



REGIONAAL- JA  
PÕLLUMAJANDUSMINISTEERIUM

# Local Governments and Regional Development

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Ministry of Regional Affairs and Agriculture

Head of Local Governments Department

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## The joint building of ministries

- Ministry of Climate
- Ministry of Economic Affairs and Communications
- Ministry of Finance
- Ministry of Justice
- Ministry of Regional Affairs and Agriculture
- Ministry of Social Affairs

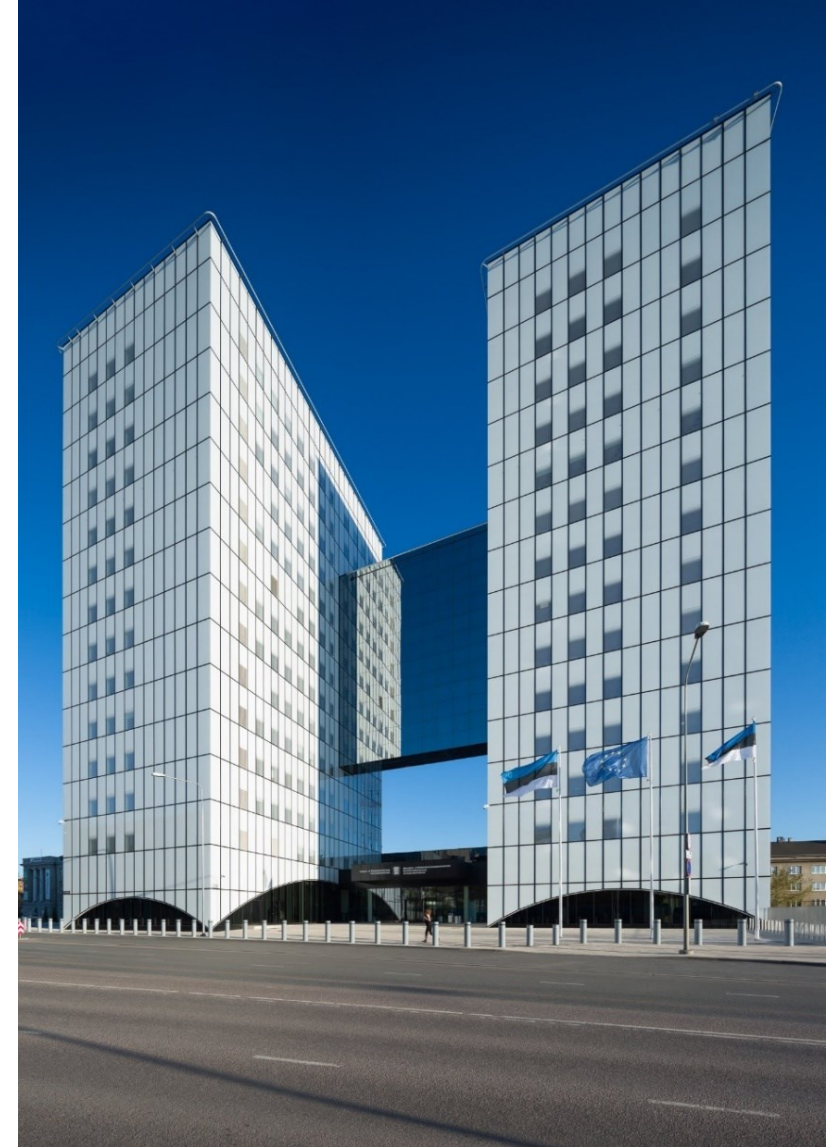
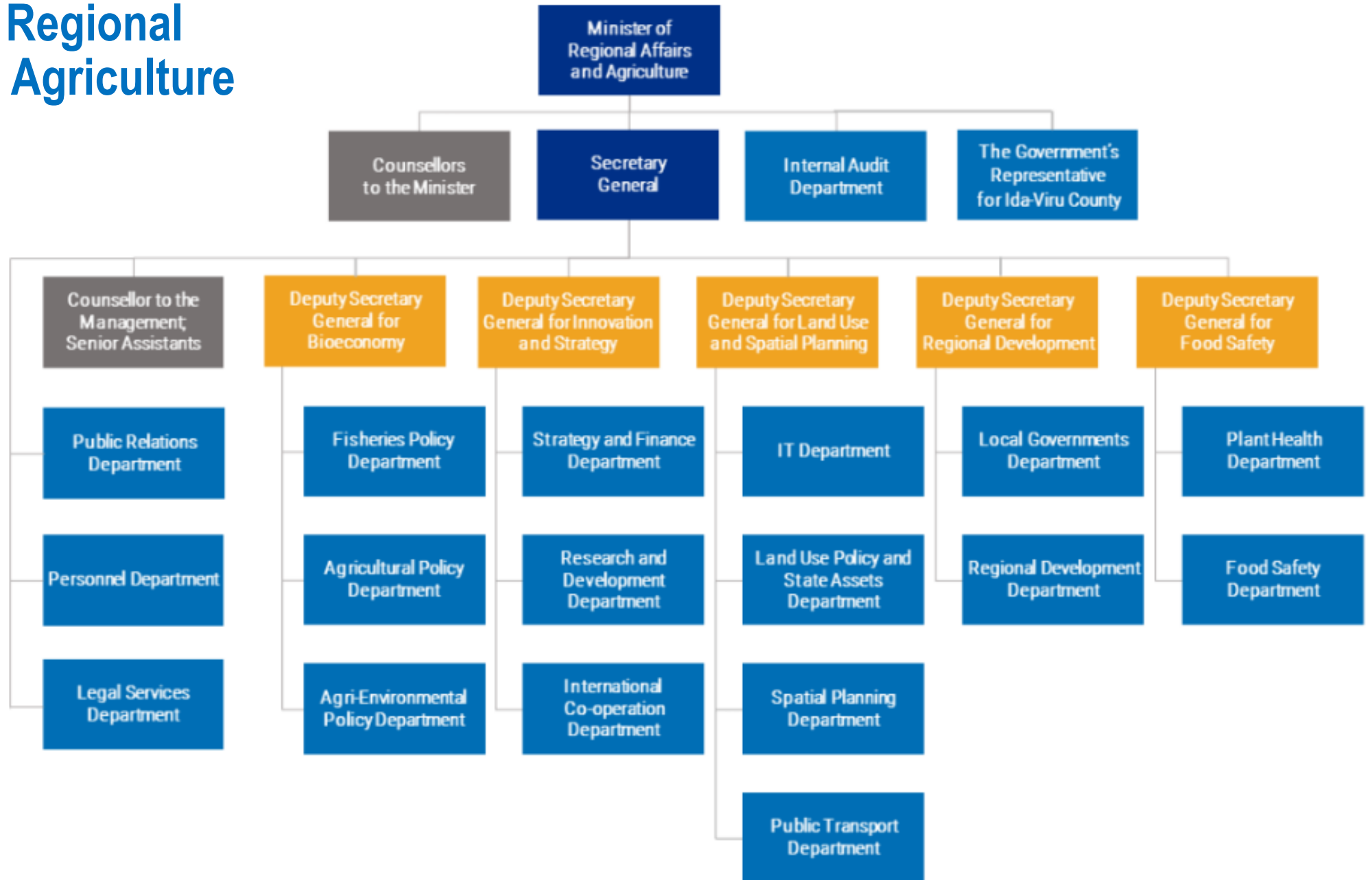


