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AUSTRIAN FOREIGN MINISTER VISITS ESTONIA



Foreign Minister Urmas Paet with Austrian Foreign Minister Michael Spindelegger at the Foreign Ministry, 24 August.

Estonia Concluded Visa Representation Agreement with Austria

24 August - Estonian Foreign Minister Urmas Paet and Austrian Foreign Minister Michael Spindelegger signed a visa agreement in Tallinn today according to which Austria will begin to represent Estonia in Saudi Arabia and Qatar. Foreign Minister Urmas Paet stated that Austria's help in issuing visas is very important because it is an indicator of the European Union's common foreign policy. Austria is the ninth nation that Estonia has concluded a visa representation agreement with. Together these agreements cover 57 countries.

The Austrian foreign minister expressed support for Estonia as the potential location for the European Union IT agency. "Estonia feels it is important that information technology be used more efficiently than previously for European Union interior security, and for this it is necessary to create a separate IT agency," Paet noted. The Austrian foreign minister expressed the opinion that since Estonia's IT sector is very highly developed, Estonia possesses all the qualifications to be a good location for the agency.

During his meeting with the Estonian foreign minister today, the Austrian foreign minister expressed interest in the Baltic Sea Region Strategy, and the foreign ministers acknowledged that the Baltic strategy has motivated the nations of the Danube region to come up with a similar strategy. Foreign Minister Paet told his colleague that the Baltic Sea Region Strategy sets the stage to make the area around the Baltic Sea a forward-looking and competitive region. "A significant goal of the strategy is to remove bureaucratic obstacles to developing the region—this includes the true realisation of the free movement of goods, services and people and the intensification of co-operation in the Baltic Sea region," Paet explained.

During their meeting, the foreign ministers also discussed issues related to Iceland's application to join the European Union.

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FOREIGN NEWS

Iceland Keen to Learn About Estonia's EU Accession Experience

21 August (BNS) - In a meeting with Estonian Foreign Minister Urmas Paet, who was in Iceland on a visit, Iceland's Foreign Minister Ossur Skarphedinsson expressed the desire to become familiar with Estonia's experience in acceding to the European Union.

Skarphedinsson said Icelandic experts were looking at Estonia's EU accession experience and wished to continue working closely with Estonian experts.

Paet said that Estonia in every way supports the early start of membership negotiations with Iceland and Iceland's subsequent entry into the EU.

The Icelandic foreign minister congratulated Estonia on the occasion of the Day of Restoration of Independence. Paet recalled the events of 18 years ago and once again expressed gratitude to Iceland, the first country to recognise Estonia's independence.

"Estonian society is and will always remain grateful to Iceland and Icelanders for that strength of mind so many years ago," Paet said.

The Estonian and Icelandic foreign ministers agreed that the relations between the countries are very good. In March this year Estonia for the first time ever participated in Iceland's air policing mission in collaboration with Denmark.

Paet extended his Icelandic colleague an invitation to visit Estonia.

Austrian Foreign Minister

(continued from page 1)

The Estonian and Austrian foreign ministers agreed that European Union enlargement Foreign Minister Paet noted that after meeting with the Icelandic foreign minister it is clear that Iceland wishes to move forward as quickly as possible with the accession process.

The foreign ministers also addressed the global financial and economic crisis and Estonia's accession to the Euro-zone. Foreign Minister Urmas Paet stated that Estonia feels a strong and stable Euro-zone is important, based upon the cornerstone of the Maastricht criteria and following the Stability and Growth Packet. "Upon fulfilling all the requirements, Estonia would like to join the Euro-zone at the earliest opportunity in order to ensure the good well-being of the economy in the long run," said Paet.

Another topic at the meeting was energy policy and security. The foreign ministers confirmed that in order to ensure the energy security of Europe it is necessary to diversify suppliers, create additional energy connections among member states, and establish a functioning energy market. Foreign Minister Urmas Paet noted that a significant development for the Baltic Sea region is the approval of the Baltic Energy Market Interconnection Plan (BEMIP). The foreign minister also emphasised that the gas crises of the past years have clearly demonstrated the necessity of alternative suppliers and supply channels, like Nabucco and the Southern Corridor.

