

## READER travels to Estonia, the most advanced e-government in Europe

*\*All presentations are available at the end of the article.*

Once again, as usual, the Asturian Network for Rural Development organised a study trip open to Development Groups with the aim of learning about LEADER experiences in other European territories. If last year the destination was the [Scottish Highlands](#), this year it was Estonia and the county of Tartu, organised by the [Association for the Development of Tartu County](#), our hosts.



The trip took place between the 19th and 26th of May, starting the visits on Monday the 20th at the Superministry, a building where up to six ministries have their headquarters. Here we held a meeting and attended the seminar with the director of the Regional Affairs department, **Olavi Petron**, the head of the Rural Economy and Competition Policy section, **Kai Kalmann-Jotautas**, both from the [Ministry of Regional Affairs and Agriculture](#), and the representative of the [Ministry of Social Welfare](#), **Vivia Aunapuu-Lents**. **Triin Kallas** from the [Estonian Leader Union](#) also attended, as well as the manager of the [LAG Tartu County Development Association](#), **Kristiina Tammets**.



The Ministry of Regional Affairs and Agriculture is newly created, having been unified last summer, and also taking on competences for regional and rural development and European funding. As **Petron** explained, in Estonia they consider their LEADER programme to be 'the champion of Europe', having been introduced in 1998 and accounting for 10% of the RDP until 2004. It should be clarified that Estonia is a country of approximately 1.3 million inhabitants and that it has a state and municipal administrative structure, with no intermediate level, which would be the autonomous regions. Hence, local governments are of great importance in the implementation part of the programme. LEADER, he explained, 'is a very useful tool when combined with other policies' and the Ministry of Social Affairs is 'the guinea pig for this implementation'.



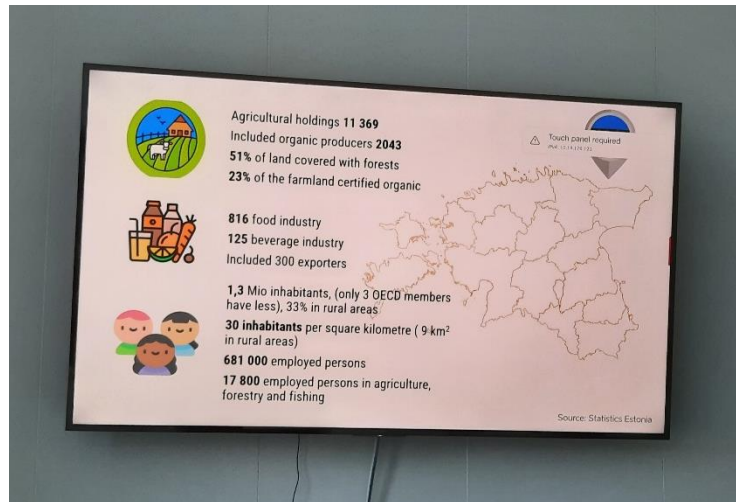
**Kai Kalmann-Jotautas** explained that his department works on investments for enterprises and also decides on loans and guarantees, as well as having the competence for the postal service, in addition to LEADER. In Estonia it is present through 26 Local Action Groups and 8 Fisheries Local Action Groups, not all of them coastal, as they have large lakes. If in the period 2014-2022 they had 124 million euros, which was 10% of the EAFRD, for 2023-2027 it is 59.5 million, being 11%, plus 7.1 million euros from the European Social Fund, which they also manage. For the new period they have as main axes entrepreneurship, youth, climate and services for the rural population, as well as showing a positive image of rural life.



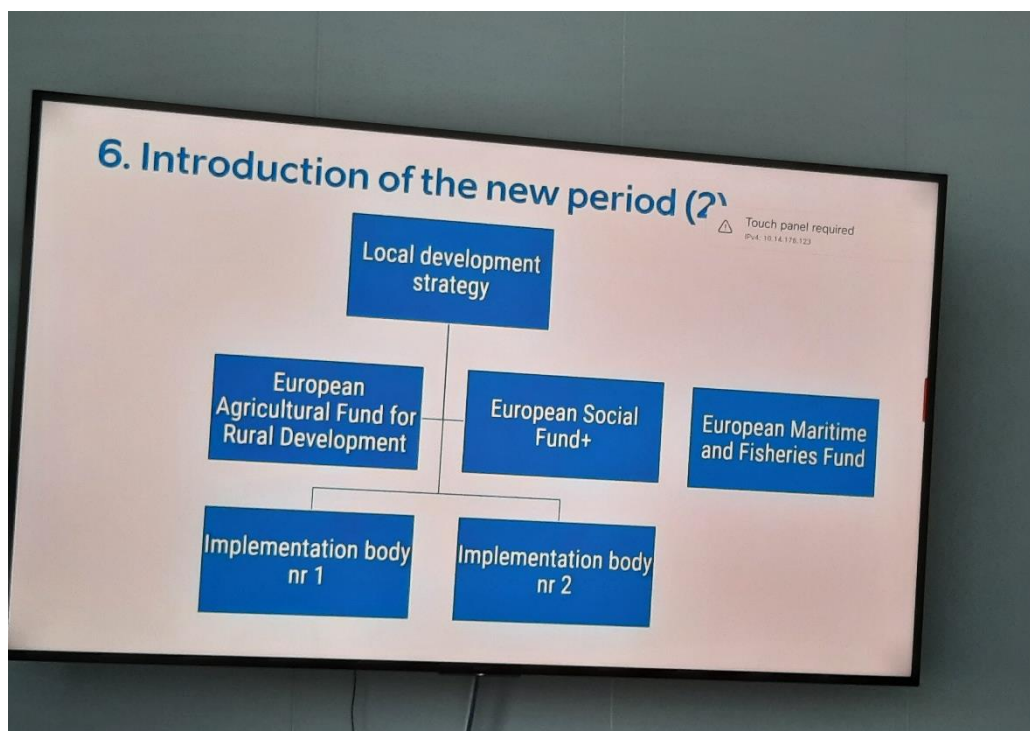
The main objective of this trip was to learn about the implementation of simplified costs in the Estonian system, as it is the most advanced e-Government in Europe. In this system, which is



