and vocational training.

## Civic space

Freedom of association is protected in Estonia. Everyone has the right to belong to a trade union, religious community, or other non-governmental organisation. During the last year, no major obstacles to freedom of association were registered in Estonia. Indeed, the CIVICUS monitor ranks Estonian civic space as open.<sup>72</sup> **The National Strategy Group reports concerns over hate speech directed at LGBTQI+ organisations.** But a recent public opinion survey demonstrated increasing support for LGBTQI+ rights: 64% of Estonians were in favour of the Registered Partnership Act,<sup>73</sup> the legal basis for the recognition of same-sex unions. However, in July 2020, the

Minister of Trade proposed not to grant further funding to three human rights organisations working on gender and equality issues.<sup>74</sup> Therefore, the situation needs close monitoring.

Freedom of assembly has also been protected, according to the National Strategy Group. However, throughout 2020 and 2021 restrictions have been adopted by national and local authorities in order to limit the spread of Covid-19. The National Strategy Group says the adopted measures have been proportional and justified, as a ban on public gatherings was removed as soon as other major restrictions were lifted.

68 Estonia Resilience and Recovery Plan: <https://rrf.ee/wp-content/uploads/2021/06/RRP-Taastekava-170621-VIISI.pdf>

69 Eesti energiamajanduse arengukava 2030+: [https://www.mkm.ee/sites/default/files/enmak\\_2030\\_koos\\_elamumajanduse\\_lisaga.pdf](https://www.mkm.ee/sites/default/files/enmak_2030_koos_elamumajanduse_lisaga.pdf)

70 European Commission (2021) European Commission endorses Estonia's €969.3 million recovery and resilience plan: [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_21\\_5022](https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_5022)

71 Stockholm Environment Institute - SEI (2019) Analysis of Estonia's climate ambition options: <https://www.sei.org/publications/eesti-kliimaambitsiooni-tostmise-voimaluste-analuus/>

72 CIVICUS (2021) Estonia – Country Monitor: <https://monitor.civicus.org/country/estonia/>

73 CIVICUS (2021) Support for LGBTI Rights grows: <https://monitor.civicus.org/country/estonia/>

74 Amnesty International (2021) Country Report – Estonia: <https://www.amnesty.org/en/location/europe-and-central-asia/estonia/report-estonia/>

# Civil society involvement and the national recovery and resilience plans

The Estonian National Strategy Group reports positive developments in the involvement of civil society organisations and trade unions in civil and social dialogue in the country. **In July 2020, the Ministry of Population approved its Kodanikuühiskonna Programmi 2021-2024 (Civil Society Programme),<sup>75</sup> which provides a strategy for the development and involvement of civil society.** The programme is part of the Sidusa Eesti arengukava 2021-2030 (Cohesive Society development plan).<sup>76</sup> The overall goal is to strengthen civil society by increasing the share of the population participating in voluntary activities in order to support community initiatives, increase the capacity of non-governmental organisations, and improve the general viability of Estonian civil society. Interestingly, a joint committee composed of members of the government and civil society representatives was created and tasked with monitoring the development of the programmes and their approval. The National Strategy Group reports these processes favourably as inclusive and transparent.<sup>77</sup>

The process that led to the adoption of the country's strategy Eesti 2035 (Estonia 2035)<sup>78</sup> has also been open and inclusive. The strategy was created through an open process, a joint work of Estonians, associations and unions, communities, social partners, experts, entrepreneurs, and local governments and officials. A nationwide brainstorming – featuring

seminars, workshops, meetings, and debates at festivals – was carried out in 2020 to develop the strategy. The initiatives were meant to map out Estonia's needs and identify key challenges, in order to find agreement on the main reforms and changes that need to be implemented.