Foto: Maris Tomba

# Ministry of Regional Affairs and Agriculture



## Local Governments Department:

- **local government policies**
- the principles and **policies of financing and financial management** of local governments
- **fiscal policy** of local governments
- **advising** local governments in local government issues
- **regional administration** policies
- **place names** organisation policies
- changing **borders of administrative and settlement** units

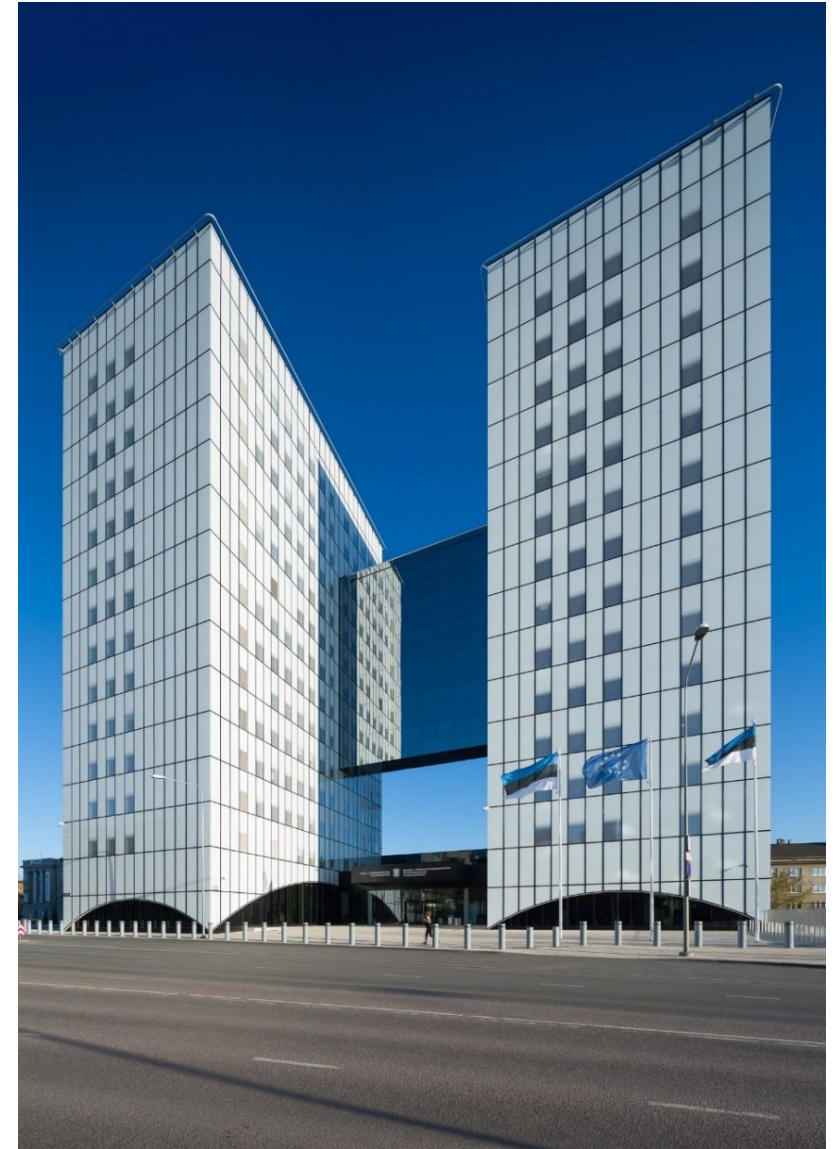
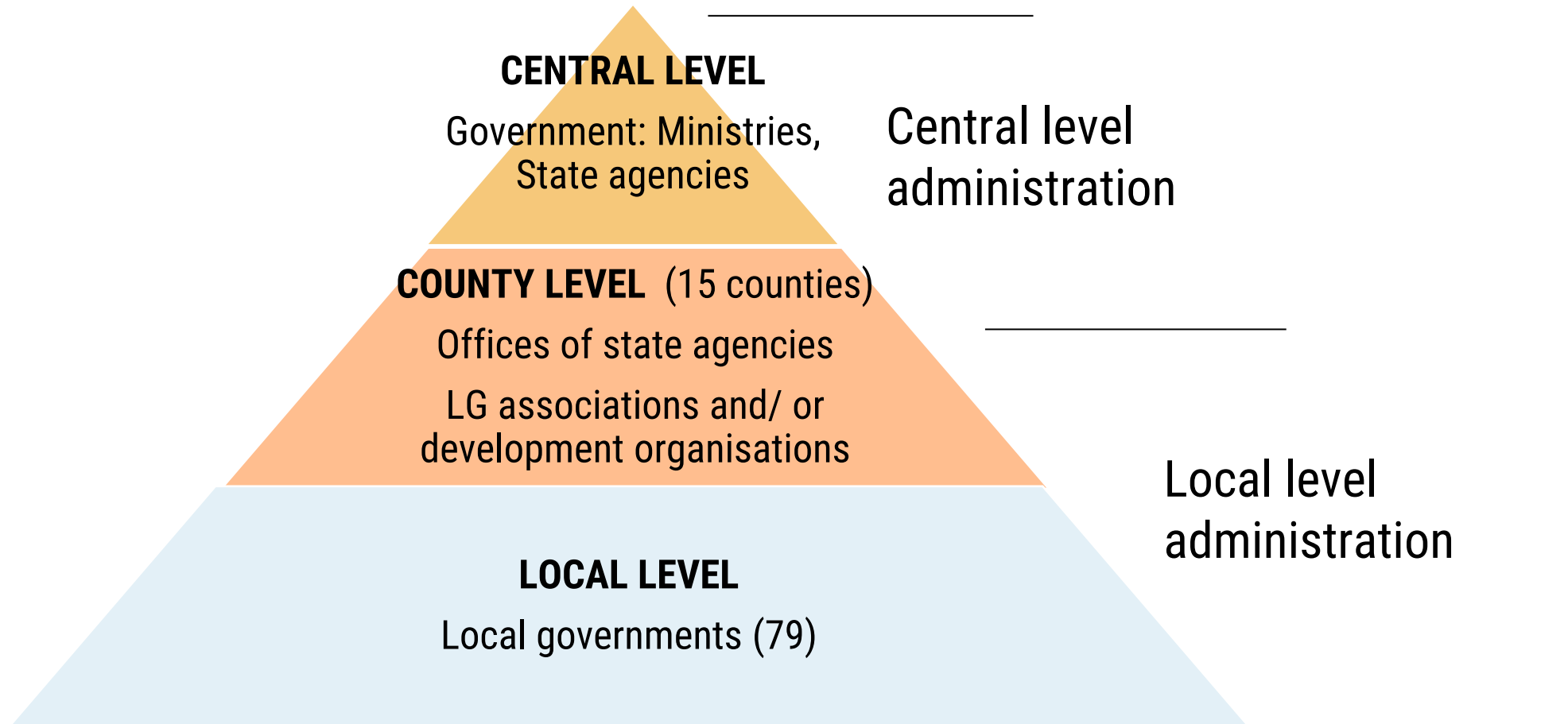