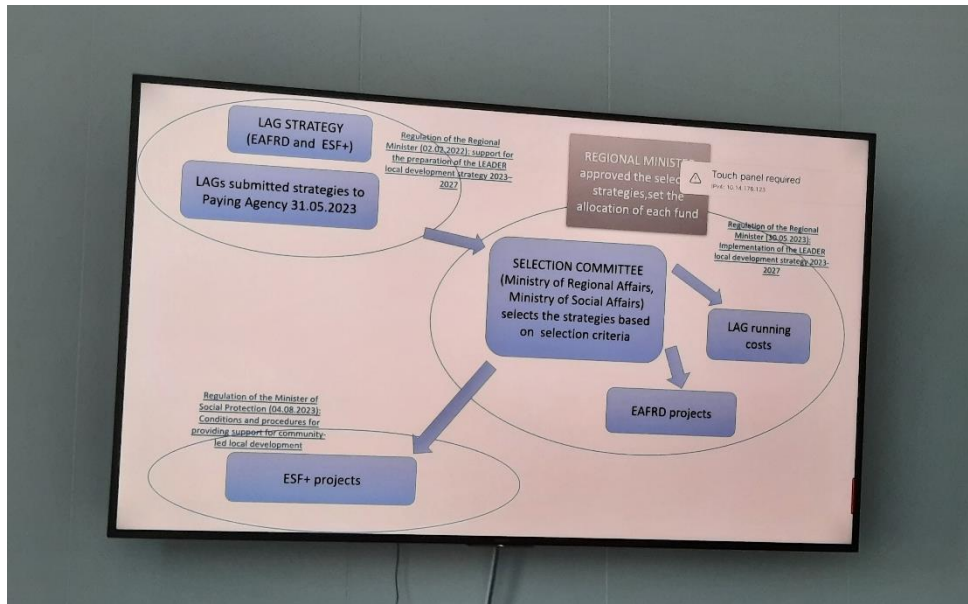
implemented for the new period, no invoices are required; money is received through a flat rate and project support is applied through these simplified costs, making a distribution based on the budget. This is 'a paradigm shift,' said Kalmann-Jotautas, 'where the focus is not on whether the beneficiary does things well, but on the results that are achieved, which is what we are interested in. He added that 'we all make mistakes and there are EU directives that are not very clear'.



In the Estonian case, the managing authority is the Ministry and the LEADER partner is the Estonian Union. For the future, the Estonian administration wants to implement 'simple solutions', such as simplified costs, digitalisation and audits in the sense of advising, not fining, as well as implementing artificial intelligence through the paying agency (the entity we visited on the last day). The system also provides for an evaluation of the simplified costs to see if the objectives are achieved.







This was followed by **Vivia Aunapuuna-Lents**, who explained that this is the first experience with the multifund, working also with the European Social Fund (ESF) and the 7.1 million euros budget. These funds are implemented through umbrella projects. An estimated 6,000 euros per project, framed in a social innovation programme where, on the one hand, the availability of long-term care services is improved and, on the other hand, human dignity is ensured by increasing social inclusion. The Ministry sees many possibilities in the ESF, earmarking an allocation to implement services dedicated to the care of people under 16 years of age with special needs and people over 55 years of age, as a pilot project. This fund is aimed at projects launched by the LAGs as a commitment in favour of dependency measures.

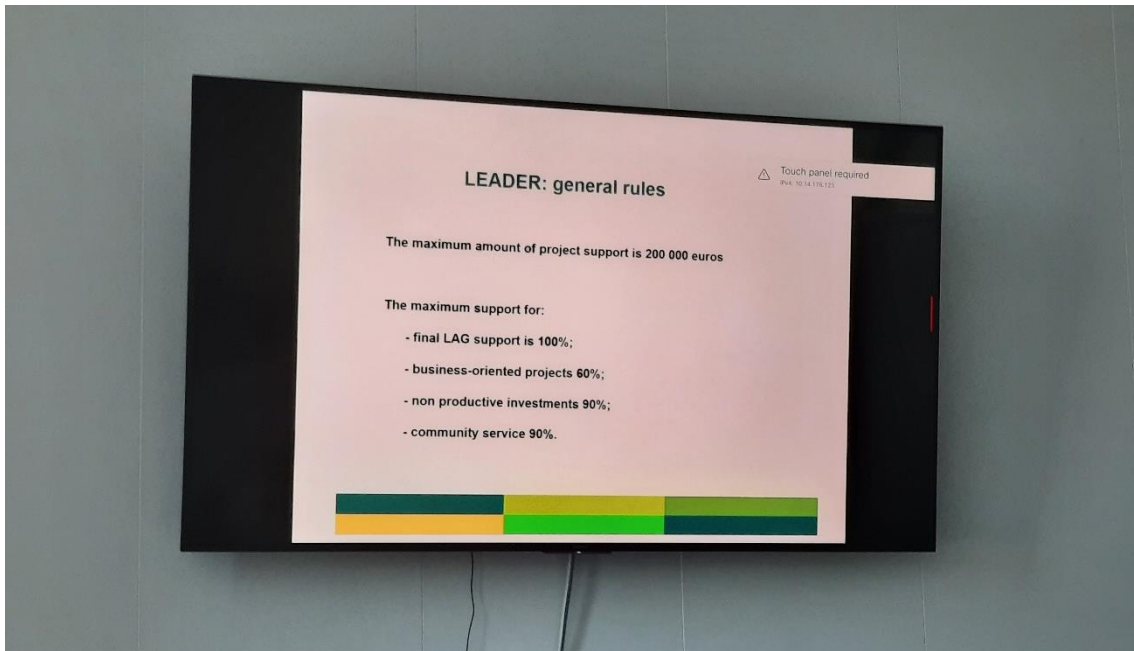
The last intervention of the morning was made by the representative of the Estonian Union of LEADER, **Triin Kallas**. An association that was born in 2012 and which includes 22 LAGs of the 26 existing ones with three clear objectives: to unite all the LAGs; to represent the interests of the LAGs before the national government and international bodies; and to support knowledge, innovation, education and knowledge-based development. He also pointed out the good cooperation with both the Ministry and the paying agency, who consult them for the design of related legislation.



As for the new period, the strategy was approved last year, while the LAGs will start with its implementation gradually. He also explained that they are working on two lines, one aimed at communities and the other at companies, with a special objective for 2023-2027 which is the involvement of young people in the development of rural areas. A major challenge is to apply simplified costs and multifunding with the ESF.

He also pointed out that Estonian LAGs are very active at the level of international cooperation, with 38 ongoing projects, both with EU, non-EU and aspiring countries, while being involved in Erasmus+ and Horizon projects to bring new ideas to LAGs. Currently the largest project, 4Life, has as its main partner the University of Vigo, focusing on just transition.

Kallas explained that each LAG develops its own measures, with a large volume of grants supporting enterprises, most commonly businesses based on tourism, local resources, innovation and the promotion of innovative solutions. In the case of Tartu LAG, it is very focused on digitalisation, renewable energies, technologies related to drones. In the South Estonian region, there is also a strong focus on nature and heritage, as well as community projects.



As for the FLAGs, they are independent from the LEADER groups, contrary to what happens in Spain, although they depend on the same Ministry.



After this meeting, the Asturian delegation of seventeen people went to Tartu to continue the study trip.

