

# Press Release

## Congress of Local and Regional Authorities

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## Congress' monitoring visit to Estonia: Supreme Court's decision will help to improve local self-government financing

Strasbourg, 28.04.2010 – "We believe that the landmark decision on local self-government, delivered by the Estonian Supreme Court on 16 March 2010, will help to resolve the situation of local finances in the country," Jos Wienen (Netherlands, L, EPP/CD), Rapporteur of the Congress of Local and Regional Authorities of the Council of Europe, stated at the end of the monitoring visit to Estonia from 26 to 27 April 2010.

During the visit, the delegation looked in particular into the question of local finances and to what extent the allocation of financial resources corresponds to the competences and responsibilities of local authorities. The discussions focused on the long-standing disagreement between the Estonian government and associations of local authorities about the sufficiency of funding for meeting local obligations. This disagreement was further aggravated by the budgetary cuts envisaged by the government in response to the financial crisis, prompting the city of Tallinn to lodge a petition before the Estonian Supreme Court.

The Court's decision of 16 March, which refers explicitly to the European Charter of Local Self-Government, provides the criteria according to which the Estonian Parliament has to enable better regulations, on the one hand defining clearly government functions and local authorities tasks, and on the other hand establishing a strong link between the mandatory tasks and competences of local authorities and their funding.

The Congress Rapporteur said that he was impressed by the open-mindedness and the high quality of the exchanges of views with all the interlocutors during the visit. The delegation had meetings with representatives of national associations of local authorities, the Ministers of Regional Affairs and of Finance, the Chairs of parliamentary committees and the Chief Justice of the Supreme Court.

Following the visit, a report will be submitted to the Congress' Institutional Committee, which will discuss it at its meeting in Kragujevac (Serbia) in July 2010.

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This visit to Estonia opened the second cycle of monitoring for this country since it ratified the European Charter of Local Self-Government in 1994. The Congress' latest recommendation on the situation of local democracy in Estonia was adopted in May 2000.

The Congress has two chambers, the Chamber of Local Authorities and the Chamber of Regions. It brings together 318 full and 318 substitute members representing more than 200 000 European territorial communities.  
President of the Congress: Yavuz Milden (Turkey, EPP/CD), President of the Chamber of Regions: Ludmila Sfirloaga (Romania, SOC),  
President of the Chamber of Local Authorities: Ian Micallef (Malta, EPP/CD).  
Political Groups: Socialist Group (SOC), Group of the European People's Party – Christian Democrats (EPP/CD),  
Independent and Liberal Democrat Group (ILDG).