

Estonian Review

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DOMESTIC NEWS

Prime Minister Called to Remember Victims of Holocaust

Jan 27 - **Estonian Prime Minister Andrus Ansip invited people to remember the victims of the Holocaust and stressed that crimes against humanity must not be forgotten.**

In a statement made on the occasion of the International Holocaust Memorial Day, the premier said that on this day all the casualties inflicted by the anti-human Nazi regime are remembered.

Massive killing of Jews during World War II was a horrible act, which cannot be erased from the collective memory of mankind, he said.

Ansip said the tragic word Holocaust has become part of almost all languages of the world, and that through it the terrible fate of Jews will always be remembered.

He added that in Estonia commemoration events will be held in various places during the day to pay respect to innocent victims. This is natural, as no crime against humanity can be forgotten, the prime minister added.

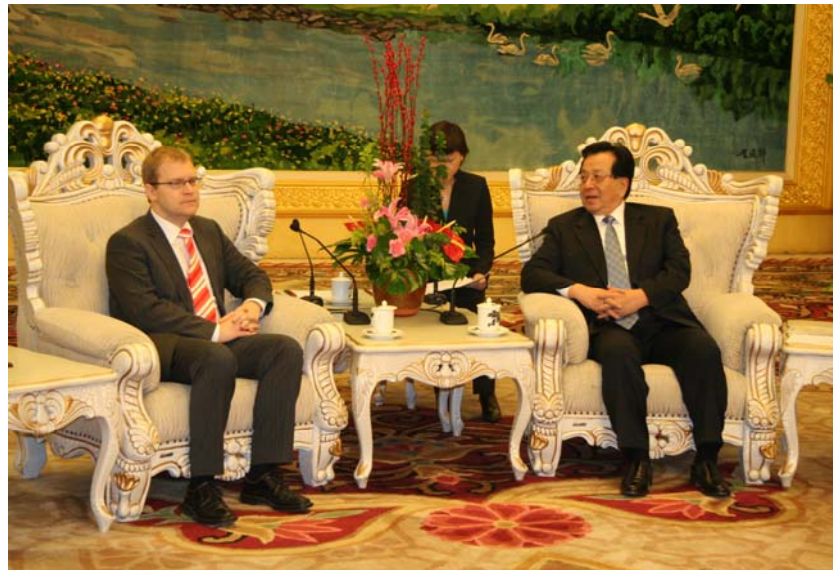
"For us this attitude is self-evident - Estonia suffered during World War II and later from crimes committed by totalitarian regimes, paying for it with its independence. These crimes have no statute of limitation, and the perpetrators of these acts cannot be justified," he said.

Foreign Minister Welcomes UN Condemnation of Holocaust Denial

Jan 29 - **Foreign Minister Urmas Paet welcomed the UN General Assembly resolution that condemns the denial of the Holocaust.**

The resolution was handed in by representatives of 103 countries and it was adopted without a vote.

The body of the resolution only consists of two paragraphs. It unreservedly condemns any denial of the Holocaust and calls on all member countries to reject any denial of the Holocaust, either in full or in part, or any activity to this end.



Foreign Minister Urmas Paet and Chinese Vice President Zeng Qinghong in Beijing on 24 January.

FOREIGN NEWS

Foreign Minister: Estonia, China Have Mutual Understanding

Jan 25 - **Relations between Estonia and China are governed by mutual understanding and respect, said Estonia's Foreign Minister Urmas Paet on an official visit to China.**

At Paet's meetings with Vice President Zeng Qinghong and Foreign Minister Li Zhaoxing in Beijing political, economic and cultural relations between the two countries were discussed, along with relations between the European Union and China and cooperation in the framework of international organizations.

Zeng said he was pleased that the Estonian-Chinese relationship has developed amicably and smoothly. The vice president and the minister observed that the two countries are practically neighbours as geographically Estonia and China are separated by just one country.

"I'm truly glad that mutual understanding and respect reign in the relations between our countries," Paet said.

Bilateral economic relations were dealt with at length in Paet's meeting with his Chinese colleague Li Zhaoxing. The Estonian and Chinese economies have much that is of interest to the other side, Paet said.