The preparation of the Estonian Recovery and Resilience Plan<sup>79</sup> was carried out in a similar way. Key social partners and civil society organisations were consulted through meetings and virtual roundtables from autumn 2020 onwards, the National Strategy Group reported. They discussed the key elements, priorities, processes and steps of how to make use of funds made available by the EU Recovery and Resilience Facility (RRF). Further in-depth dialogue took place at the end of March 2021, with more than 30 different umbrella organisations and around 1,000 participants. Five thematic workshops and 46 roundtables took place to discuss the key elements of the national Recovery and Resilience Plan to be published – the reforms, investments, activities, and actions. They also discussed actions planned under the structural instruments. Participants during the week of seminars provided valuable input for the preparation of the Recovery and Resilience Plan. The government approved the plan on 17 June 2021. It set out the use of nearly a billion euros of funds from the EU's Recovery and Resilience Facility. The plan was then

75 Estonian Ministry of Population (2020) Civil Society Program 2021-2024: <https://www.siseministeerium.ee/et/tegevusvaldkonnad/kodanikuuhiskond/kodar>

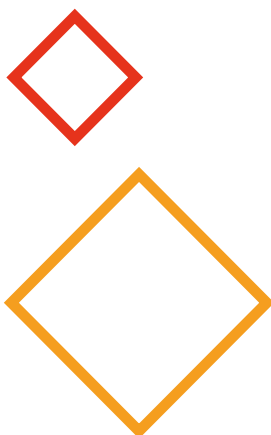
76 Estonian Ministry of Population (2020) Cohesive society development plan 2021-2030: [https://www.siseministeerium.ee/sites/default/files/dokumentid/Arengukavad/sidEST/sidusa\\_eesti\\_arengukava\\_eelnou.pdf](https://www.siseministeerium.ee/sites/default/files/dokumentid/Arengukavad/sidEST/sidusa_eesti_arengukava_eelnou.pdf)

77 For example, the summaries of all the meetings of the joint committee are available online at: <https://www.siseministeerium.ee/et/tegevusvaldkonnad/kodanikuuhiskond/kodar>

78 Vabariigi Valitsus (2021) Eesti 2035: <https://valitsus.ee/strateegia-eesti-2035-arengukavad-ja-planeering/strateegia>

79 Estonian Recovery and Resilience Plan (2021): [https://ec.europa.eu/info/files/estonias-recovery-and-resilience-plan\\_en](https://ec.europa.eu/info/files/estonias-recovery-and-resilience-plan_en)

submitted to the European Commission, which endorsed it in October.<sup>80</sup> The plan allocated 42% of its funds to support measures towards the green transition, in particular the development of new skills, improvements in energy efficiency, and support for the transport sector. Another 22% was allocated to the digital transition, including measures aimed at enterprises, public administration, and the strengthening of internet capacity in rural areas.<sup>81</sup>



### **GOOD PRACTICE** **Municipalities' Participative Budgets<sup>82</sup>**

Out of the 79 Estonian municipalities, 49 have made participative budgets a common practice. In these cities, citizens are invited to participate in initiating public projects through an inclusive budget. In this way, communities can partially decide on the use of municipal money by submitting proposals for actions that they deem necessary for their hometowns. This means that all residents of a particular municipality can submit ideas and vote on them. The winning ideas are then implemented by the municipality – for example a new swimming pool, a public library, or a theatre. Implementing the inclusive budget increases the participation of residents in planning to use and distribute public funds. The National Strategy Group warmly welcomes the initiative, as it provides an opportunity to narrow the gap between politics and citizens

80 European Commission (2021) NextGenerationEU: European Commission endorses Estonia's €969.3 million recovery and resilience plan: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_21\\_5021](https://ec.europa.eu/commission/presscorner/detail/en/ip_21_5021)

81 Ibid.

82 Rahandus Ministeerium (2021) This year, 49 municipalities are implementing an inclusive budget: <https://www.rahandusministeerium.ee/et/uudised/tanavu-rakendab-kaasavat-eelarvet-49-omavalitsust>

**SOLIDAR's Social Rights Monitor 2021 has been developed in the framework of the Together for Social Europe programme co-funded by the EU Programme for Employment and Social Innovation (EaSI). It provides an insight into the state of social rights in 16 European countries. The Monitor assesses the state of social Europe in terms of equality of opportunities, fair working conditions, social protection, inclusion and civic space based on the observations of Civil Society Organisations working on the ground in combination with statistical data and scientific findings. This information is provided by National Strategy Groups that are set up in each of the 16 countries by a SOLIDAR member or partner. The 2021 Monitor also analyses to which extent civil society and social partners have been involved in the design of the national Recovery and Resilience Plans, integrated in the 2021 European Semester cycle.**

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