The Estonian and Austrian foreign ministers also talked about issues in the Western Balkans and Eastern Partnership. Foreign Minister Urmas Paet stated that Estonia supports visa freedom for all of the Western Balkan states with the European Union, which would help the region become more strongly connected to Europe and would also function as a significant measure to ensure peace and stability. In talking about Eastern Partnership, the foreign ministers felt that it is extremely important that the Eastern Partnership becomes a concrete and comprehensive policy that is an effective tool for bringing the target countries closer to the European Union.

Paet and Spindelegger also concluded an agreement on the exchange and mutual protection of classified information.

Foreign Minister Spindelegger also met with President Toomas Hendrik Ilves.

At their meeting, the future of Europe and the Treaty of Lisbon were discussed at length. "The Treaty of Lisbon is extremely important for the future of the European Union and all of Europe; luckily I am more optimistic regarding its passage than I was a year ago," the Estonian head of state said.

President Ilves and Foreign Minister Spindelegger also spoke about energy security as one of the key issues for the political and economic security of countries, as well as the relations between the European Union and Russia.

The global economic crisis was also discussed at the meeting, in which regard the Estonian head of state stressed the need for decisiveness on part of all countries affected by the recession and the

rejection of incomplete solutions in order to overcome the crisis.



President Toomas Hendrik Ilves talking with Austrian Foreign Minister Michael Spindelegger, 24 August.

Estonia Wishes to Conclude Agreements with Georgia on Protection of Investments and Social Security

25 August - **During Foreign Minister Urmas Paet's meeting with Georgian Foreign Minister Gregory Vashadze in Tallinn, the two discussed the expansion of the Estonia-Georgia treaty base in order to facilitate business between the two countries.** "We would like to conclude an agreement on the protection of investments with Georgia in the near future, in order to help with the intensification of Estonia-Georgia business contacts," noted Paet. "We would also like to conclude a social security agreement between the two countries as soon as possible," he added.

While talking about the European Union Monitoring Mission (EUMM) in Georgia, Foreign Minister Urmas Paet emphasised the mission's importance in ensuring security and stability in Georgia. "After the missions of other international organisations have ended, the European Union Monitoring Mission plays a very important role in stabilising the security situation in Georgia," stated the Estonian foreign minister. Paet added that a long-term solution must honour Georgia's territorial integrity and sovereignty.

They also spoke about Estonia-Georgia co-operation in the framework of the European Union Neighbourhood Policy and Eastern Partnership. "Georgia should definitely use the opportunities presented to support its reforms and harmonise its legislation. Eastern Partnership is an important chance to help Georgia and other target countries grow closer to the EU," asserted Paet. The foreign minister added that Estonia will continue to support Georgia in its integration with NATO as well.

Foreign Minister Paet said that Estonia supports the rapid conclusion of visa facilitation and readmission agreements between the EU and Georgia, as well as starting negotiation discussions for a Deep and Comprehensive Free Trade Agreement (DCFTA) and an association agreement between the EU and Georgia as soon as Georgia is ready.

Foreign Minister Urmas Paet confirmed that Estonia's development co-operation with Georgia will continue according to plan. "Co-operation between

Estonia and Georgia is close and is growing in the development aid sector through many bilateral projects for making internal security, rule of law development, and the functioning of the state more efficient, but also through education projects," said Paet.

Georgia is one of Estonia's four development co-operation target countries. During the past five years Estonia has funded 30 different development co-operation projects in Georgia. Foreign Minister Vashadze thanked Estonia for the help it has given Georgia.



Foreign Minister Urmas Paet with Georgian Foreign Minister Gregory Vashadze, 25 August.

Paet Discussed Iceland, Afghanistan with Baltic and Nordic Colleagues

22 August - **While talking about the accession of Iceland into the European Union during the meeting of the foreign ministers of the Nordic and Baltic countries (NB8 – Nordic-Baltic 8) in Reykjavik, Foreign Minister Urmas Paet emphasised that EU enlargement in Northern Europe is a welcome development.** Paet stated that Estonia is prepared to support in any way possible the accession negotiations with Iceland, which are to begin soon, and Iceland's accession to the EU. "I am pleased that Icelandic experts are already becoming familiar with Estonia's accession experience, and we hope that we can support them with our advice throughout the entire accession negotiation process," said Foreign Minister Paet.

