



**SIGMA**

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## Public Administration: Responding to the COVID-19 Pandemic

*Mapping the EU member states' public administration responses to the COVID-19 pandemic  
(for EU Enlargement and Neighbourhood countries)*

**ESTONIA**

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2 Rue André Pascal  
75775 Paris Cedex 16  
France

<mailto:sigmaweb@oecd.org>  
Tel: +33 (0) 1 45 24 82 00

[www.sigmaweb.org](http://www.sigmaweb.org)

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## Table of Contents

Centre of Government, policy co-ordination and decision-making process.....	3
1. How is the Government (Council of Ministers) functioning (organisation of virtual meetings, remote sessions etc.)?.....	3
2. How are the crisis management and external communications co-ordinated within the government? What is the role of the CoG in this? Is there a central strategy/guidance?.....	3
3. Any arrangements (rules, working procedures) which aim to streamline and accelerate the Government decision-making process (as regards deadlines, public consultations, transparency, impact analysis)?.....	4
Public service and human resource management.....	4
1. What arrangements regarding teleworking? What is the share of civil servants teleworking? What is the share of civil servants still coming to the office?.....	4
2. What other flexible working arrangement (part time work, distribution of working hours over 7 days...)?.....	4
3. If civil servants cannot telework, how are they paid? .....	4
4. Are civil servants being sent on mandatory annual leave? If not, is use of annual leave recommended? Any other special arrangement on absence management?.....	4
5. Any new, special regulations for working overtime (removing limitations to overtime work e.g. for medical staff)? .....	5
6. Arrangement for paying for extra workload (health care etc...)? .....	5
7. What measures have been introduced to create fiscal space to fund health care, economic measures etc. against COVID-19 (salary cuts, freeze of recruitment, promotions...)?.....	5
Accountability .....	5
1. How did you keep the national parliament operational? Any simplification of parliamentary procedures? .....	5
2. How about the Ombudsman (e.g. overseeing the situation in prisons) .....	5
3. Does administrative justice work? Have deadlines changed? .....	6
4. Any public debates in respect of principles of good administration (legality, proportionality, predictability) of protective measures?.....	6
Service delivery .....	6
1. Which services are being delivered (all, some, only the essential)?.....	6
2. Are there any modifications done to the obligations of:.....	7
3. Has the crisis initiated any simplifications or enhanced the use of alternative tools :.....	7
Additional:.....	8
Public financial management.....	8
1. Are COVID-19 response measures being introduced within the framework of or with reference to existing fiscal rules (budget deficit or public debt ratio limits etc...)?.....	8
2. Are the cost of these measures being published?.....	9
3. Have budget users been asked to identify cost-saving measures to partially offset the cost of the response measures? .....	9
4. Are internal controls continuing to operate smoothly (electronic signatures)?.....	9
5. Does each budget user or at least ministry have a risk management strategy that envisaged emergency measures in response to a sudden crisis? How is staff and customer safety balanced against the need to deliver required services?.....	9

# ESTONIA

## **Centre of Government, policy co-ordination and decision-making process**

### **1. How is the Government (Council of Ministers) functioning (organisation of virtual meetings, remote sessions etc.)?**

*The Government continues to work; it is possible both physically and by electronic means. The Government Office ensures the technical support. If needed, people can work in shifts to ensure that technically the Government sessions can take place anytime requested.*

*Everything continues as usual regarding publishing the agenda of Government sessions prior to the meeting and organising press briefings. There is a live broadcast and physical press conference as usual, however ministers now sit 2 metres apart from each other, as well as the journalists who are present.*

### **2. How are the crisis management and external communications co-ordinated within the government? What is the role of the CoG in this? Is there a central strategy/guidance?**

*According to the Constitution, it is in the mandate of the Government of the Republic to declare an emergency situation. On 12 February 2020, the Government declared an emergency situation until 1 May 2020, nominated the Prime Minister in charge of the emergency situation and applied the governance arrangements provided for in the Emergency Act.*