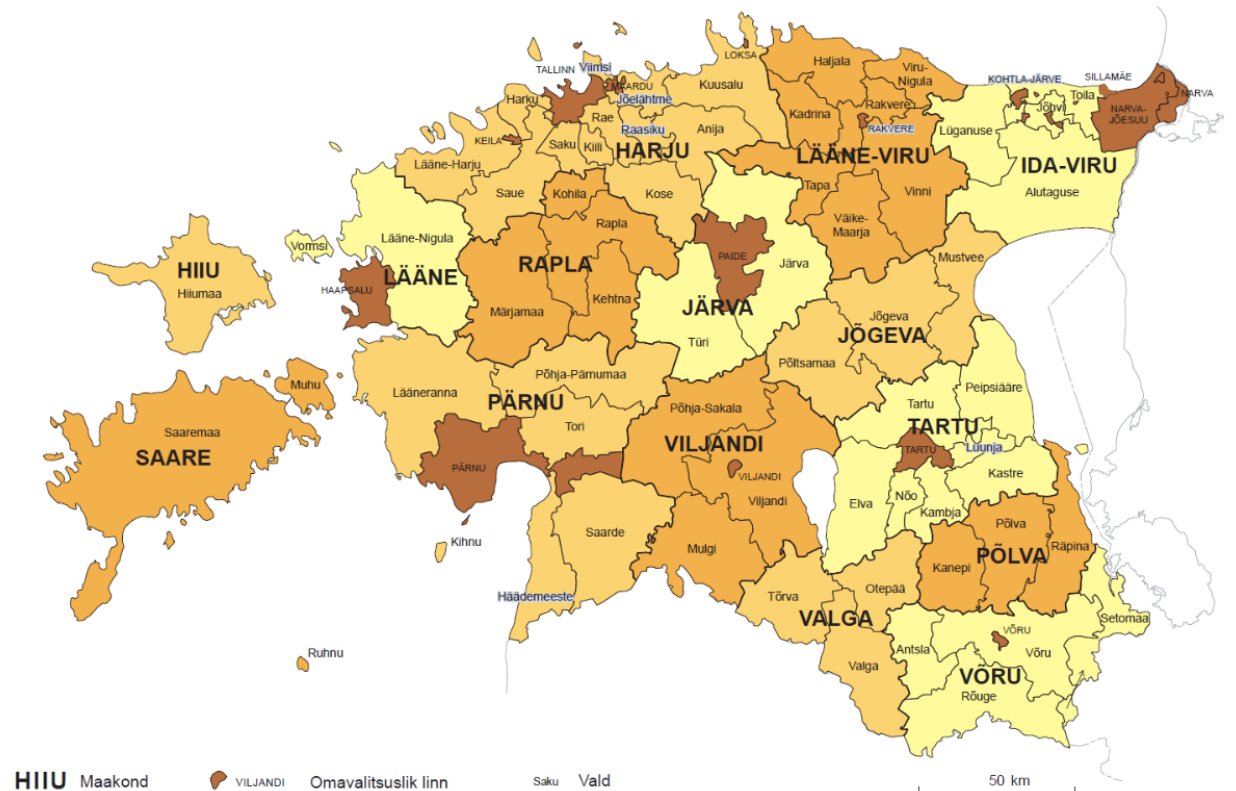
Foto: Maris Tomba

# Administrative system

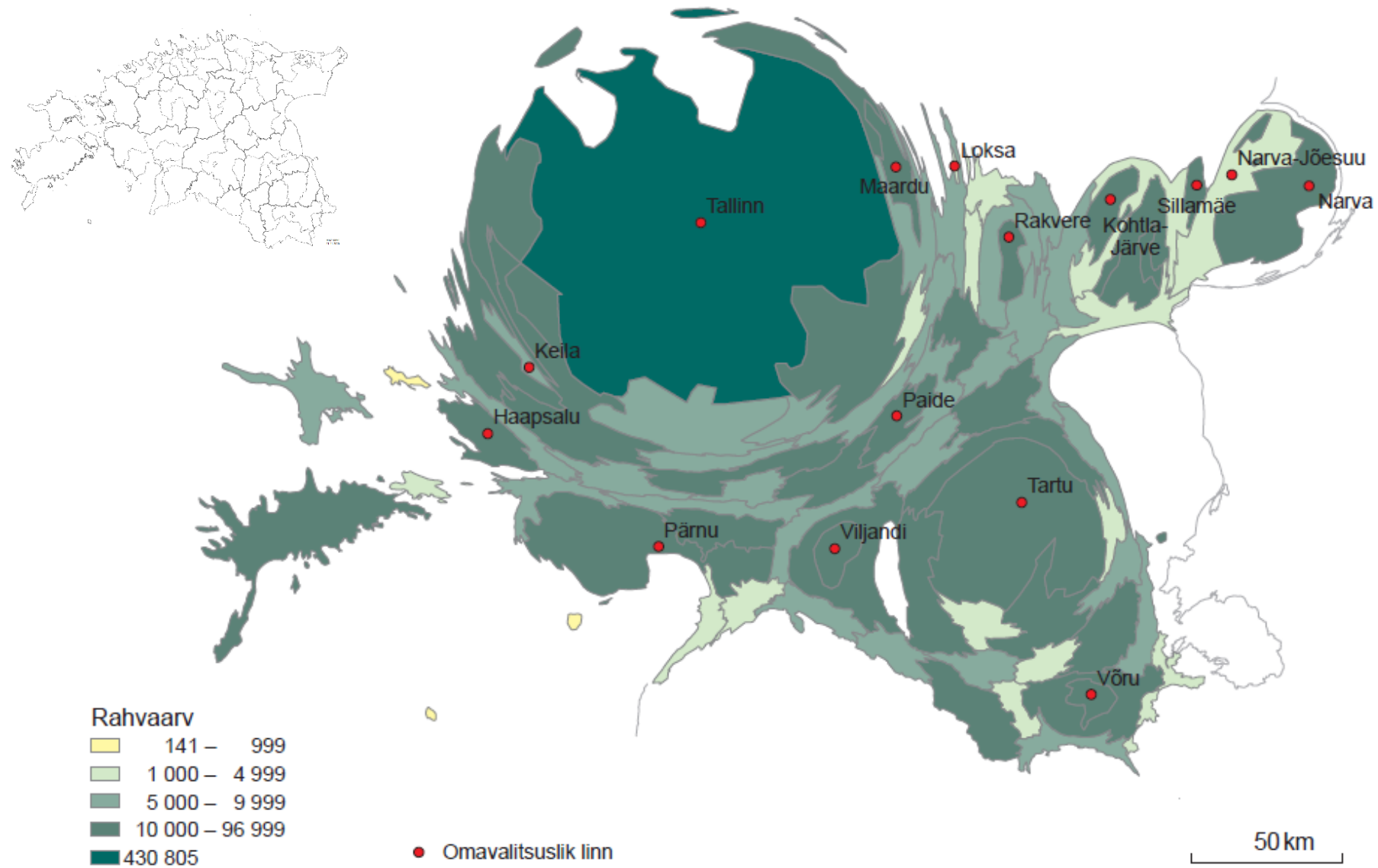


# Municipalities in Estonia

- 79 municipalities
- One tier (no elected regional level).
- **All municipalities are equal in their legal status and have same responsibilities.**
  
- The goal of the LG:
  - ✓ contribute to the creation of a high-quality, safe, and needs-based **living environment and well-being for its residents**
  - ✓ ensure that residents have access to **quality and accessible public services**
  - ✓ **promote the local business environment, and strengthen regional competitiveness**