At the meeting, the foreign ministers also addressed the elections that took place in Afghanistan on 20 August. Foreign Minister Urmas Paet stated that the elections play an essential role in the formation of Afghanistan's future.

The foreign ministers of the Nordic and Baltic countries also talked at the meeting about matters related to the Arctic. Foreign Minister Urmas Paet acknowledged that regardless of how far away it is, issues relating to the Arctic are of global importance and have an effect on the countries in our region. "Since globally important environmental and security issues are tied to the Arctic, increasing the role of the European Union with regards to the Arctic is essential, as is achieving observer status for the European Union in the Arctic Council," Paet noted.

The Arctic Council is a high-level inter-governmental forum with the goal of developing co-operation, co-ordination and interaction among the Arctic nations. The member states are Canada, Denmark (along with the Faroe Islands and Greenland), Finland, Iceland, Norway, Russia,

Sweden, and the USA. There are also observer nations and organisations involved in the Council.

The ministers also discussed questions of energy security. During the meeting they agreed that in order to increase energy security, it is necessary to create additional energy connections among the Baltic and Nordic countries and to establish a common Nordic-Baltic energy market. "An important milestone in moving towards this goal was the creation and approval of the Baltic Energy Market Interconnection Plan (BEMP)," said Paet. Foreign Minister Paet also emphasised that in order to create a common Nordic-Baltic energy market, a more powerful Estlink2 must be built in addition to the existing Estlink1 between Estonia and Finland.

Prime Minister Ansip: Fire of Freedom Cannot Be Suppressed by Anyone in Open Democratic World

23 August - **In his speech held at the ceremony commemorating the Baltic Way in Vilnius today, Prime Minister Andrus Ansip noted that the three Baltic States have successfully emerged from the dreariest of totalitarian societies, and history shows that the possibilities of success lie only in co-operation among themselves and with their good partners in the Nordic countries, Baltic Sea area, European Union and NATO.**

"If we act together with democratic powers, progress is ensured," stated Ansip. At the ceremony to light the Baltic freedom fire, the prime minister stressed: "The symbolic freedom fire that is burning here today cannot be suppressed by anyone in the open democratic world."

According to the prime minister, the Baltic people demonstrated their unity via the Baltic Way at a time when the half-century long totalitarian regime was coming to its end. Ansip said that together the three Baltic States have managed to explain to the world that the period of such policies as the pacts and secret additional protocols between Vjatcheslav Molotov and Joachim von Ribbentrop is finally over.

At the initiative of the Baltic Assembly, the freedom fire lit at Toompea was carried through the three Baltic states during 22-23 August. At the ceremony to light the Baltic freedom fire, held on the Freedom Square of Vilnius today, the Baltic Assembly's President Mantas Adomenas, Lithuania's Prime Minister Andrius Kubilius and Latvia's Prime Minister Valdis Dombrovskis also delivered speeches.

Female EU Parliament Chairs Speak up for Bigger Role of Women

22 August (BNS) - **Female speakers of parliament from five EU member states who are meeting in the Estonian capital Tallinn agreed that the present crisis must pave the way for greater involvement of women in decision-making processes.**

Riigikogu speaker Ene Ergma and parliamentary speakers Barbara Prammer of Austria, Tsetska Tsacheva of Bulgaria, Gerdi Verbeet of the Netherlands and Katalin Szili of Hungary stressed that during the present crisis more attention than before must be paid to the gender aspect in employment, spokespeople for the Estonian parliament said.

Ergma pointed out that the rise in unemployment has, in Estonia as well as in other countries of the European Union, affected men more than women, as the setback has been biggest in sectors that employ primarily men, such as construction.

The parliamentary leaders emphasised that one needs to invest more than before in education, the social sphere, health care and other gender-sensitive areas.

