INTRODUCTION

Apart from a handful of political scandals around prime minister’s Reform Party (RE) – one of which led to a resignation of a cabinet minister – 2013 was a relatively quiet year in Estonian politics. People’s Assembly, set up after a major party funding scandal and a wave of anti-government protest in 2012 (see PDY 2013), proposed to Riigikogu changes to party regulations and electoral rules. The proposals made very limited progress in the parliament despite the backing of the president. The local elections in October solidified the positions of main political parties.

CABINET REPORT

Table 1. Cabinet composition of Andrus Ansip IV

A. The party composition of Ansip IV

Date of investiture: 6 April 2011

<table>
<thead>
<tr>
<th>Party</th>
<th>Number and percentage of parliamentary seats (1 January 2013)</th>
<th>Number and percentage of parliamentary seats (31 December 2013)</th>
<th>Number and percentage of cabinet posts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reformierakond / Reform Party (RE)</td>
<td>33 32.7</td>
<td>35 34.7</td>
<td>7 53.8</td>
</tr>
<tr>
<td>Isamaa ja Res Publica Liit / Pro Patria and Res Publica Union (IRL)</td>
<td>23 22.8</td>
<td>22 21.8</td>
<td>6 46.2</td>
</tr>
</tbody>
</table>

1 Reflects de facto changes in the parliament – MPs are formally not allowed change party factions.
B. Cabinet members of Ansip IV

Date of investiture: 6 April 2011

Prime Minister / Peaminister: Andrus Ansip (1956 male, RE)
Minister of Justice / Justiitsminister: Hanno Pevkur (1977 male, RE)
Minister of Foreign Affairs / Välisminister: Urmas Paet (1974 male, RE)
Minister of Defence / Kaitseminister: Urmas Reinsalu (1975 male, IRL)
Minister of Internal Affairs / Siseminister: Ken-Marti Vaher (1974 male, IRL)
Minister of Finance / Rahandusminister: Jürgen Ligi (1959 male, RE)
Minister of Economic Affairs and Communications / Majandus- ja kommuniksiooniminister: Juhan Parts (1966 male, IRL)
Minister of Education and Research / Haridus- ja teadusminister: Jaak Aaviksoo (1954 male, IRL)
Minister of Culture / Kultuuriminister: Rein Lang (1957 male, RE)
Minister of Social Affairs / Sotsiaalminister: Taavi Rõivas (1979 male, RE)
Minister of Environment / Keskonnaminister: Keit Pentus (1976 female, RE)
Minister of Agriculture / Põllumajandusminister: Helir-Valdur Seeder (1964 male, IRL)
Minister of Regional Affairs / Regionaalminister: Siim Valmar Kiisler (1965 male, IRL)

Changes in 2013:

Minister of Culture / Kultuuriminister: Rein Lang (1957 male, RE) was replaced by Urve Tiidus (1954 female, RE) on 4 December 2013.

The centre-right coalition continued to hold a clear majority in the parliament. The relationship between the coalition and Toomas-Hendrik Ilves, the indirectly elected president (formerly of SDE), continued to be broadly consensual.

On 21 November, Rein Lang (RE), the minister of culture, stepped down after surviving a non-confidence vote earlier on the day. Lang had come under pressure after Kaur Kender, a scandalous popular writer, was appointed an interim editor of Sirp (a leading state funded cultural affairs newspaper) following an unsuccessful public competition for the editor. Kender immediately changed most of the editorial team and it was widely alleged that Lang and other leading figures of RE had been behind the moves, frustrated with the critical tone of the paper under the previous editor. Following protests by the cultural elites, Kender was also forced to leave his position shortly after Lang, as the first number of the paper under his editorship published a poem without permission from the author. The public outcry over the affair addressed RE’s arrogance and increasing temptation to meddle in supposedly neutral spheres – not only the alleged attempt to “hijack” Sirp, but also proposed changes to the board of Estonian Public Broadcasting and the restructuring of the National Symphony Orchestra.
**PARLIAMENTARY REPORT**