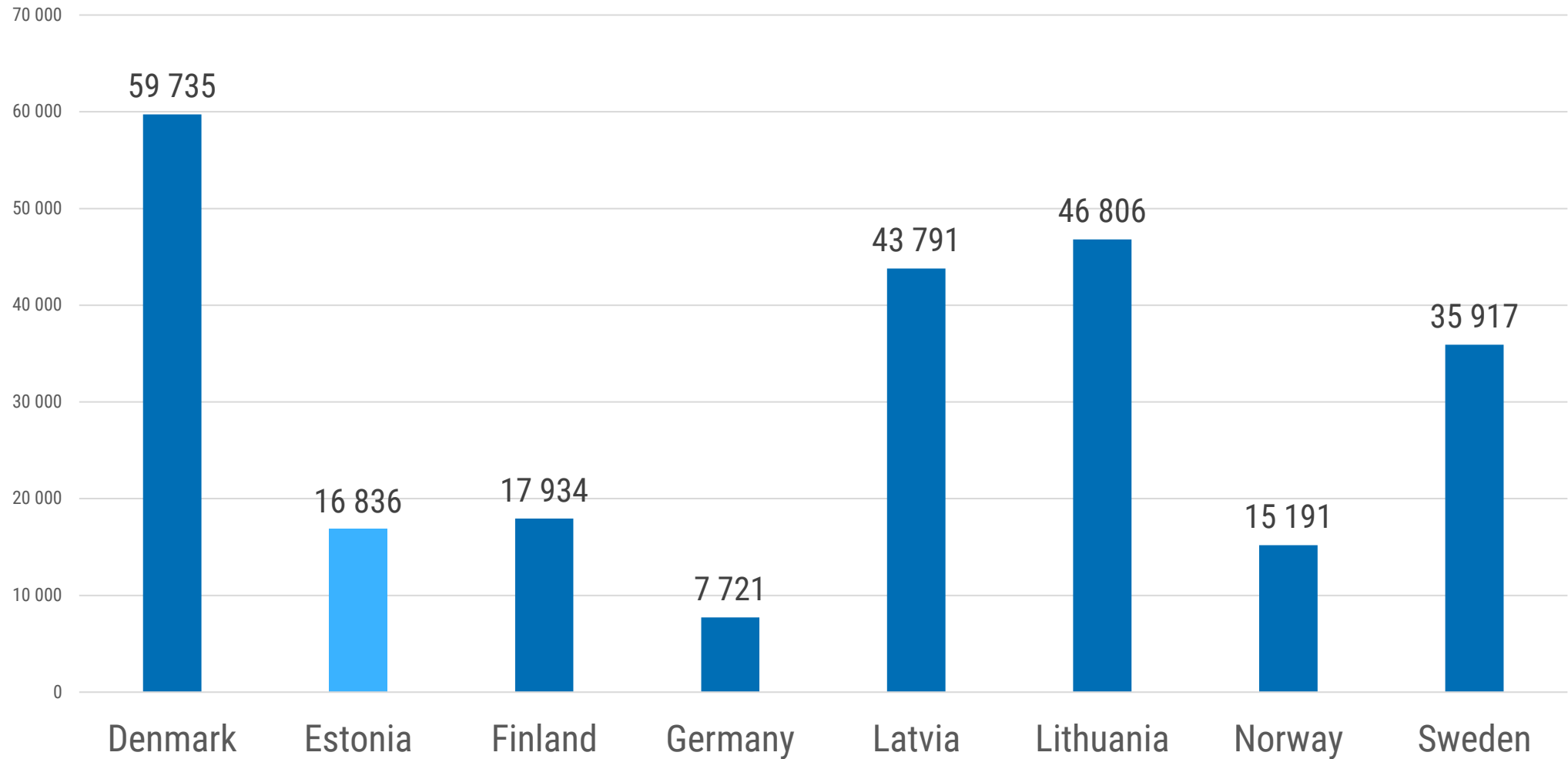


# Size of municipalities by population



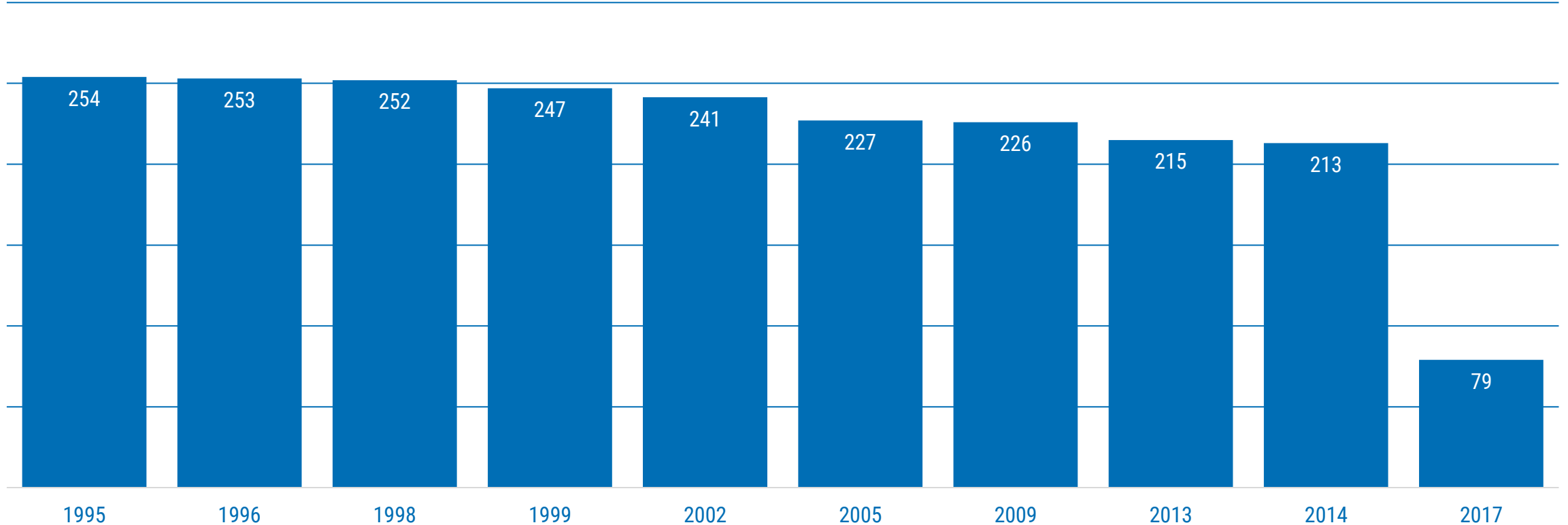
# Compared with others

AVERAGE MUNICIPAL SIZE (OECD, 2021)