The five woman speakers adopted a joint statement on human rights violations in Iran, expressing their deep concern over the arrest of a large number of demonstrators, including women, following the presidential election in that country.

On Friday, the speakers were received at his Kadriorg office by Estonian President Toomas Hendrik Ilves, who in his remarks stressed that in a democratic country the parliament is responsible for the country's well-being equally with the government, if not more.

On Saturday morning the speakers attended a function next to the Estonian parliament building kicking off the anniversary events commemorating the Baltic Way human chain of 20 years ago.



Parliament speakers Gerdi Verbeet, Tsetska Tsacheva, Ene Ergma, Barbara Prammer, and Katalin Szili in Tallinn, 22 August.

Paet: Honest Elections a Positive Step Towards Stability in Afghanistan

21 August - **Foreign Minister Urmus Paet congratulated the people of Afghanistan on the presidential and provincial council elections that were carried out by the state authorities on 20 August.** The last elections in Afghanistan that were carried out by state authorities took place 30 years ago.

Estonian Foreign Minister Urmus Paet stated that yesterday's elections in Afghanistan are one of the most important milestones for further development in the country. "The organisation of state-wide elections in such a complicated situation indicates the firm desire of the Afghan people to build up their own state. It is important that people in Afghanistan wanted to vote, went to vote, and did not allow themselves to be frightened by Taliban threats," asserted the foreign minister.

Foreign Minister Urmus Paet also condemned the activities of the Islamist movement Taliban and terrorist network Al-Qaeda, which were intended to disrupt the elections with violence and terrorism. "These attacks were directed towards Afghans to hinder the citizens of the nation from using their democratic right to participate in the formation of their country's future," stated Paet. The foreign

minister emphasised the essential role of the Afghan National Security Force (ANSF) as well as co-operation with allied forces in ensuring the security of the elections.

Contact Between Businesses and Embassies Has Increased Significantly

25 August - **Foreign Minister Urmus Paet and Estonian ambassadors residing outside of European Union nations met with representatives of the Estonian Chamber of Commerce and Industry and businesses.** Estonian businesses and foreign service members are interested in increasing co-operation to promote Estonia's economic interests abroad.

Foreign Minister Urmus Paet stated that the Foreign Ministry would like to continue to help Estonian companies expand internationally and protect the interests of Estonian companies abroad. "We support companies that are seeking new export markets in this complicated time as well as those that are already active in foreign markets and need support from the state to continue their activities," Paet said.

While talking about communication between the businesses and the Foreign Ministry, Paet emphasised that the businesses have communicated with embassies much more actively this year than in previous years. "For example, last year there were 242 inquiries made to embassies by businesses, and this year 357 inquiries have been made already," Paet stated.

Paet emphasised that all Estonian embassies deal with economic issues and business diplomacy and can help Estonian companies find partners in foreign markets, organise business seminars, networking events or other events, and also help to resolve any problems in the country of location when necessary. The embassies can also be of help in mediating contacts for companies offering support services (consultation services, credit information, collection services, legal aid, translation services, etc.), spreading materials and information about businesses, and making the business accessible to interested parties.

Today's meeting between diplomats and businesses was the third of its kind. The previous similar meetings took place in April 2009 and December 2008.

The list of diplomats specialising in economics can be found on the Foreign Ministry's homepage.

DOMESTIC NEWS

Tallinn Reopens Freedom Square After Reconstruction

21 August (BNS) - **The Vabaduse (Freedom) Square of the Estonian capital Tallinn was opened during a ceremony late on Thursday after massive reconstruction costing around 280 million kroons (EUR 18 mln).**

"The Freedom Square ensemble is the biggest and most substantial monument of the independent Estonian state," Mayor Edgar Savisaar was quoted by spokespeople for the city government as saying. The ceremony of reopening of the square started at sunset and culminated in a fireworks show. After the end of the show thousands of people who had gathered in the square could look at the

underground areas built as part of the massive overhaul.

In the initial stages of the reconstruction that started last August and saw traffic except for public transport diverted from the city's main square, archaeological excavations were carried out in an area of 5 000 square meters. Below the ground, the foundation of the walls of the former moat have been exhibited, while on the ground the walls and the location of the former Harju Gate are marked with pavement slabs of different colours.