"In the first place, we have similar interests in the fields of trade, communication technologies, and transit including sea and railway transport," he noted.

In the ministers' view, rapid integration into the world economy and robust economic growth is characteristic of both Estonia and China.

"Trends in both countries' economies are similar even if the scopes differ," Paet said. "It's also great that trade turnover with China has increased and is practically in balance." According to Li, China's trade with Estonia has been fastest growing, compared with other EU countries.

The ministers were also satisfied with the cooperation in education and culture. Paet thanked his colleague for granting three more scholarships to Estonian students for the current academic year.

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FOREIGN NEWS

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"This is an excellent opportunity for our young people to learn Chinese and study an ancient and awe-inspiring culture at its home," Paet said.

The ministers agreed that cooperation in international organizations on issues of mutual interest and in backing each other's candidates could be deepened.

Paet said there are new opportunities for cooperation in the EU as well. "Estonia supports in particular the EU's energy cooperation with key partner countries," he said.

The ministers also talked about the situation in North Korea and the future of six-way talks, and developments in Iran and Middle East.

Li also briefed his Estonian colleague on China's relations with India, Pakistan and Russia.

Estonia to Start Building Embassy in China

Jan 26 - **Estonian Foreign Minister Urmass Paet and China's Deputy Foreign Minister Li Jinchang signed an intergovernmental building rights agreement allowing Estonia to erect a building for its embassy in Beijing.**

Under the agreement, Estonia acquired building rights for 70 years to a 3,000 square meter plot in the embassy district of the Chinese capital.

Paet, said he was very pleased that the agreement had been signed. "Now we can start with construction of the embassy building, and upon its completion Estonia should be still more visible in China," he said. "Establishing an embassy building would enable us to start full-scale work and substantially promote progress in all aspects of our relations."

The minister has previously told the media the embassy should be ready in two or three years.

Estonia Supports Macedonia's Aspirations on EU, NATO Course

Jan 30 - **Estonian Prime Minister Andrus Ansip said that Estonia continued to support Macedonia's aspirations to accede to the European Union and NATO.**

Meeting with Macedonian Prime Minister Nikola Gruevski who was on an official visit to Tallinn, Ansip said that Macedonia was a rapidly developing democratic country and Estonia would give its all-round support to aspirations of the country.

Ansip said that Estonia was a supporter of further enlargement of the European Union and Western Balkans were a very important part of that process. At the same time Ansip underlined the need for homework and consistent implementation of reforms and added that Estonia was ready to share its experience and give its political support.

Earlier Estonia has trained Macedonian soldiers, police officers and border guards.

Estonian Foreign Minister Promises to Share Reform Experience with Macedonia

Jan 30 - **Estonian Foreign Minister Urmass Paet, meeting with Macedonian Prime Minister**

Nikola Gruevski in Tallinn today, confirmed to him readiness to share with Macedonia Estonia's reform experience.

The Macedonian prime minister underlined to Paet his country's wish to accede to the European Union and NATO.

Paet said Estonia continued to support Macedonia's Euro-Atlantic aspirations and encouraged it to go on with reforms. "We have always supported open doors policies for countries that are ready for it," Paet said.

Gruevski gave an overview of the harmonization of the country's legislation, fight against corruption and information technology development. The ministers found that the cooperation projects of the two countries had been successful so far and confirmed the wish to continue them.

Paet said that Estonia was ready to share with Macedonia knowledge concerning development of the information society. "We have a strong experience in the creation and development of e-society," Paet said.

The two officials found that development of relations between the two countries had made good progress and Paet expressed pleasure at the opening of a Macedonian mission in Tallinn.

"Presence of a Macedonian diplomat will create new opportunities for the development of relations between the two countries in different spheres of life," Paet said.

Both Paet and Gruevski stated that the contractual basis of the two countries had to be improved.

US Visa Rules for Estonia Could Be Eased Soon

Jan 25 - **U.S. visa rules for a select group of American allies may be loosened before the Bush Administration leaves office in two years' time, a senior U.S. government official said.**

Officials from countries of the so-called "roadmap" group met in the Czech capital with Assistant Secretary for International Affairs of the Department of Homeland Security Paul Rosenzweig to discuss the issue.