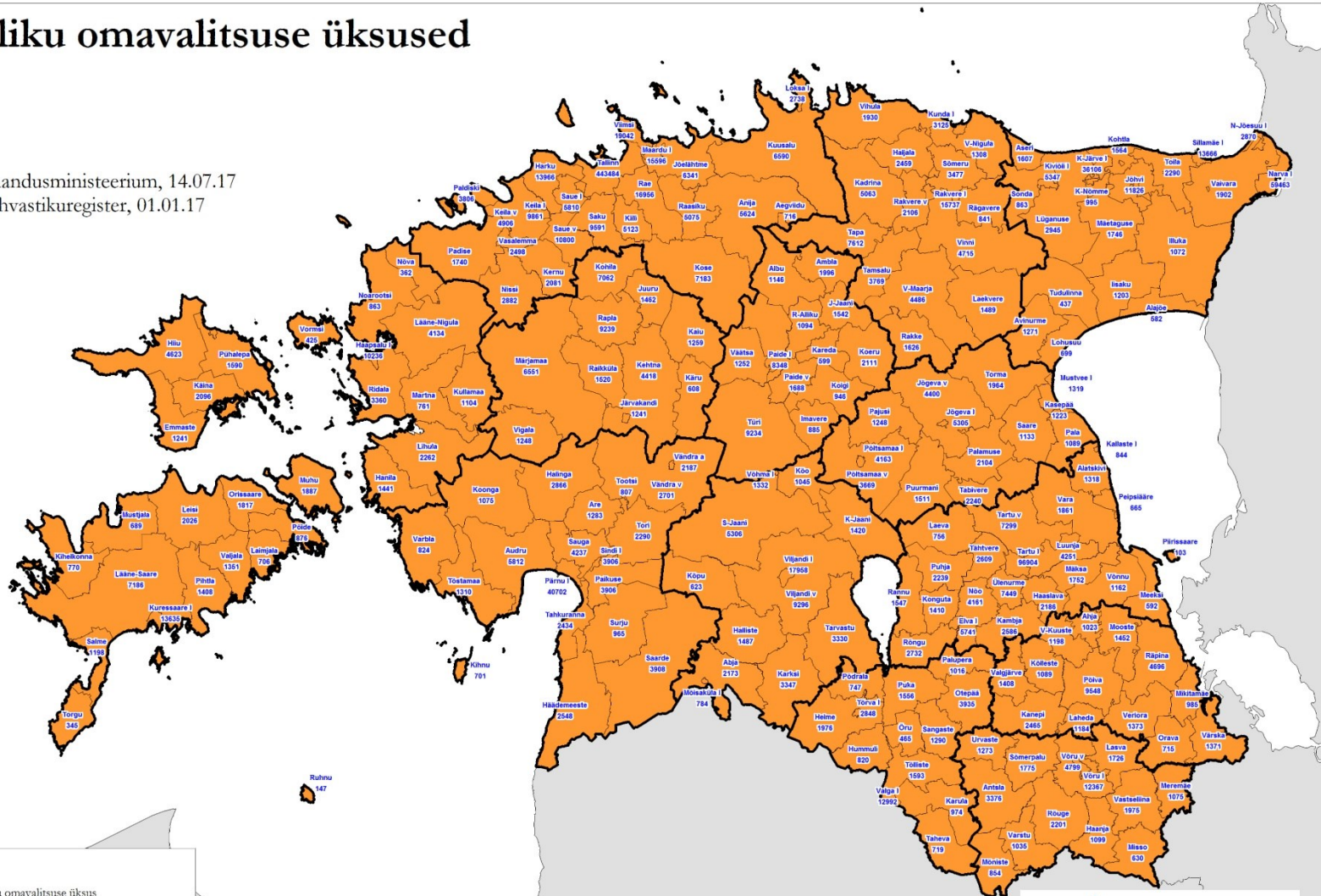
# Changes in the number of LG units



# LG-s before the reform (2016)

## Kohaliku omavalitsuse üksused 2016

Allikas: Rahandusministeerium, 14.07.17  
