

Communication of the Extraordinary Local Government Forum to the President of the Republic

Honoured President of the Republic of Estonia, Toomas Hendrik Ilves

The representatives of the Estonian local governments, who gathered at the Extraordinary Local Government Forum in Tallinn on 9 December 2010, decided to turn to you as the head of state of Estonia, the President of the entire Estonian nation.

The Local Government Forum, which was now held for the fifth time, has always attracted more than 300 local government officials. At the first Local Government Forum on 12 March 2009 we formed a foreign delegation in order to improve the coordination of the representation of local governments – both those that have joined Estonian local government associations and those that have not – at the Congress of Local and Regional Authorities of the Council of Europe (CLRAE), in the European Union Committee of Regions (CoR) and in the Council of European Municipalities and Regions (CEMR).

The proposed amendments to the resolution on financial crisis and its impacts on local governments initiated by the Local Government Forum and jointly discussed by the delegates of the Baltic States in Rakvere were defended in the Committee of Regions already in April 2009. The final communication of the CEMR General Assembly held in May 2009 also warned governments against cutting local governments funds. We also participated in prepared that decision.

Both European local government bodies understood us and announced unanimously that it would be unacceptable for governments to place additional crisis burdens on the shoulders of local governments, as that would hit hardest the people who use the services of local governments and are in greatest need of assistance.

We also promptly turned to the authoritative representative body of local governments of the Council of Europe – the Congress of Local and Regional Authorities (CLRAE), which after discussion in Strasbourg on 28 October this year adopted precept No 294(2010) on local democracy in Estonia, which contains several critical remarks.

In the unusually incisive document contains a proposal to the Government of Estonia to urgently amend legislation in order to allocate more funds for local governments to fulfil the obligations placed on them by the Constitution and other laws. It also contains the request that the Estonian local governments be

granted the right to establish local taxes in order to increase their revenue. CLRAE makes a proposal to the Government of Estonia to establish a fund for supporting the local governments that have suffered most due to the crisis – the said fund would allow the local governments to continue providing social services.

The Congress also emphasised that the Government of Estonia has to involve local governments and their associations in discussions of amendments of legal acts before decisions are passed, particularly in cases where amendments place in additional financial obligations on local governments. CLRAE also notes that the City of Tallinn must be given a special status by law in order for it to fulfil the tasks of the capital. In respect of the report prepared on Estonia in 2000, CLRAE noted that the Government of Estonia has failed to comply with precepts issued then to secure the revenue base of local governments.

However, the current Government of the Republic has decided to continue ignoring the criticism presented both by Estonian local governments and the European bodies. On 23 September, the same day on which the *Riigikogu* discussed partnership between the state and local governments, the Parliament voted in favour (with the votes of the government coalition) of depriving the local governments of the right to collect sales and boat tax. At the moment, a draft act is being prepared in government offices, the aim of which is to deprive the local governments of the right to participate in the process of preparing laws directly relevant to local governments, which until now has at least been a formally valid right. These are examples of how the Government of the Republic ignored the basic values of Western democracy.

We – and we also believe that you as the highest official representing the Estonian state in foreign relations – are deeply concerned about this situation, which damages the internal social cohesion of Estonia and also stains the international reputation of the state. Under the leadership of the current Government, Estonia has started to consistently veer away from Europe.

In this critical situation, we ask for your suggestions on how we could support you in order to ensure the European path of development for Estonia. We assure you that Estonian local governments harness all our available knowledge and power for the protection of European values in the organisation of the life of the state in Estonia.

Adopted

At the Local Government Forum in Tallinn on 9 December 2010

Heads of the Fifth Local Government Forum:

Toomas Vitsut
City of Tallinn

Jaan Pöör
City of Loksa