*The Government also formed an Emergency Situation Government Committee (hereby the Government Committee) to stop the spread of the virus and to solve public health and economic problems. The Government Committee is chaired by the Prime Minister, with 9 cabinet ministers and the State Secretary as members. The Government Committee convenes three times a week, one of which is the regular Cabinet Meeting day, when the whole Cabinet participates in the Committee Meeting.*

*The Government Committee formed a scientific advisory board on 20 March, which collects and analyses expert information for the Government Committee. There are 5 members consisting of professors and doctors.*

*There is also a working group on economy, formed by the Minister of Finance, which prepares economic measures. In addition to 3 ministers, there are also a number of experts from ministries and Central Bank.*

*On 27 March 2020, a planning working group at the Government Office was formed to prepare strategy for the exiting emergency situation.*

*There is a centrally co-ordinated communication process, managed and supported by the Cabinet Office. They have set up a **comprehensive website** [www.kriis.ee](http://www.kriis.ee), where information is updated on a daily basis in three languages (Estonian, Russian and English). There is also a well-structured FAQ section with Q&A in plain language. On this website, there is an **answering robot/bot**, which works reasonably well for basic information.*

*To avoid inundating the single emergency number with calls, there is a **special crisis information number** which provides guidance and advice on how to behave in the emergency situation.*

*The Cabinet Office is organising **daily press briefings**, which are broadcasted online. Journalists can also attend in person, sitting away from each other. The list of speakers can vary on a daily basis,*

depending on the latest developments and news. Usually there are 3-5 spokespersons from different state authorities.

On the **national broadcasting channel**, there is a **daily special program at noon** to inform citizens about the latest developments.

**3. Any arrangements (rules, working procedures) which aim to streamline and accelerate the Government decision-making process (as regards deadlines, public consultations, transparency, impact analysis)?**

No new measures have been officially adopted. The existing regulation allows the Government to arrange sessions remotely, a special secure e-government sessions solution having already been created many years ago.

In general, the regular working arrangements and application of general administrative procedures is continues during the emergency situation, unless otherwise stated in the Emergency Situation Act. There are no special rules for the Government decision-making process during the emergency situation.

In practice, the package of laws for emergency measures does not go through public consultation because of the urgent need to proceed with legal amendments to respond quickly to the emergency situation, as explained in the explanatory letter.

**Public service and human resource management**

**1. What arrangements regarding teleworking? What is the share of civil servants teleworking? What is the share of civil servants still coming to the office?**

There are no changes made to civil service regulation so far. The Estonian Civil Service Act (CSA) allows significant flexibility with regards to authority to arrange their work. Teleworking is a common practice these days for civil servants. It means that in practice, the head of each institution is in charge of arranging work during emergency situation.

**2. What other flexible working arrangement (part time work, distribution of working hours over 7 days...)?**

The CSA already allows significant flexibility, no special regulations have been adopted because of the emergency situation.

**3. If civil servants cannot telework, how are they paid?**

Apparently, no central decision on that potential issue has been made so far.

It is in the discretion of each head of institution.

**4. Are civil servants being sent on mandatory annual leave? If not, is use of annual leave recommended? Any other special arrangement on absence management?**

Apparently, no central decision on that potential issue has been made so far.

In CSA there are no rules for temporary unemployment or for the situation where the civil servant cannot perform duties because of the emergency situation. The clauses of the Labour Act regarding temporary reduction of salary do not apply to civil servants. Therefore, for the civil servants in Estonia there are more or less three options: 1) continue working by using suitable working arrangements for

the emergency situation, 2) personal agreements to take annual leave or to go on unpaid leave, which of course requires the consent of the civil servant, 3) layoff procedure according to CSA.

It is in the discretion of each head of institution.

For those working under the Labour Act, employers can use the existing regulations in labour legislation specifying the terms of layoffs, temporary leave, temporary reduction of salaries up to three months in case of economic difficulties, and use the social security measures in case of loss of job.

**5. Any new, special regulations for working overtime (removing limitations to overtime work e.g. for medical staff)?**

No.