The Freedom Square ensemble includes the monument to the War of Independence that was unveiled on 23 June this year.

DEFENCE NEWS

Afghan Elections Pass Relatively Calmly for Estonian Soldiers

21 August (BNS) - **The 20 August election day in Afghanistan passed without serious incidents for the members of the Estonian Defence Forces deployed in that country, although there were minor exchanges of fire with the enemy.**

The Estonian contingent's information officer Capt. Tanel Rutman told BNS on Friday that ESTCOY-E, the additional Estonian infantry company sent to Afghanistan for the period of elections, had no assignments on the polling day.

A part of the personnel of ESTCOY-8, the other Estonian company in Afghanistan now, are still manning the Pimon patrol base and controlling their area of responsibility.

"They didn't have a completely quiet day," Rutman said, explaining that there were separate incidents of contact.

One platoon of ESTCOY-8 secured the eastern part of Nad-e-Ali to ensure free movement for residents at the time of the elections. The platoon was deployed near one polling station as a rapid response unit. In that area nothing serious happened either, even though the Estonian platoon had separate contacts with the enemy too.

The allied forces in Afghanistan were prepared for larger attacks on the election day, but the enemy did not undertake any organised attacks, the Estonian information officer said.

"The enemy tried to show its presence," said Rutman, adding that according to the observations of the Estonians manning Pimon, the Taliban fired shots at locals working in the field with the apparent aim of scaring them.

In Rutman's estimate voter turnout in the rural areas where Taliban's influence is strong was not very big as locals feared to show up at polling stations. Villagers often went to towns to cast a ballot, however, as in towns it could be done in an anonymous environment.

Two Estonian Soldiers Killed in Afghanistan

24 August (BNS) - **Two Estonian soldiers were killed in Afghanistan Sunday afternoon while carrying out their duties.**

The soldiers were Sgt. Maj. Eerik Salmus (26) and Sgt. Raivis Kang (26), pioneers of the Estonian Estcoy-8 infantry company.

Maj. Peeter Tali, head of the information department at the Estonian Defence Forces

headquarters, told BNS that rebels against the constitutional government of Afghanistan attacked the pioneers' armoured personnel carrier with an improvised explosive device at about two kilometres from the Pimon patrol base in the Nad-e-Ali area of the restless Helmand Province in southern Afghanistan.

The Estonian pioneer unit was clearing the road of explosives. Sgt. Maj. Salmus died immediately in the attack; Sgt. Kang sustained grave injuries and medics were not able to save his life.

The 1st Infantry Brigade has informed the soldiers' families of the incident, said Tali, expressing sincere condolences to their relatives.

Sgt. Maj. Salmus launched on his military career as a conscript at the Tapa training centre. He continued his service as a professional soldier in the Pioneer Battalion and later as squad leader and pioneer in the Scouts Battalion. In 2008 Salmus took part as squad commander in a field operation in Afghanistan in the composition of Estcoy-5 and was wounded there. He has been decorated with the Meritorious Service Cross.

Sgt. Raivis Kang entered military service in 2003 as a conscript at the Narva-Jõesuu Border Guard training centre. He continued his service as submachine gunner, head of armoured personnel carrier and ordnance clearance specialist. Sgt. Kang took part in field operations in Afghanistan in 2006 in the composition of Estcoy2 and in 2007-08 in Estcoy-5.

At present there are two Estonian infantry companies, Estcoy-8 and Estcoy-2, a logistics support group NSE-7, staff officers and staff non-com officers serving in Helmand. Estcoy-8 operates under British command; Estcoy-E, which has been dispatched to Afghanistan to ensure security of the elections, serves under the command of the 2nd Brigade of US Marines.

In total, the Estonian contingent in Afghanistan consists of 289 men.

Books of condolences have been opened in the ground floor hall of the Defence Ministry at 1 Sakala Street in Tallinn and also an electronic book of condolences has been opened on the ministry's web side, www.kmin.ee.