Rahvastikuregister, 01.01.17

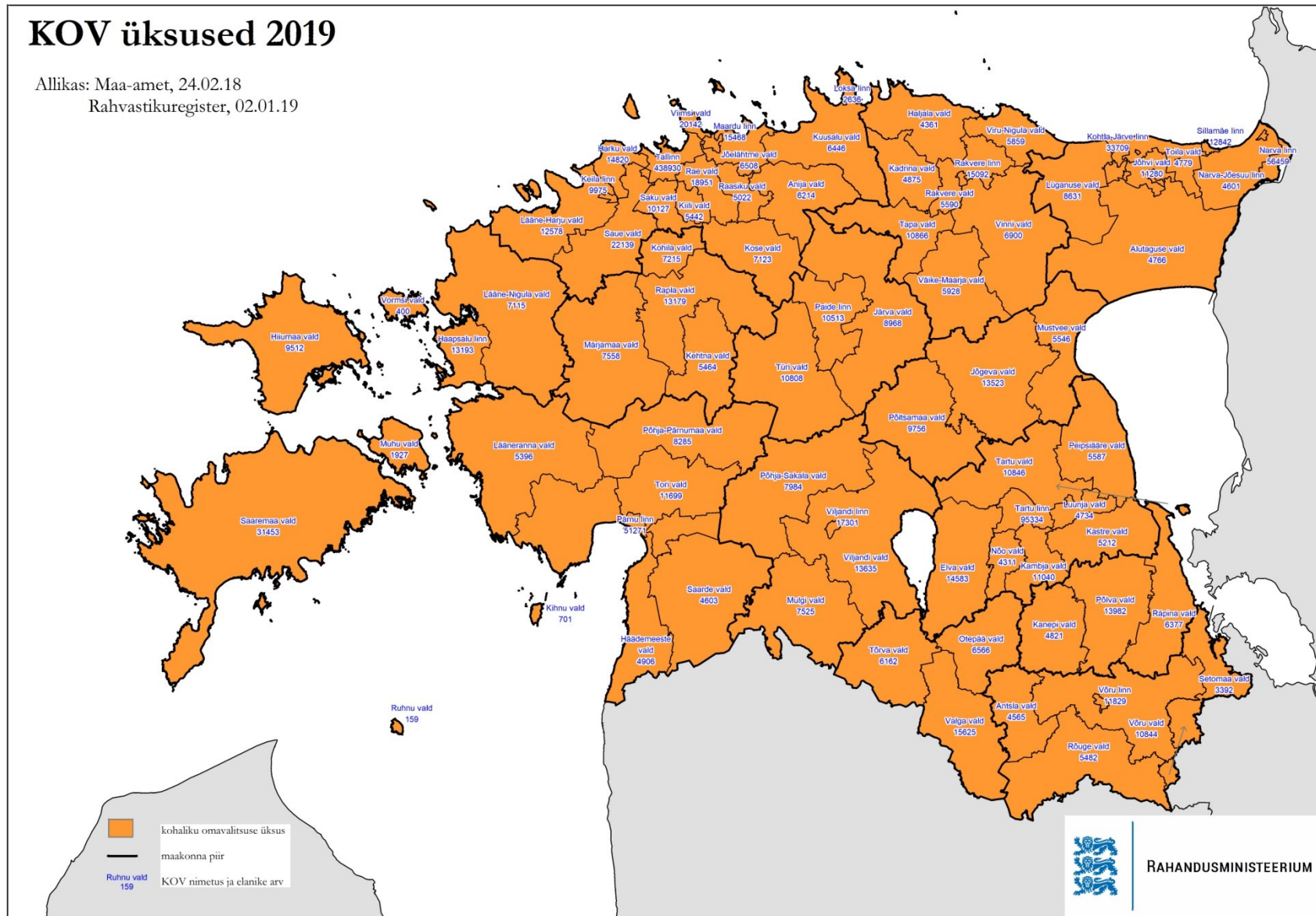


— kohaliku omavalitsuse üksus  
— maakonna piir  
Ruhnu  
147 KOV nimetus ja elanike arv