**6. Arrangement for paying for extra workload (health care etc...)?**

No, this can be done by the hospitals and other healthcare facilities, which in most cases are private law institutions. Their salaries are not regulated centrally. So far there has been no information about changes in collective agreements.

**7. What measures have been introduced to create fiscal space to fund health care, economic measures etc. against COVID-19 (salary cuts, freeze of recruitment, promotions...)?**

The Government has prepared a supplementary budget, with a number of measures to alleviate the negative effects of recession. None of these measures have been related to HRM decisions such as salary cuts, recruitment or promotions freeze.

The supplementary budget draft law has introduced a number of measures to create fiscal space and to cover higher medical costs as well as to ease the economic situation of households and companies.

More about the measures is provided under the public financial management section.

## **Accountability**

**1. How did you keep the national parliament operational? Any simplification of parliamentary procedures?**

The Parliament will convene only to discuss time critical questions until 1 May 2020 (which is the current duration of the emergency situation).

For the committee meetings, if possible, distant work can be done, and during physical committee meetings, the invited guests should be involved through video conferences. The MPs will not undertake business travels, except with the decision by Board of the Riigikogu (Speaker and Vice-Speakers).

The Board of the Riigikogu with representatives of fractions convenes regularly to react operatively to the emergency situation.

**2. How about the Ombudsman (e.g. overseeing the situation in prisons)**

The Institution of the Chancellor of Justice (including roles of Ombudsman) continues working, but does not accept physical visits of people. In order to address the Chancellor of Justice, an application can be sent through the website, by post, by telephone or by email.

### **3. Does administrative justice work? Have deadlines changed?**

*Estonian courts continue to ensure the proper functioning of justice even in the emergency situation and this applies to all courts, including administrative courts.*

*The Council for the Administration of Courts (KHN) gave [recommendations](#) on how to organise the work of the courts during the rapid spread of the COVID-19 virus and the state of emergency declared in Estonia. Written procedures and the use of technical solutions are preferred.*

*Under the guidance of the KHN, courts, where possible, will handle cases in writing. If a hearing has already been determined, the court will contact the parties concerned and inform them of the further course of the proceedings. If possible, the hearing can be postponed and resumed after the end of the state of emergency. If the case cannot be adjourned, the court shall conduct the hearing or other procedural act by technical means of communication. If this is also not possible, the judge will decide whether to hold a hearing, depending on the circumstances of the particular case. Procedural acts involving direct physical contact are carried out only on the basis of a reasoned decision by the judge, in which case hearings are conducted in the largest possible courtroom with sufficient distance between people. After each hearing, the courtroom is thoroughly cleaned.*

*On the central website of the courts, there is information how to turn to court during the emergency situation – opening hours for accepting documents have been shortened and it is advised to use various electronic channels, making communication very simple. For example, an email is accepted. <https://www.kohus.ee/en/news/courts-make-greater-use-written-procedures-and-technical-solutions-during-state-emergency>*

*The Prosecutor's office has stopped receiving citizens physically, but continues to accept applications by email and telephone.*

### **4. Any public debates in respect of principles of good administration (legality, proportionality, predictability) of protective measures?**

*No specific regulations have been adopted in this regard. There is only the obligation to carry on electronic consultation using a designated central website. Thus, a regular procedure continues.*

*Of course, if needed, the Government, Government Committee for Emergency Situation and any public institution can use various consultation means in order to make decisions in the emergency situation. In practice, a huge amount of phone consultations as well as video conferences are organised on a daily basis by authorities. But from a transparency and accountability point of view, it is hard to understand the content, scope and results of such consultations. Many of them are done informally by routine discussions (with social partners, hospitals, business community etc.).*

*Regarding the measures introduced for the emergency situation, quite intensive public discussion has taken place. Representatives of the Government have explained the measures thoroughly and media has discussed the proportionality of measures. The Ombudsman and Constitutional Court has also expressed their opinion during this discussion. Overall it seems that the general public has so far accepted the measures introduced. The Government's communication is visible and regular, it is evident that this communication is using very simple language (non-bureaucratic, short, clear) which aims to reach the population with different languages (Estonian, Russian, English).*