### **Onion Route**

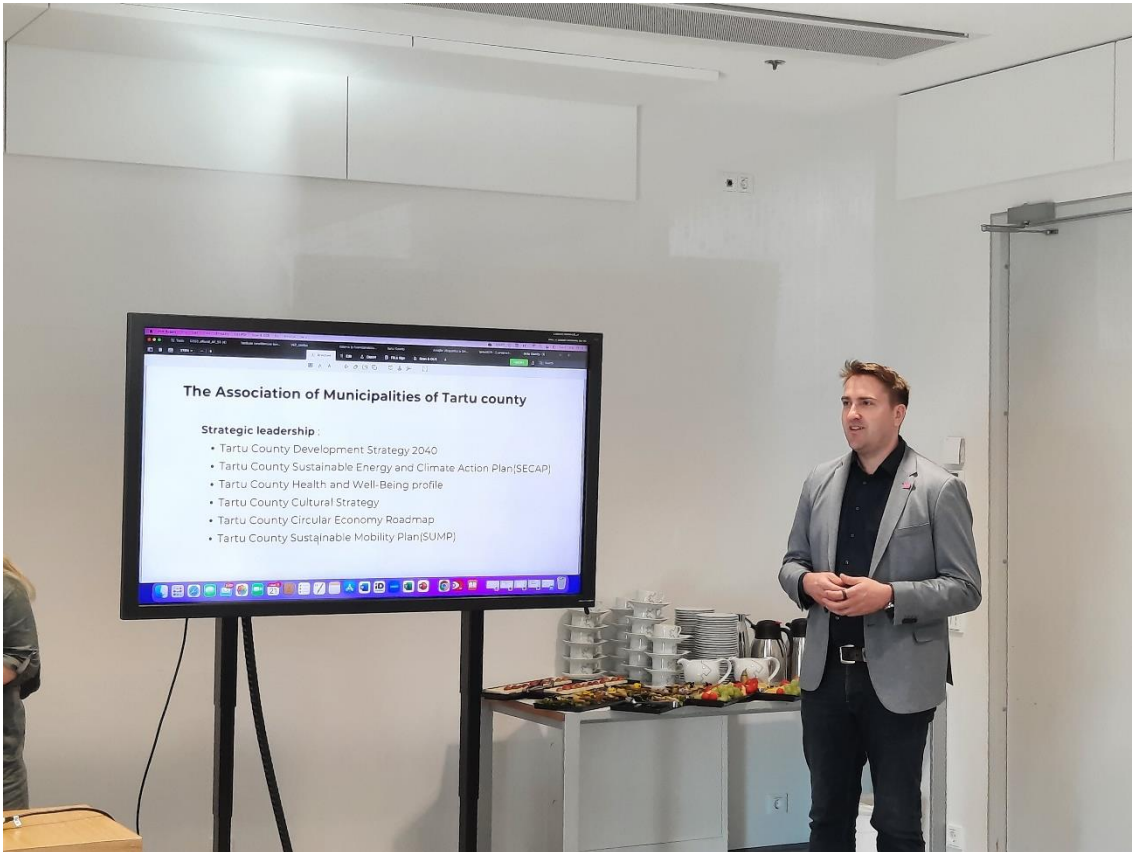
Tuesday's day started with a seminar where we met with the Union of Tartu County Municipalities, the LAG Tartu County Development Association and the organisation of the European Capital of Culture Tartu.





The city is the natural capital of the four southern regions of Estonia, in which four Local Action Groups coexist. For the organisation of the European Capital of Culture events, the involvement of LAGs was sought as an approach to LEADER, highlighting the nature and culture of this vast area. Preparatory work began in July 2023 and officially started in January 2024.

The round of participation was opened by **Sven Tobreluts**, head of the [Union of Tartu County Municipalities](#), a horizontal development organisation, as he explained. It consists of eight municipalities and 161,214 inhabitants, with Tartu being the most populous with 98,253. It has 'good universities, we are proud of our green areas', while the main activities they are engaged in are culture, education, welfare and cooperative activities. They are made up of professional organisations that seek and offer solutions for their members. As a goal for 2040, they envision the region as sustainable and inclusive, with four focuses: well-being; the living environment, where the environment and climate have a specific weight; entrepreneurship, with an important commitment to innovation; and mobility. All of this is based on five principles: sustainability, innovation, governance, healthy living and urban-rural territorial cohesion.



He pointed out the advantage of being a small community in a small state, which allows it to be quicker in implementing changes and new strategies, and also highlighted its participation in several Interreg projects.

**Oliver Berg**, manager of the Tartu with Europe programme, related to the European Capital of Culture, spoke of 'the celebration of inclusivity, care and closeness', and highlighted the need to get to know these values, to come together to offer this knowledge for the future. He also said that Estonians are a community that is 'very proud to be on this side of the border and not the other', in relation to the war in Ukraine and the situation with Russia. In fact, throughout the trip there were many Estonian criticisms of the neighbouring country, its Russification past, the defence of human rights and Estonian identity. The Estonian identification with Ukraine is very strong.



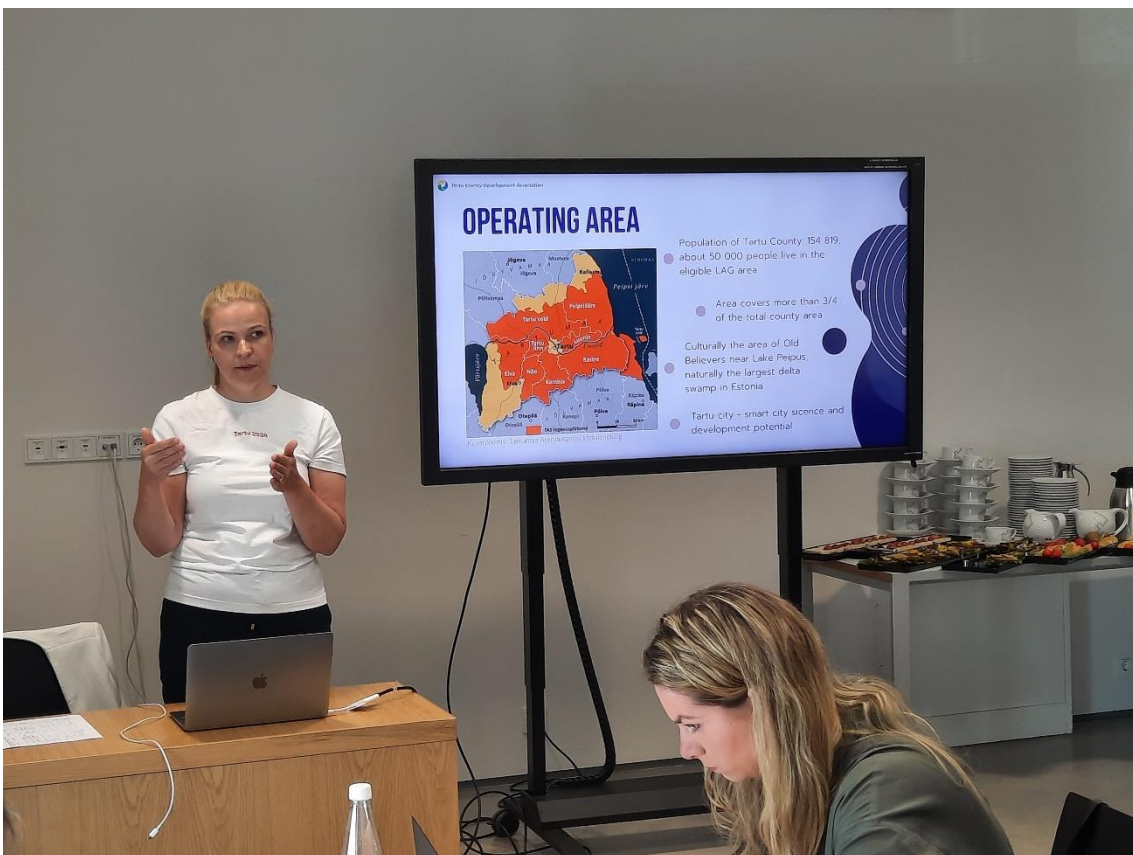
Berg explained that this network, which was created on the occasion of the cultural programme, includes 20 municipalities in southern Estonia, in addition to the LEADER Groups, which includes all of this part of the country with the aim of showing its own culture to the rest of Europe, with more than 1,000 events programmed during this year.