Four Estonian Soldiers Injured in Afghanistan on Sunday

24 August (BNS) - **Two Estonian soldiers were killed Sunday in the explosion of an improvised explosive device in Afghanistan; four other soldiers were injured in the incident.**

Anti-government rebels attacked the armoured personnel carrier of a pioneer unit carrying out its duties with an improvised explosive device at about two kilometres from the Pimon patrol base in the Nad-e-Ali area of the restless Helmand Province in southern Afghanistan.

The two soldiers killed in the attack were Sgt. Maj. Eerik Salmus (26) and Sgt. Raivis Kang (26), pioneers of the Estonian Estcoy-8 infantry company. Brig Gen. Neeme Väli, chief of staff of the Estonian Defence Forces headquarters and acting commander of the Defence Forces Monday told reporters that four other soldiers were injured in the attack. Väli said that the injuries were not threatening the soldiers' lives.

He expressed the hope that two of them would get out from hospital on Monday.

Väli added that two of the injured soldiers would be sent to Great Britain for a thorough checkup.

Brig. Gen. Väli said that pioneers of Estcoy-8 had received the duty of providing security to a convoy and check a stretch of road between Camp Bastion and Lashkar Gah in their sphere of responsibility. The Estonians' duty was to check that stretch of road and mark the explosive devices found there. Deactivation of the explosives was the duty of Britons coming in their wake.

The chief of staff said that the IED exploded on a stretch of road that had earlier been checked but on the road back the pioneers' armoured personnel carried rode over the IOD: the general said that the IOD was apparently not detonated from the distance but it the explosion was triggered by weight of the APC.

1st Infantry Brigade Was Affiliated to the Danish Division

21 August - **On Tuesday, at the Danish Division HQ in Haderslev, Chief of the General Staff Brigadier General Neeme Väli signed a co-operation contract affiliating the 1st Infantry Brigade of the EDF to the Danish Division.**

Minister of Defence Jaak Aaviksoo said at the festive ceremony in Haderslev that Denmark would continue to be one of Estonia's major partners in defence related co-operation. "Denmark was the first country to conclude a bilateral treaty for defence related co-operation with Estonia in 1994. Denmark has provided invaluable support for the establishment of Estonia's national defence structures and Estonian and Danish soldiers are operating side-by-side in Kosovo and Southern Afghanistan," said the minister of defence.

According to Brigadier General Neeme Väli, affiliating the Estonian Infantry Brigade to the Danish Division will ensure a closer-than-ever connection with higher levels of command, which organise training that matches NATO standards.

"The Estonian staff officers will also gain experiences in operational planning at the level of units higher than the brigade; under Estonian conditions, the provision of such experiences would be rather complicated," said Brigadier General Väli.

Mr. Aaviksoo also met on Tuesday with his Danish counterpart Mr. Søren Gade, to discuss questions regarding air policing in the Baltic States and the Baltic Defence College and participation in operations in Kosovo and Afghanistan.

However, the affiliation of the 1st Infantry Brigade of the EDF to the Danish Division would not place them under the Danish chain of command; instead, this would mean affiliation in terms of training, resulting in fully interoperable HQs and units of the two countries, and the ability to conduct joint operations.

The Danish Division HQ shall form the control element of NATO's Response Force NRF-14 for 2010, the ranks of which shall also include the Baltic States' joint Infantry Battalion.

A Danish Advisory and Training Staff is operating in Estonia, Latvia and Lithuania under the so-called brigade projects of the Baltic states; in Estonia, the team is currently involved with the training of the 1. Infantry Brigade HQ and HQ company higher officers. So far the Lithuanian "Iron Wolf" Mechanised Infantry Brigade has already been affiliated with the Danish Division.

The 1st Infantry Brigade represents the main manoeuvre unit of the Estonian Defence Forces, which includes the majority of the units trained during the compulsory military service period. The Scouts Battalion, which consists of professional Defence Forces members, is also a part of the 1st Infantry Brigade.

The Danish Division ('Danske Division' in Danish) represents the largest contingent of the Danish Army, and is also one of the four divisions of the Multinational Corps North East.