## **Service delivery**

### **1. Which services are being delivered (all, some, only the essential)?**

*There has been no central decision on the suspension of services and administration keeps functioning. In general, service provision continues, with the main change being a full switch to electronic channels and processes. Each administrative body is in charge of organising their work*

during the emergency situation. The Law on General Administrative Procedure (LGAP) is applied as usual. Information and guidance is provided on the website of each service provider. Most of the service providers, who are not directly responsible for resolving the emergency situation, have modified opening hours (shortened or temporarily stopped face-to-face service provision) and advised their clients to use other contact possibilities. This seems to work well, because the e-government infrastructure allows for electronic applications and procedures and these are now used even more than usual.

Service providers who are directly involved in resolving the emergency situation (healthcare, police, Unemployment Insurance Fund etc.) are actively working to provide services which meet emergency situation needs in the best possible way.

**2. Are there any modifications done to the obligations of:**

*i. the administrations towards citizens/businesses (e.g. freezing of deadlines)?*

No universal change of rules and obligations applicable to all service providers has been adopted. Basically every service provider continues to work as possible, rearranging their work. In most cases, physical face-to-face service provision has been suspended or limited and services are provided by using electronic channels. Some examples of changes in service provision:

- Passports, ID cards: the opening hours of respective service providers have been shortened and citizens are advised to use self-service electronic channels. There is a new procedure, which allows the sending of passports by courier abroad (not within Estonia). Some procedures have been simplified too, such as the possibility to send application documents by post and to email the official photo instead of taking it in the booth in the service hall.
- Visas and residence permits: applying for new ones has been suspended until end of emergency.
- Public notaries: e-notary service is running, it has been upgraded and modified recently to allow distant service provision.

*ii. citizens/businesses towards public administration (reporting, payments of taxes, contributions, fees...)?*

Some of the procedures have been simplified. For example:

- In case a weapon permit expires during the emergency situation, it will be automatically prolonged for 60 or 90 days depending on the date of expiry.
- In case of expiry of the health certificate for a driving licence, it is not fined now. It will be required once the emergency situation has ended.

**3. Has the crisis initiated any simplifications or enhanced the use of alternative tools:**

*i. in the internal procedures of the Government (e.g. acceptance of formal approvals over e-mail)?*

Internal procedures of the Government are carried out by electronic means on a daily basis anyway, for example, there is an electronic document exchange system to issue approvals and decisions. It appears that so far there has not been any major need for overall changes.

- ii. *in the administrative procedures with citizens and businesses (e.g. replacement of handwritten signature with scanned copies or simple exchange of mails)?*

*No central decision has been made. There is already good e-identification solutions in use in Estonia, which allows individuals to be identified by electronic means.*

### **Additional:**

*Estonia announced it would share digital education tools developed by its start-ups to other countries. Furthermore, community initiatives were launched to support small business.*

*The Ministry of Economy and the Estonian start-up community organised a 48 hour hackathon to develop solutions for mitigating the economic impact of the COVID-19 emergency. Several digital measures have already been implemented in Estonia and in other countries:*

<https://garage48.org/blog/hack-the-crisis-from-an-idea-to-an-execution-in-just-6-hours>

*Some of the creations from this hackathon can already be seen in practice (e.g. a [chatbot](#) and a [test/symptom checker](#))*

### **Public financial management**

#### **1. Are COVID-19 response measures being introduced within the framework of or with reference to existing fiscal rules (budget deficit or public debt ratio limits etc...)**

The Government has prepared an additional budget to respond to the COVID-19 outbreak, which is to be debated in Parliament during April and enter into force from 1 May. The overall cost of the measures to respond COVID-19 covered in the supplementary budget is ca EUR 1.14 billion.