The programme has four backbones: Earth, Humanity, Europe and Universe, where sustainability, volunteering and youth play an important role, 'very important points for us', he explained. Hence, sustainable and accessible events have been programmed; with more than 250 local and international volunteers; with the extension of a programme aimed at young people between the ages of 14 and 19, thinking of them as the future cultural programmers or makers of culture.





**Kristiina Tammets** then spoke to present the [LAG](#) of which she is the manager, founded in 2006, and which is made up of local municipalities, associations, business and civil society. It has a total of 71 members, of which nine are local governments, 25 are businesses and 37 are associations.

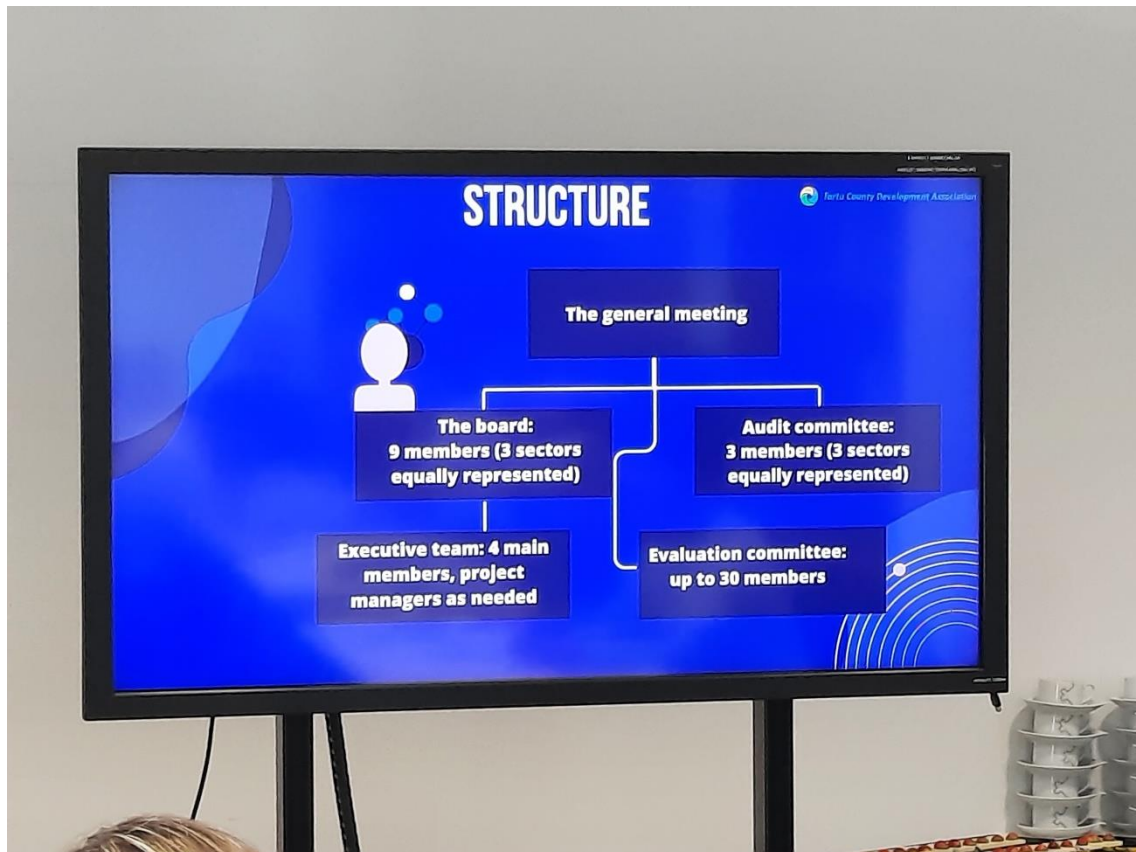


In 2025 they will start working with the new programming period for an area of more than 160,000 inhabitants, of which more than 50,000 live in rural areas. He described Tartu as a scientific engine in a county with 100 kilometres of river, the fourth largest lake in Europe, the Peipus, a natural border with Russia, in an area of almost 3,000 square metres, 6.9% of Estonia

and a population density of 16.5 inhabitants per square kilometre. One third of the territory is forest, another third is agricultural land and the last third is wetlands.

The business fabric is made up of a high number of micro-enterprises, around 6,000 small enterprises and 2,000 self-employed and micro-enterprises. The service sector accounts for two thirds of the jobs created in the county, 75% of which are in education and the clinic of the University of Tartu, with 3,000 employees, which creates a very good living and working environment, in Tammets' words. Among local production he highlighted typical products, furniture, food, clothing, building materials, glass and plastics, with a significant presence of unicorns (ICT-related start-ups with a big budget, a lot of value and potential). She stressed that Estonia is 'a very digital nation'.