"My personal time horizon ends with the end of Mr. Bush's term in January 2009. My personal hope is to see new entrants into the visa waiver program prior to that," Rosenzweig said.

The United States does not require visas from citizens of 15 mainly longer-standing EU members, but its waiver scheme excludes Greece and the newest members, except Slovenia.

The 13 countries included in the "roadmap" group are Bulgaria, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Romania and Slovakia and South Korea.

U.S. President George W. Bush said in November he would work with Congress on changes that would make it easier for selected countries to qualify for the visa waiver scheme.

Bush made the promise during a visit to Tallinn in November, saying at a joint press conference with his Estonian counterpart, Toomas Hendrik Ilves, that he would raise the issue of visa waiver for citizens of Estonia. "I will do it as soon as possible," Bush said. Under current law, the United States may waive visas only when a country meets requirements such

as a low rate of visa over-stayers and a visa refusal rate below 3 percent.

Estonia Gives Support to Special Court for Sierra Leone

Jan 30 - **The Estonian Foreign Ministry has supported from its budget activity of the Special Court for Sierra Leone with EUR 7,740.**

The Foreign Ministry allocated the money from its budgetary means reserved for support to international organizations.

Activity of the Special Court for Sierra Leone fully depends on voluntary donations and this year its estimated need for budgetary means to continue functioning is more than 420,000,000 kroons (EUR 26.8 mln).

Foreign Minister Urmas Paet said the work of the Special Court of Sierra Leone was of decisive importance for peace and security in the region and therefore Estonia found it was important to contribute to the special court so it could carry on its work.

The special court for Sierra Leone was established in 2002 in cooperation between the Sierra Leone government and the United Nations in 2002. The special court has the competence of administering justice over people who have the biggest responsibility for war crimes, crimes against humanity and other violations of international humanitarian law since November 30, 1996.

To date charges have been brought against 11 persons.

Estonian Parliament Speaker Visited France

Jan 28 - **Speaker of the Estonian parliament Toomas Varek paid an official visit to France at the invitation of Christian Poncelet, President of the French Senate.**

Varek met with the French-Estonian all-party group and with Poncelet. Besides, he visited the memorial of French national heroes.

He also met with Pierre Lequiller, Vice-President of the National Assembly and head of the European Union delegation of the assembly.

Solana Names Riina Kionka for His Special Representative

Jan 29 - **EU foreign policy head Javier Solana named Riina Kionka, a former deputy secretary general of the Estonian Foreign Ministry, as his special representative in human rights issues.**

Kionka was born in Detroit, Michigan, in the United States and graduated from Michigan State University in 1983, majoring in German language and literature.

In 1986 she got a master's degree at Columbia University and in 2000 year defended her doctor's thesis on the effect of the United Nations, the Organization for Security and Cooperation in Europe and the Council of Europe on the Estonian nationality policy in 1988-1999.

Kionka has worked as an analyst with the Radio Free Europe in Munich. Since 1993 she served at the Estonian Foreign Ministry, at first as head of political planning and since 1995 as Political Director of the ministry.

In 2000, she was appointed the Estonian ambassador in Germany.

In summer 2005 Kionka took up a post at the General Secretariat of the Council of the European Union, dealing with Transatlantic relations as well as human rights. Kionka is married and has two children.

DEFENCE NEWS

NATO Underscores Coordination of Activity in Afghanistan

Jan 26 - **The main topics discussed during an informal meeting of NATO foreign ministers were the situation in Afghanistan and Kosovo, with the ministers stressing the need to better coordinate activity in Afghanistan.**

The topic of Afghanistan was discussed also in a wider circle, which apart from NATO foreign ministers included representatives from contributors to the NATO-led International Security Assistance Force (ISAF), the European Union, the United Nations, the World Bank, as well as Afghanistan's Foreign Minister Dadfar Spanta.

Estonia was represented at the meeting by the ambassador to NATO, Harri Tiido.

The ministers found that military contribution alone won't ensure the stability and sustainability of Afghanistan; the key to success in Afghanistan is the country's political and economic development.