Table 2. Compositions of the *Riigikogu*

<table>
<thead>
<tr>
<th>Party</th>
<th>Number and percentage of parliamentary seats (1 January 2013)</th>
<th>Number (%) of women</th>
<th>Number and percentage of parliamentary seats (31 December 2013)¹</th>
<th>Number (%) of women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reformierakond / Reform Party (RE)</td>
<td>33</td>
<td>32.7</td>
<td>34</td>
<td>34.7</td>
</tr>
<tr>
<td>Isamaa ja Res Publica liit / Pro Patria and Res Publica Union (IRL)</td>
<td>23</td>
<td>22.8</td>
<td>22</td>
<td>21.8</td>
</tr>
<tr>
<td>Keskerakond / Centre Party (KE)</td>
<td>21</td>
<td>20.8</td>
<td>21</td>
<td>20.8</td>
</tr>
<tr>
<td>Sotsiaaldemokraatlik erakond / Social Democratic Party (SDE)</td>
<td>19</td>
<td>18.8</td>
<td>21</td>
<td>20.8</td>
</tr>
<tr>
<td>Non-affiliated</td>
<td>5</td>
<td>5.0</td>
<td>3</td>
<td>3.0</td>
</tr>
<tr>
<td>Total</td>
<td>101</td>
<td>100.0</td>
<td>101</td>
<td>100.0</td>
</tr>
</tbody>
</table>

¹Reflects *de facto* changes in the parliament – MPs are formally not allowed change party factions.

In March and April 2012, five MPs had left KE. In December 2013, two of them joined SDE and one RE. However, they did so without formally joining the factions as that is not allowed under *Riigikogu* rules of procedure. One MP left IRL in December 2013.

**ISSUES IN NATIONAL POLITICS**

*People’s Assembly and changes to party law*

In late 2012, Charter 12 – a declaration by 17 prominent public figures mostly not affiliated to political parties – deplored the state of democratic governance in the country. The declaration came in the wake of scandals surrounding RE (see Sikk 2013). President Toomas Hendrik Ilves convened a round-table in November 2012 involving the authors of Charter 12, representatives of parliamentary parties and civil society organisations, and legal and political experts. The round-table set up People’s Assembly (*Rahvakogu*), an online platform for crowdsourcing proposals on intra-party democracy, transparency of political financing, electoral laws and other democratic reforms. The proposals were later integrated and analysed by experts, and debated at a gathering of 300 randomly chosen citizens, with the most important and widely supported proposals presented by the president to the *Riigikogu* in April 2013. Out of the nearly 2,000 ideas proposed online, a total of eighteen specific proposals reached the parliament. These included increased public
subsidies to extra-parliamentary parties and lower required number of members for party registration.

Progress on the proposals stalled in the parliament as established political parties preferred the status quo. Changes to the Political Parties Act were discussed in the parliament in the autumn and passed in January 2014. The approved changes included increased public subsidies to parties that failed to cross the threshold but managed to win at least two percent of votes. After 2015 parliamentary elections, such parties would receive 30,000-100,000 Euros a year each, depending on their electoral strength and corresponding to 10,000-25,000 for each per cent of the vote. Previously, the maximum total subsidy to extra-parliamentary parties had been 16,000 Euros per annum. However, even the increased subsidies will remain significantly lower than those enjoyed by parliamentary parties. In 2012, the four parties combined received 5.4 million Euros – around 60,000 Euros per each per cent of votes. Other changes to party law included a small reduction of the minimum number of party members necessary for registration from 1,000 to 500 (in Estonia, only registered parties are allowed to present lists in parliamentary elections and the membership lists are made public online). The changes were widely criticised as merely cosmetic concessions to the proposals of the People’s Assembly. The more radical proposals dismissed by the parliament included setting a limit on parliamentary election expenditures and lowering the electoral threshold (currently 5 percent). The prevailing attitude amongst established parties was well captured by the head of parliament’s constitutional committee who argued that “the parliament does not wish to be the executive organ of People’s Assembly”.

The regulation of donations to political parties was another hotly discussed issue in the People’s Assembly. Progress on that was even more limited. The parliament discussed levels at which illegal and anonymous donations should be criminalized – as suggested by the People’s Assembly, but settled on an extremely high threshold of 32,000 Euros. That was when another parliamentary party (KE) became a subject to allegations of the use a scheme similar to RE (see Sikk 2013), involving Kadri Simson (the leader of KE’s parliamentary group and a former Secretary General). The party did not initiate a libel case against the whistle-blowers and too much time has passed since the alleged illegal practices to start an investigation. Yet, the allegations underscored the need to reform party funding and increased the sense among the public that parties had particular reasons to reject tougher regulations.
Reform Party scandals

RE suffered a string of further scandals, following high-profile scandals and gaffes by Prime Minister Andrus Ansip in 2012 (see Sikk 2013). Ansip’s aloofness and arrogance was seen by many as a sign that he had been in office for too long and was becoming increasingly detached from reality. In December 2013, he became the longest serving prime minister in the EU, after Luxembourg’s Jean-Claude Juncker had stepped down. (On 23 February 2014, Ansip announced his intention to step down as the prime minister in March 2014 to give his successor a run-up to the 2015 Riigikogu election).