RAHANDUSMINISTEERIUM

# LG-s after the reform (2019)



# Government goals

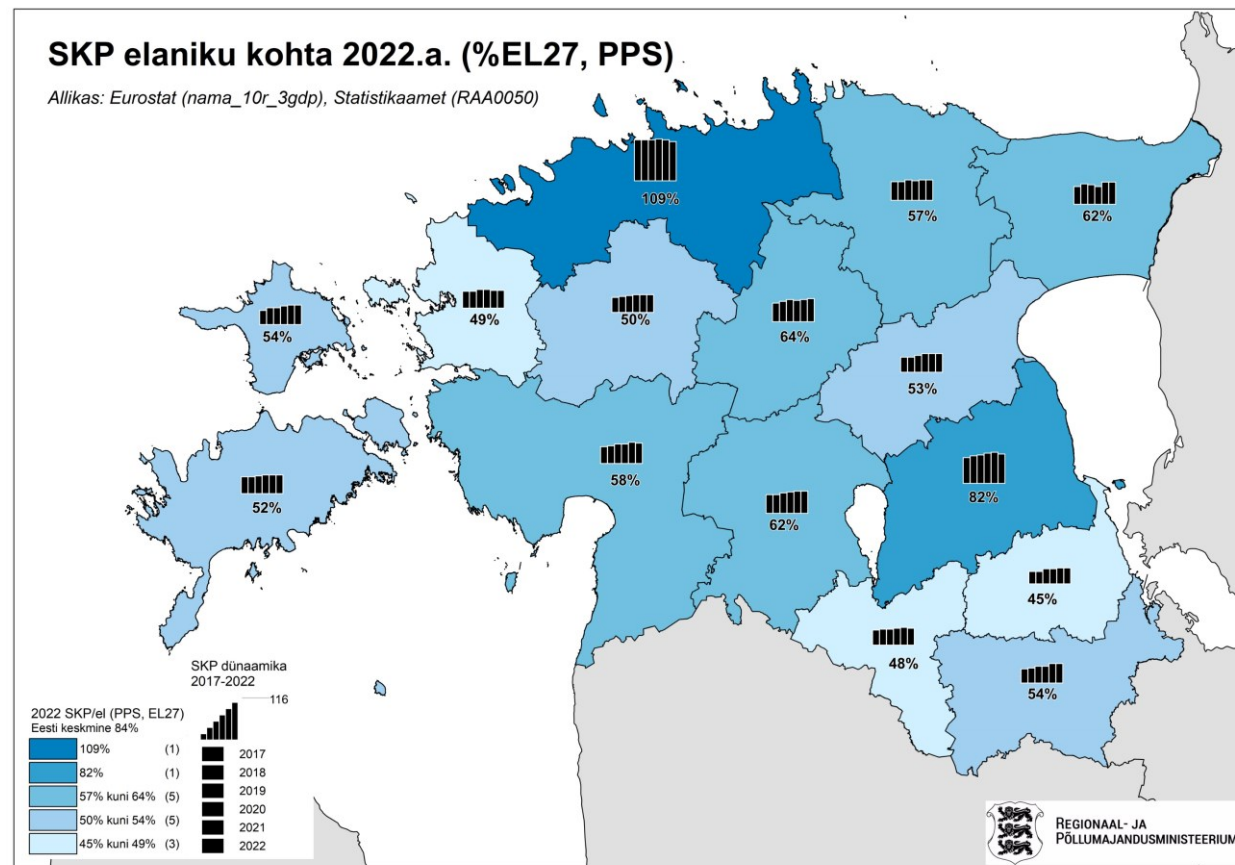
## Coalition agreement 2024-2027:

„ The goal is to ensure Estonia's security, steer the economy towards growth, **reduce social and regional inequality**, and ensure the financial sustainability of the state.“

„ The **development** of the Estonian economy must be noticeable even **outside the major centers**.“

„We prefer establishing **new industrial enterprises outside major centers** to enhance the competitiveness of all regions in Estonia.“

„**We will balance the revenue base of municipalities** to reduce the negative impacts of urban sprawl and regional underdevelopment, taking into account factors such as population distribution and job location. We will create **solutions that enable municipalities to earn more revenue from regional business activities** than before.“

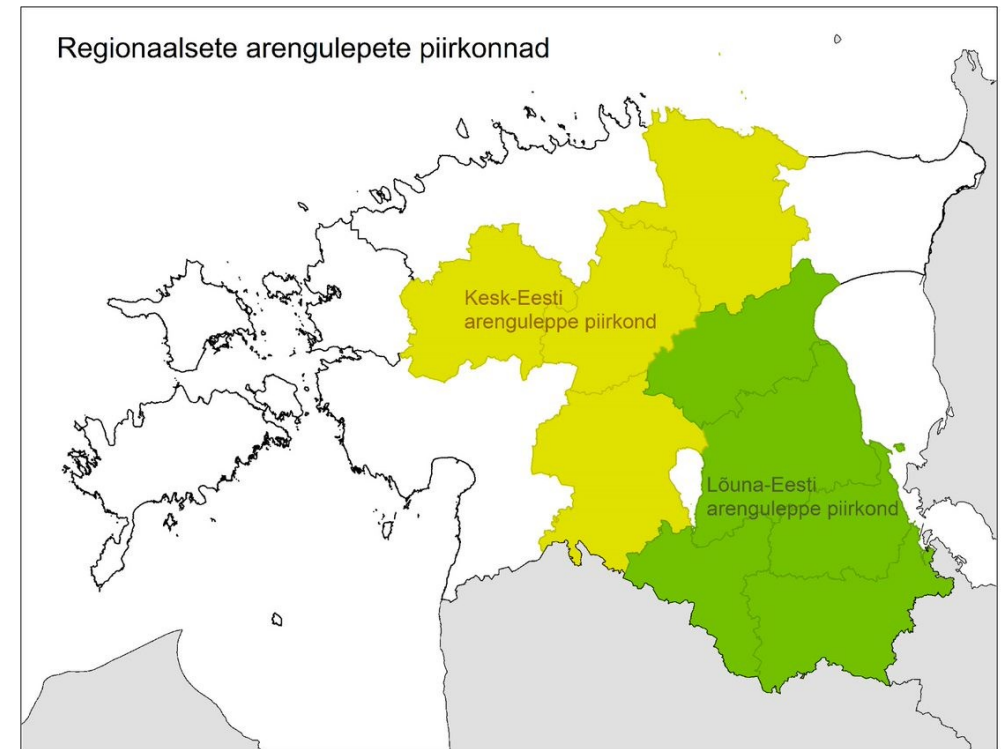


GDP per capita compared to the EU average 2022

# Regional Councils and Development Agreements pilots

## Objectives of pilot projects:

1. Strengthen the development potential of regions by empowering more **uniform development across Estonia**.
2. Enhance the **synergy/cooperation between national sector policies and the central government and local government units** in the comprehensive development of larger regions from the counties.
3. Ensure **more effective consideration of local and regional priorities** in the planning and direction of central government activities, including investments.
4. Development of the **Estonian regional level concept**. Transition from the county level to the regional level (aiming to link the activities of the central government with those at the local level).



Regions covered by regional development agreements



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**We are working to ensure that living is good in every region of Estonia and Estonian food is highly valued!**