Participation in the Afghanistan stabilization process with a civilian and military contribution is a priority also for Estonia.

Estonia regards as important the decision to increase NATO support for the development and training of Afghanistan's security forces, so that Afghanistan would be able to defend its security on its own in the future.

Tiido said that ensuring of security and creating a safe living environment in Afghanistan requires good civilian-military cooperation. First of all cooperation between NATO and the European Union in operations should be intensified. There is also an obvious need to deepen political dialogue between the two organizations.

The foreign policy chiefs discussed matters related to the status of Kosovo, and confirmed the alliance's readiness to actively participate in ensuring the stability of Kosovo.

It was stressed also in the case of Kosovo that for the region to develop peacefully the actions of the international community have to be unified and coordinated.

According to Estonia's assessment, even though practical cooperation between NATO and the European Union in preparing the civilian mission in Kosovo works, it has to be deepened to enable more efficient usage of the resources of the contributors.

The extended format of the meeting can be viewed as the first step toward better coordination of cooperation between NATO and other international organizations.

The situation in Afghanistan and Kosovo will be among the main topics of the meeting of the alliance's defence ministers in Seville, Spain on 8 and 9. February.

Nordic, Baltic Defence Forces Commanders Discuss Cooperation

Jan 29 - **Commander of the Estonian defence forces Major General Ants Laaneots participated in a working meeting of Nordic and Baltic defence forces commanders, where**

the main issues discussed were cooperation and contribution to NATO response forces.

The annual meeting of the Nordic and Baltic defence forces commanders this year took place in Palanga, Lithuania. The issues of discussion were defence cooperation, contribution to NATO response force NRF-14 and security situation factors in the Baltic Sea region.

Last year the Nordic and Baltic defence forces commanders held their annual meeting in Denmark.

Estonian Parliament Panel Backs Participation in Middle East Mission

Jan 25 - **The Estonian parliament's National Defence Committee backed a bill on sending up to five staff officers on a two-year mission to Lebanon, Syria and Israel.**

The bill will come up for discussion in the chamber on Feb. 6 and if its first reading is completed as the commission recommends a final vote should be held on 14 February.

Creating stability in the war-torn Middle East is a direct security interest of Estonia, an explanatory letter to the bill says.

If the resolution is approved Estonia will send to the Middle East one naval staff officer to serve in the ranks of the naval contingent of the United Nations-led peacekeeping force UNIFIL.

Estonia previously took part in the UNIFIL mission in 1996-97, contributing a 135-strong peacekeeping company.

Since March 1997 Estonia has also had military observers serving on the UN truce supervision mission in Israel and Syria. Currently two men are stationed there.

Troops participating in the truce monitoring mission have so far been regarded in Estonia as staff officers whose deployment does not require a parliamentary mandate. But the Israeli-Hezbollah conflict last year showed that the UNTSO force too is deployed in an explosive region and therefore staff officers posted there should be viewed on an equal footing with soldiers on a military mission.

The bill allows to send two more staff officers to the Middle East if the need arises.

The mission-related expenses are to be covered from the budget of the Defence Ministry. The deployment of one staff officer costs approximately one million kroons (EUR 64,000) a year.

The UN Security Council passed in August 2006 a resolution on ending hostilities in South Lebanon. Under the same resolution, the mandate of UNIFIL was extended and the peacekeeping contingent in the region is to be increased to 30,000.

DOMESTIC NEWS

Estonian Medics, Employers Stroke Deal over Pay

Jan 25 - **The parties negotiating over health workers' pay in the presence of public conciliator have reached agreement and a planned strike of medics has been cancelled.**

According to unconfirmed information, the deal means a minimum hourly pay of 99 kroons (EUR 6.33) for doctors, 52.50 kroons for nurses and middle-level medical workers, and 29 kroons for care personnel.

Everybody got what they wanted, public conciliator Henn Pärn who mediated the talks said. Toward the end of the negotiations each 10 cents

was debated, he admitted. Nevertheless, he described the deal as a fair one seeing that both employers and employees agreed on it.