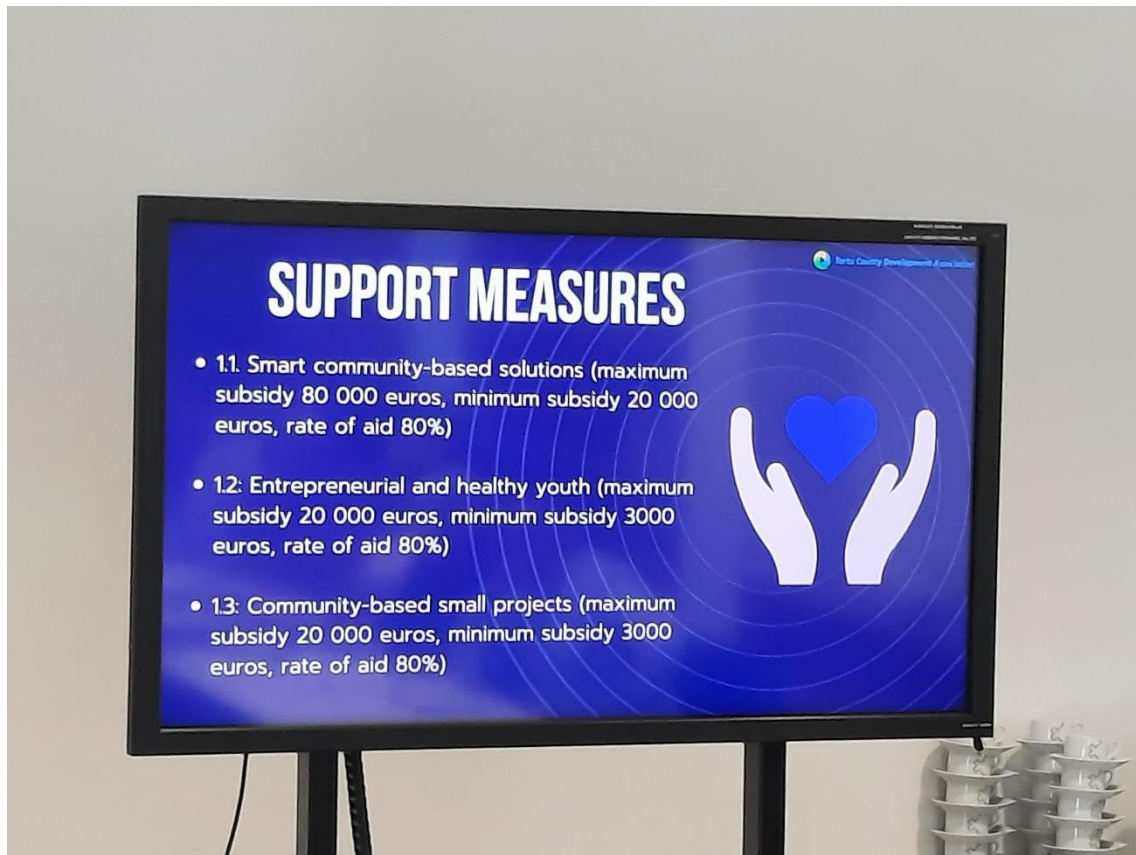
Kristiina Tammets explained that the structure is the same for the whole of Estonia, with an Assembly; a management composed of nine members from three different sectors (local entities, NGOs...); an audit committee; an executive team of four full-time members; evaluation committee for projects composed of more than 30 members.



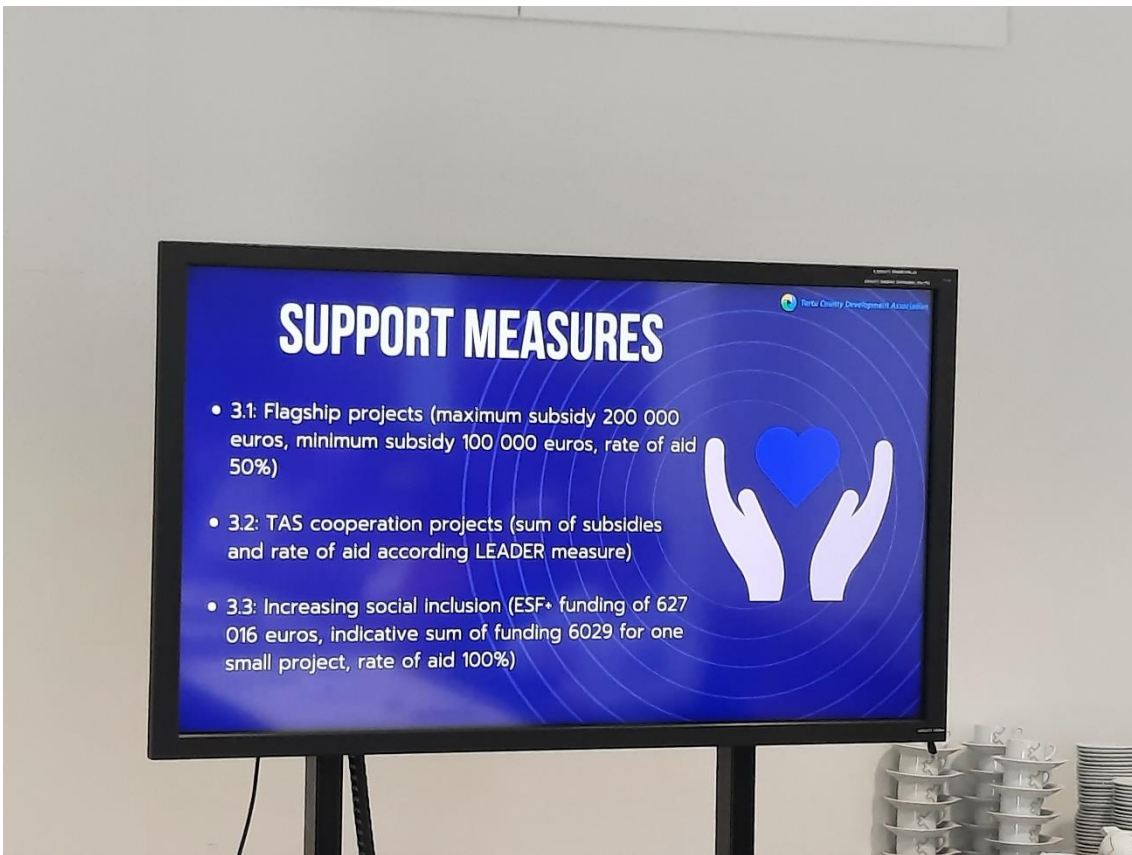
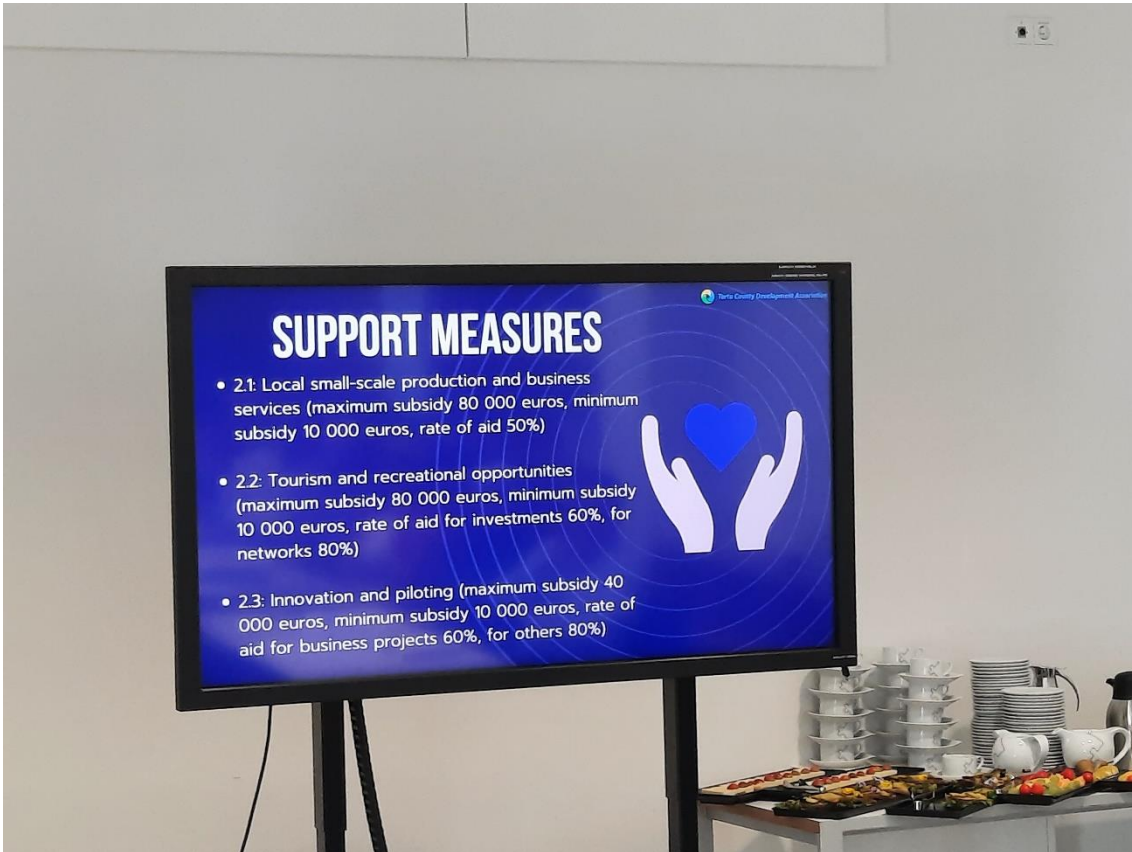
The budget for the 2014-2020 period, including the extension, is 8 million euros, where companies are financed between 40 and 50%, local authorities and associations between 20 and 50%, with co-financing being very important. For the new period they will receive 3.5 million euros from EAFRD, 627,000 euros from ESF and they expect the co-financing to reach 6.8 million euros. Here they expect to reach one million euros from Interreg projects, as well as others outside LEADER.