Key data from the supplementary budget regarding the change of economic situation:

- expected economic growth rate 2020: -8%
- expected change in employment: -8.2%
- nominal budget position for 2020= -5.7% and for 2021= -2.9%
- structural budget position for 2020= -0.7% and for 2021 = 0.1%

The budgetary position together with the impact of additional COVID-19 measures proposed by the Government to the Parliament on 2 April 2020:

- Nominal position for 2020= -10.1% (-4.4% is the impact of COVID-19 measures)
- Structural position for **2020= -5.2%** (-4.4% is the impact of COVID-19 measures)

The budget strategy for 2020-2023 (adopted in 2019) set a medium term objective to keep structural **budget deficit to 0.5%. Considering the data from the fresh supplementary budget, the budget position both with (-5.2%) and without (-0.7%) crisis measures will exceed the planned deficit.**

The Government has also proposed to the Parliament to use the Stabilisation Reserve fully to alleviate economic and financial risks during 2020 and 2021.

Estonia has launched a EUR 2 billion support programme, including:

- Measures for businesses through the KredEx Foundation such as loan guarantees, business loans, investment loans.
- The labour market service ‘*Temporary subsidy program*’, which is administered by the *Unemployment Insurance Fund*. Temporary subsidies will be paid to those employees whose employers are significantly impacted by the current extraordinary circumstances. The subsidy

will grant an income for the employees and help the employers to surpass temporary difficulties without having to lay off their staff or file for bankruptcy. The amount of the subsidy will be 70% of the average monthly wage of the employee. The maximum amount of the subsidy is €1000. In addition to that, the employer must pay a wage of at least €150 to the employee. More information: <https://www.tootukassa.ee/eng/content/subsidies-and-benefits/temporary-subsidy-program>

- For the period of March to May, the state will compensate the first three days of sick leave for all incapacity leave applications.
- Rural companies can apply to the Rural Development Foundation for guarantees (up to EUR 50 million), business loans (up to EUR 100 million) or land capital financing (up to EUR 50 million).
- Self-employed workers are subject to an advance social tax support measure.
- Payments into the II pillar of the pension fund are temporarily suspended.
- The State compensates for the direct costs of cultural and sporting events cancelled due to COVID-19 in March-April, up to EUR 3 million. There are also supplementary subsidies for culture workers to compensate loss of income because of cancelling cultural events.
- Suspension of the tax interest calculation for a period of two months and to allow tax debt to be rescheduled at lower interest rates than are currently in force.
- Several tax incentives, for example reduction of excise taxes to reduce the price of fuel and electricity between 1 May 2020 and 30 April 2022 to ease the financial situation of consumers; reduction of tax on electronic publications, study materials, journals, newspapers etc.; reduction of personal income tax on income from forest management.

<https://www.valitsus.ee/en/news/emergency-situation-government-supports-estonian-workers-and-economy-least-eur-2-billion>

**2. Are the cost of these measures being published?**

*Yes, in the explanatory letter (in the section of impact assessment) of the package of laws in response to the COVID-19 crisis.*

**3. Have budget users been asked to identify cost-saving measures to partially offset the cost of the response measures?**

*Formally not yet, but most probably it will come soon. The administration is preparing the next years' budget now and looking at the economic forecasts, and it is highly probable that they will be asked to propose cuts.*

**4. Are internal controls continuing to operate smoothly (electronic signatures)?**

*Internal control has been using electronic document management for all kinds of operations (administrative decisions, staff decisions, cost approvals and other budgetary operations, letters etc.) for many years. No major change is needed here because of the crisis. Electronic approvals and signatures are secure, and transparency and accountability is ensured.*

**5. Does each budget user or at least ministry have a risk management strategy that envisaged emergency measures in response to a sudden crisis? How is staff and customer safety balanced against the need to deliver required services?**

*In general, budget users are required to regularly assess risks and update their risk management strategy.*

*For crisis management, there are specific crisis management plans prepared for different kinds of emergency situations, including pandemics. Considering the novelty of this disease and*

*unprecedented closure of societal activities, it can be assessed later how relevant and useful these plans were.*