Council of Tartu University Appoints Acting Rector

Jan 26 - **The council of Tartu University appointed Tõnu Lehtsaar, professor of practical theology and former vice rector of the university, as acting rector from Feb. 5 to June 30.**

Lehtsaar, a professor since 2000, served as vice rector from 2003 to 2005 and as dean of the department of theology from 2001 to 2003.

The council also endorsed a proposal to the government to release incumbent Jaak Aaviksoo from the office of rector from Feb. 5.

Election of the new rector is expected to take place before Midsummer.

Election of the rector failed last week as deputy speaker of the parliament Ene Ergma, garnered just 141 votes in the final round, seven short of the required minimum of 148 votes. Ergma was the sole candidate in the final vote, after professors Volli Kalm and Birute Klaas had been eliminated.

Aaviksoo, rector since 1998, tendered his resignation in September to enter politics in the ranks of Pro Patria and Res Publica Union.

ECONOMIC NEWS

Currency rates in kroons (Bank of Estonia)

December Retail Sales up 18 Percent

Jan 30 - **Retail trade enterprises in Estonia sold goods at retail for 4.8 billion kroons (EUR 307 mln) in December 2006, an increase of 18 percent in constant prices over the same month in 2005.**

The increase in the retail sales of goods was faster than during the same period a year ago, when the rate of growth was 15 percent.

Compared to December 2005, retail sales increased in all fields of economic activity.

Eesti Energia Earned 130 Million EUR in Nine Months

Jan 24 - **The power supplier Eesti Energia earned a net profit of 2,037 million kroons (EUR 130 mln) in the first nine months of its financial year starting in April.**

The sum total of the company's earnings increased by 24.5 percent to 6,681 million kroons in the nine months, the company said.

The results were mainly influenced by sharply higher electricity consumption in Estonia, one-off proceeds from the sale of unused exhaust quota and efficient work at the reduction of costs, Eesti Energia said. The one-off proceeds from sale of exhaust quota amounted to 1,447 million kroons during the nine months.

Electricity sale in Estonia continued in a sharply rising trend, amounting to 4,620 gigawatt-hours during the nine months, 7.8 percent more than in the same period last year.

Eesti Energia's electric power export totalled 677 gigawatt-hours during the nine months, nearly half

less than in the same period in the previous financial year.

Foreign Trade Deficit up by EUR 6.4 Million Month-on-Month

Jan 25 - **The shortfall of Estonia's foreign trade was 4.1 billion kroons last November, 100 million kroons (EUR 6.4 mln) more than in October and one billion kroons higher than in November 2005, the Statistical Office reported.**

Estonia's foreign trade turnover last November was nearly 24.9 billion kroons according to preliminary figures. The turnover increased by 12 percent against November 2005 and by one percent against October 2006.

Export made up 10.4 billion kroons of the foreign trade turnover, 8 percent more year on year and 1 percent more than in the previous month.

Last November export to EU countries accounted for 67 percent and to CIS countries 13 percent of the total export of goods. In November 2005 the same figures were respectively 74 and 9 percent.

November imports totalled 14.5 billion kroons, 14 percent higher year on year and 1 percent higher month on month.

In November import from EU countries accounted for 76 percent and from CIS countries 14 percent of the total import. In November the year before the respective figures were 74 and 13 percent.

Furniture Makers' Profits Rise

Jan 26 - **The net turnover of the furniture maker Viisnurk in 2006 totalled 227.4 million kroons (EUR 14.5 mln), 4 percent more than in 2005.**

The company, which is listed on Tallinn Stock Exchange, also announced that the profit target of 12-14 million kroons was achieved

The furniture division generated 132.8 million kroons and the building materials division 94.6 million kroons of the company's turnover. In 2005 the respective turnovers were 122.1 and 96.4 million kroons. In the last quarter of 2006 the turnover of the furniture division was 40.6 million and that of the building materials division 26.2 million kroons.

The turnover of another furniture maker Standard grew by 16 percent to 210 million kroons (EUR 13.4 mln) in 2006.

Export made up 60 million kroons of the turnover, while sales to the domestic market was 150 million kroons. Standard's biggest export market is Latvia, where it sold its output for 18 million kroons. The pre-tax profit of the company stood at 12 million kroons, 15 percent higher than the year before.

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