They manage a total of nine measures, three of them aimed at Smart-village community development (with a maximum of 80,000 euros), entrepreneurship, youth, small community-based projects, where the ceiling is 20,000 euros. In the Smart-village lines, many municipalities

apply, so they separate it to avoid competition between measures. They include a new measure aimed at innovation, as well as more specific lines aimed at larger projects. He stressed again the importance of co-financing, with a maximum of 200,000 euros financed by LEADER. Large projects which, as the manager of the Tartu County LAG pointed out, give rise to smaller ones.







This LAG also clarified that it functions as a local development agency, with a strong involvement in many areas and projects funded to the value of 4 million euros. They also have an umbrella project aimed at young people aged 12 to 16 to encourage entrepreneurship, with funding

ranging from 200 to 1,000 euros. "It is a way of involving them in the development of the strategies. Not forgetting the cooperation projects aimed at food strategy, energy communities and smart businesses.





The round of interventions concluded with the participation of READER's manager, **Juan Antonio Lázaro**, to give way to a guided tour of the [Estonian National Museum](#), with a very peculiar history. Although it already existed in a country house on this same site before World War II, the land was occupied by a Russian military base, with a runway for aircraft. For years it was inaccessible, but after Estonian independence in 1991 it was once again recovered as a museum, using the old airstrip as a new museum space in a metaphor for Estonian freedom and identity. Here they explained the meaning of the colours of the Estonian flag: blue for the colour of the sky, black for the earth and white as the colour of hope and freedom.





The day continued with a tour of the [Onion Route](#), a tourist brand created around the production of a local onion, which took us to Lake Peipus, where a catering company introduced us to their business model, [Maitseelamuse Koda](#). We then visited the [Kolkja Muuseum](#), dedicated to the Russian Old Believers, who left their mark on the area. Old Orthodox who were expelled from the USSR and who maintain a good part of their customs. The penultimate stop allowed us to visit [Peipsimaa Pärimuskeskus](#), a workshop that recovers the old tradition of handmade printed fabric.





An intense day that concluded with a visit to [Alatskivi Castle](#), built in 1885, inspired by Balmoral Castle (Scotland), which is currently owned by the municipality and privately managed for the celebration of events, with accommodation and gastronomic offer.







### Elva Area

Wednesday was dedicated to the [municipality of Elva](#), where the mayor, **Priit Värvi**, introduced us to several projects that aim to put this region on the map, also in terms of gastronomy. This

area has a population of 14,700 people and a surface area of 700 square kilometres, while the municipal corporation is made up of 29 members. Its portfolio of services includes seven educational centres of different sizes (from 23 to 1,000 pupils); six nursery schools; two study centres of interest (dedicated to leisure and training, as well as music); seven cultural and community centres, six libraries and a day services centre. They also have a Mentoring Club to promote entrepreneurship and a project called Mañanas Creativas (Creative Mornings) aimed at people with artistic interests. The budget of the City Council amounts to 38 million euros (remember that there is no intermediate administration).







**Krista Loog** is the manager of the municipal services company [Elva Teenused](#), an entity founded in 2018, which has marked a before and after since before each municipal service was managed individually, while now a centralised management is carried out with the purpose of organising

the catering services in the educational centres (which means 2,500 pupils and students, 84 people employed, 35 of them in catering) and the maintenance of the municipal facilities.





They have a management programme and confirmed that by 2025 they will change the food strategy. The annual food purchase amounts to 400,000 euros, which is put out to international public procurement because Estonia does not produce certain types of food all year round, and does not cover the minimum production needs as, for example, in winter they do not produce vegetables. He also explained the introduction of organic food in schools, which is a handicap in the country, as there are not enough producers.

**Katri Kuusk** spoke about the [food strategy of Tartu County](#) in her capacity as coordinator. In total, the whole area covers an area of 3,349 square kilometres, with a population of over 161,000 people and eight local government units. One third of this area is agricultural, with good conditions for farming (during the trip, huge farms were seen growing rapeseed, which is either processed into oil or used as fodder). There is also grain and dairy farming. According to 2019 statistics, there are 885 companies with a turnover of 420 million euros, employing 4,600 people. A total of 471 companies have only one employee and a revenue of 10,000 euros.



47% are related to agriculture and livestock, 37% to catering, 10% to the food industry and 6% to other activities. He also stressed the fact that they cannot guarantee the production of vegetables all year round due to climatic conditions. Some 35,000 people also work in catering for schools, nursing homes and the hospital of the University of Tartu.



The third sector is also important, with food and tourism networks, umbrella organisations, such as GAL itself, and various gastronomic events. They are also working on projects such as The Food Corridor, a URBACT project that analyses the needs to strengthen the potential of the food sector and to help them develop their food strategy to be recognised as a Gastronomic Region. In fact the development of this strategy is also included as part of the European Capital of Culture programme under the brand Tirin, a word that in Estonian means, on the one hand, cauldron (like the old copper ones where cooking was done); it is the sound of bells (a call for attention); and to pull, to attract someone (your potential customers). A nice metaphor.