In addition to scandal surrounding Sirp (see above), RE was mired in a scandal over fraud in internal party elections. It transpired that five party organizers had used the online credentials of elderly party members to cast votes in the election of the party board. In June, RE expelled veteran politician and MEP Kristiina Ojuland who had been accused of involvement in the voting scam to get elected to the board. The scandal triggered a rebuke from president Ilves, who has for many years been the champion of Estonia’s e-government and internet voting abroad. He argued that the scandal undermines the trustworthiness of the internet voting system and harms the reputation of the country. Curiously, after Ojuland was expelled from RE, only 2 of the 6 Estonian MEPs were members of political parties. RE did, however, regain an MEP soon as Vilja Savisaar-Toomast (the former wife of KE’s leader) joined the party (together with former KE ministers Ain Seppik and Toomas Varek).

After she was forced to leave RE, Ojuland set out on setting up a new party. By doing that, she was entering a crowded field of right-of-centre initiatives cropping up in the run-up to the 2015 parliamentary election. New parties in the making with tangible electoral potential included the Free Patriotic Citizen (Vaba Isamaaline Kodanik), a splinter group from IRL, and a new centre-right liberal party announced by Jaan Männik, former chair of national bank’s board. Ojuland’s initiative group created a minor scandal when it initially proposed “United Estonia” (Ühtne Eesti) as the party name. That exact name had been used in 2010 by an eminent satirical theatre/film project that staged the establishment of a mock party, including an outdoor publicity campaign and a grandiose founding congress (that at the time had led some of the more paranoid established politicians to suspect real political ambitions behind the projects).
Local elections on 20 October produced no major changes in Tallinn and other major municipalities. KE remained the most popular party nationwide (31.9% of votes) and in Tallinn (52.6%). The improved result compared to 2011 parliamentary elections and opinion poll ratings was explained by its popularity amongst Russian-speakers, many of whom are not Estonian citizens and can therefore only vote in local elections. In Tallinn, the single party KE city government (led by its chair, Edgar Savisaar) was resisting the implementation of education reform introducing more Estonian-language teaching in Russian-speaking schools, presumably helping to retain its stronghold amongst Russian-speaking voters. It had also introduced some popular and successful policies (e.g. free public transport and local top-up pensions) and a range of public functions immediately before the October elections (e.g. a opening of a road junction featuring a bizarre five-story-high 10,000 Euro polystyrene Neptune of Ülemiste). KE remained the leading party in three major cities with a sizable Russian-speaking population (Tallinn, Narva and Kohtla-Järve). Pro Patria and Res Publica (IRL) overtook RE – its coalition partner in national government – both nationwide (17.2% vs 13.7%) and in Tallinn (17.2% vs 13.7%). SDE, the smallest of the four parliamentary parties, was only narrowly behind with 12.5% of votes nationally (up from 7.5% in 2009) and 9.9% in Tallinn. Turnout was meagre at 57.7% (down from 60.6% in 2009) while more than a fifth of votes were cast online (it was the sixth election since 2005 when online voting was available).

On the eve of elections, Eerik-Niiles Kross, IRL’s popular mayoral candidate for Tallinn, was placed on Interpol’s Red Notice list. The notice followed a request from Russian authorities that sought him on charges of organizing piracy. This was widely seen to be politically motivated and linked to the KE that has courted the ethnic Russian vote, has links to Russian governing circles and a formal cooperation agreement with United Russia. Soon after, Ken-Marti Vaher, IRL’s minister of internal affairs, visited in person the Interpol headquarters in Lyon to protest the notice. His trip was criticised as an overreaction and further politicising the affair by RE, adding to the increasing number of quibbles between the two coalition partners.

Presidential veto

On 11 December the parliament passed a controversial law that required businesses to declare all transactions worth more than 1,000 Euros to help avoiding businesses unlawfully claiming back VAT that was not duly paid in the first place. The amendments to the Value Added Tax Act were
vetoed by President Toomas Hendrik Ilves, who echoed the criticism of business organizations. They argued that the changes would limit the freedom of entrepreneurship by introducing disproportionally onerous requirements to businesses. Ilves also criticised the government and parliament for insufficient involvement of interest groups in the legislative process.

Foreign relations

On 23 May, the government approved a slightly amended draft of the Estonian-Russian border agreement. The border agreement had been signed by the foreign ministers back in 2005, but only ratified by the Estonian parliament, as Russia withdrew the signature, claiming that the preamble added by the Riigikogu could have given ground to territorial claims. The new version of the agreement (signed by foreign ministers in February 2014) clarified that it only relates to borders and renounced any territorial claims.

SOURCES AND FURTHER INFORMATION