Another of Elva's potentials is the [Estonian Festival of Movement and Wellness](#), presented by **Eliise-Berta Tarto**, head of tourism and marketing for the Elva area, which has been held every year at the end of July for the last three years. The first year was focused on movement, the second on sport and this one on Wellbeing, and each year the number of visitors increases.



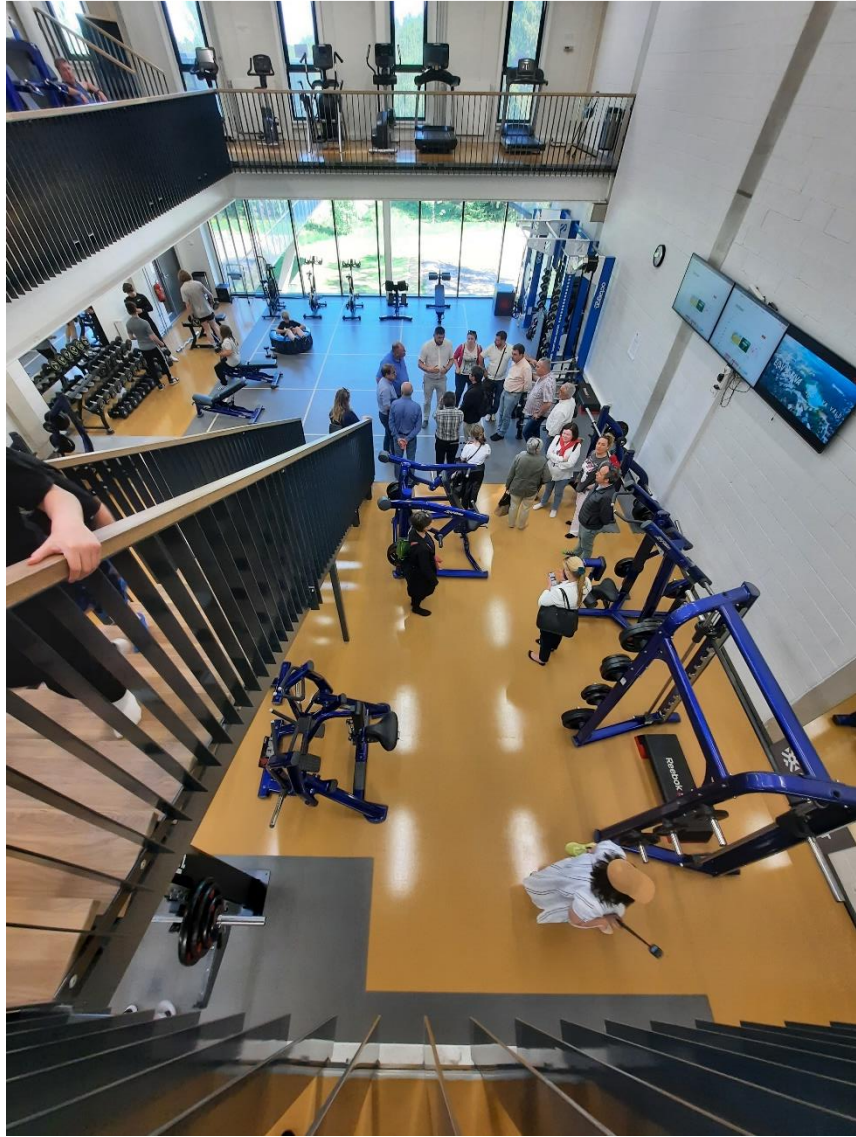


During the afternoon, several projects in the city of Elva were visited. The first of these was the recovery of a lake and all the surrounding area as a place for leisure and relaxation. The second is a complete sports complex in the middle of the forest, next to a lake and annexed to an educational centre that uses these facilities on a daily basis. Finally, the canteen of the old train station, converted into a shop selling local products, thus adding value.











The last visit of the afternoon was to the [Viinamärdi farm](#), whose owner is an Italian who started raising sheep and now produces different varieties of pecorino cheese, mozzarella, artisan ice cream and ricotta.





### **South Estonia**

Thursday's day was devoted entirely to learning about different projects developed in South Estonia, all of them financed with LEADER funds. The first stop took place in [Mooska smoke sauna](#), a traditional smoke sauna, where we learned more about this ancient Estonian custom, as well as a business model encompassed in ecotourism.









In the town of Navi we visited the [Navi Külaselts](#) community social centre where, among other things, they have founded a nursery for children from 0 to 3 years old, a kitchen, a large multidisciplinary room and a space where you can watch television or learn to work the loom and thus maintain intergenerational relations.







The morning continued with a visit to the [Kodas](#) complex, a modern cider press that has its own cider press, produces cider by-products and offers a catering service. It also has two wooden igloos that serve as accommodation and are part of the [Estonian Rural Network Kupland](#), a coworking space, as its director **Lisanna Elm** explained to us.





**Sulev Nõmmann**, founder and managing director of Kodas, took us on a tour of the facilities, where he explained the different alcoholic beverages they make from apples, as well as a kind of protein smoothie.







Back in Tartu, we visited the farmers' market, one of the four shops throughout Estonia for the direct sale of products from different local producers, in this case located inside a shopping centre.





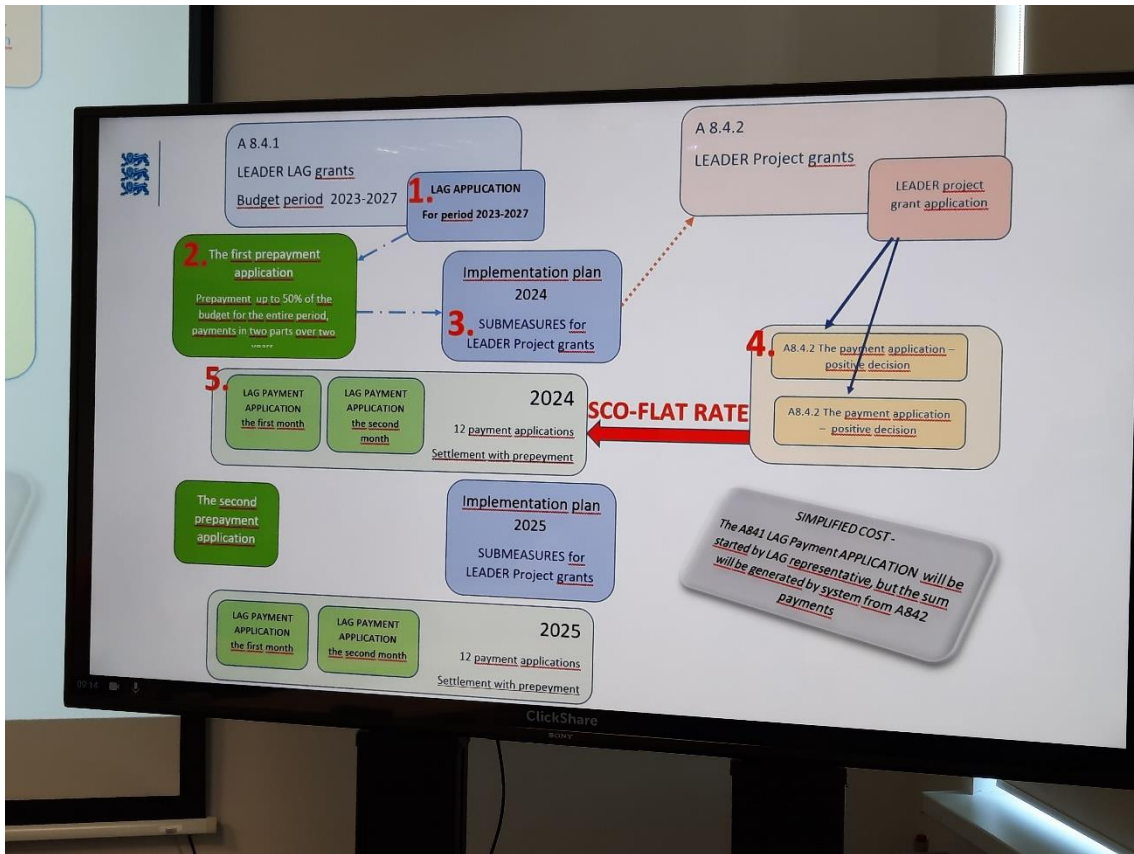
### Tartu city area

On Friday morning we attended a seminar at the [Estonian Agricultural Registers and Information Board \(PRIA\)](#), the LEADER paying agency, located in Tartu and not in the capital Tallinn. There we learned about the digital application and monitoring system they use, with the participation of **Zirlin Raudsik** and **Ülle Märss**, business analyst and development specialist at PRIA, respectively.



As mentioned above, there are 26 LAGs and 8 FLAGs in Estonia. PRIA brings forward 50% of the strategy for the whole period and they have computerisation of the whole system, which allows them to exchange information from 13 other administrations: if any anomaly is detected, the process does not allow them to continue.





The application has 10 steps, some of which are filled in directly by the system with the cross-referenced information. The application also allows to be very flexible for each of the LAGs and their needs, as well as their own information gathering and questions.





The application of simplified costing is a regular feature of their procedure, with no invoices to be submitted. They claim that Estonia came to this methodology of simplified costing on the recommendation of the EU, while they have been in operation for about four years now. However, the reality is that few countries use it, including Portugal and Poland, with the Estonian system being more similar to the Polish one. The advantages, according to them, are that 'we can save money and have fewer employees', while the paying agency itself was the main supporter, as the Ministry was not very convinced, although it is a system that they are using not only for LEADER, but also for others such as the University. In fact they pointed out that with the use of simplified costs they can skip 163 documents. As for the Digital Administration, they started with it in 2014 in a country where Internet access is considered a basic right in what they pointed out as a commitment of the Government to the maximum digitisation of the Administration.

**LEADER Local Activity Group grant**

**The applicant:** PÄRNU LAHE PARTNERLUSKOGU (80194047)  
**The application period:** 08.06.2023 - 15.10.2025  
**The application file no:** A8412300004

**Buttons:** Add the plan, Add the prepayment, Add document

**Application Status:** A8.4.1  
 - The application: Reg nr: 13-40.52/105, Estamine kp: 22 november 2023, Payment application will be waited.  
 - The prepayment: Reg nr: 13-40.52/48, Estamine kp: 19 jaanuar 2024, Completed.  
 - The plan (2024): Reg nr: 13-40.52/195, Estamine kp: 11 märts 2024, In process.

**The implementation plan**

**Strategy measures**

The number and name	Start time	End time	Project grants budget	The LAG project grants budget	Planned total budget
1 Ettevõtluse arendamine ja mitmekesistamine	04.03.2024 08:00	08.03.2024 16:00	276 475,00	0,00	276 475,00
	07.10.2024 08:00	11.10.2024 16:00	276 475,00	0,00	276 475,00
	14.03.2024 00:00	11.09.2024 23:59	20 000,00	0,00	20 000,00
2 Aktiivne kogukond	14.03.2024 08:00	30.08.2024 16:00	165 885,00	0,00	165 885,00
	04.11.2024 08:00	08.11.2024 16:00	165 885,00	0,00	165 885,00
3 Romantilise Rannatee ühedegevus ja turandus	14.03.2024 08:00	29.08.2024 16:00	42 943,00	40 000,00	82 943,00
	04.11.2024 08:00	08.11.2024 16:00	42 943,00	40 000,00	82 943,00
4 Regionaalse ja paikilise koostöö edendamine	01.01.2024 08:00	31.12.2024 16:00	0,00	69 119,00	69 119,00
<b>Kokku</b>			<b>990 808,00</b>	<b>149 119,00</b>	<b>1 139 725,00</b>

**Summary:**  
 Kohaliku tegevusgrupi projektloetuse eelarve programiperioodil kokku: 2 764 753,05  
 Programiperioodil veel kasutamata projektloetuse summa: 1 727 883,54

And in relation to LEADER, they do not work with competitive concurrence, but they do establish a score that is what determines entry into the aid budget. They explained that it is a very flexible system so that each LAG establishes its own deadlines, and its own scales and criteria.



This working trip concluded with a visit to [Aparaaditehas](#), a former Soviet factory complex that was abandoned with the fall of the USSR. There, refrigeration equipment and secret parts for submarines, among other things, were manufactured. In the mid-1970s it employed almost



1,500 people, with its own health centre, sauna and swimming pool, as well as canteen and administrative premises. Today it has developed into a universal culture factory combining creative entrepreneurship, artists' studios, designers, shops and entertainment. It has four restaurants, two cafés and patisseries. The heart of Aparaaditehas is the atrium, a large courtyard that offers refuge from the noise of the city and numerous leisure activities, explained Karmen Otu, events manager and open cultural platform of the complex.







There, we were able to visit several artists' spaces, where the old Soviet stamp is still in the air, modern and comfortable offices in a concept more in line with coworking, we got to know a project that bets and gives training to repair by oneself different appliances or textiles, the

[Paranduskelder](#) (the basement of repairs) and they explained to us the [Foodsharing Tartu](#) strategy, an initiative that allows individuals, traders and producers to share or exchange food that would otherwise go to the rubbish. A way to combat food waste, while the organisation optimises 100% of the voluntary work.













A small reminder of photos from the [Asturian](#) and [Estonian](#) sides.

### **Presentations**

Here are some links to the different presentations they gave us. In English, of course (the presentations that you can't find here are in the Spanish version on the website):

- If you want to know more about how to register a company in Estonia: <https://www.eesti.ee/en/doing-business/establishing-a-company/registering-a-company>
- About Tartu County
- [Tartu, European Capital of Culture 2024](#)
- About the Elva Municipal Utility Company
- [Tartu County Food Strategy](#)
- [Estonian Festival of Movement and Wellbeing](#)
- Estonian Agricultural Registers and Information Board (PRIA)
- [The Repair Basement](#) (in Estonian)
- Tartu Science Park
- READER Presentation

Source: Asturian Network for Rural Development