Checkpoint in Southern Afghanistan Named after Estonian Battalion's Symbol

21 August (BNS) - **A new checkpoint set up in Helmand province in southern Afghanistan has been named Shamal Storai, Pashto for "north star", after an element on the emblem of the Estonian Scouts Battalion.**

"To have the checkpoint named after the Scouts Battalion is a great honour," said the commander of the Estonian company ESTCOY-8, Maj. Tarvo Luga.

"The men have been very brave and firm despite intense and aggressive activity by the Taliban before the elections. They've fulfilled their tasks excellently like is proper for scouts," Luga was quoted by military spokespeople in Tallinn as saying on Friday.

Immediately before the presidential and provincial elections in Afghanistan a unit of ESTCOY-8 looked after security in the eastern part of Nad-e-Ali to ensure free movement of residents primarily between Nad-e-Ali and the provincial capital Lashkar Gah.

ECONOMIC NEWS

Estonia Pianos Among Top Ten in the World

25 August - **Estonia pianos constructed in Tallinn have risen to among the top ten pianos in the world thanks to their technical attributes and quality, reports America's authoritative ranking of pianos, Larry Fine's "Piano Book".**

Piano technician and consultant Fine, in his most recent publication, ranks Estonia in the same position as Steinway pianos made in New York. In addition to Steinway and eight pianos built in Germany, one other American piano and a Japanese piano round out the top ten.

The owner of the Estonia piano factory, pianist Indrek Laul, recalls that 16 years ago Fine's "Piano Book" stated that Estonia was one of the lowest-quality pianos available on the American market. Eight years ago Estonia's grand piano ranked right in the middle, or 23rd place out of 44 pianos.

Rimi Eesti Food Makes EUR 3.8 Million Profit

19 August (BNS) - **Rimi Eesti Food, owner of the Rimi and Säastumarket chains, made a net profit of 59.8 million kroons in 2008, nearly 13% more than the year before.**

The sales proceeds of Rimi Eesti Food grew by nearly 8 percent last year to 6.12 billion kroons.

Rimi Eesti Food notes in its annual report that the market share of the company was 22% last year.

The company invested 144 million kroons last year and provided jobs to an average of 2 599

people, and paid out 280 million kroons in salaries plus social tax.

Rimi Eesti Food will pay no dividends this year. The retained profit of the company is 65 million kroons.

Rimi Eesti Food belongs to the Swedish ICA AB group.

980 Passengers Use Tallinn-Stockholm Air Route During First Season

24 August (BNS) - **The seasonal Pärnu-Stockholm air route launched by Estonian Air in collaboration with Pärnu spas carried 980 passengers while in operation from 30 April to 23 August.**

Estonian Air spokesperson Ilona Eskelinen told BNS on Monday that without collaboration with the Tervis sanatorium and the Strand spa and conference hotel launch of the air route and its operation would not have been possible. She added that the airline was satisfied with the result so far.

"Plans for next year depend to a large degree on the wishes and readiness of co-operation partners, as well as on the fate of the Pärnu airport," Eskelinen said when asked about plans for next season.

During the first months of operation flights took place twice weekly on Thursdays and Sundays, and from 2 July onwards on Sundays only, like had been planned, she said.

The route targeted mainly Scandinavian tourists and was operated with a 33-seat Saab 340 aircraft.

Pakterminal's Value in 2008 Transaction Was EUR 39.36 Million

25 August (BNS) - **The value of the Estonian oil transit company AS Pakterminal and its parent firm in the 2008 share swap transaction by which the companies went into the hands of Vopak E.O.S. was 616 million kroons (EUR 39.36 mln), it appears from the annual report of Vopak E.O.S.**

Vopak E.O.S. issued new shares for the acquisition of Pakterminal and swapped them for shares in OU Dipping held by the Dutch Royal Vopak group.

OU Dipping is the sole owner of Pakterminal.

With the transaction Royal Vopak became the owner of 50% of Vopak E.O.S. The other half of the shares are controlled by the Russian N-Trans group.

With the acquisition of Pakterminal the value of goodwill in the balance sheet of Vopak E.O.S. grew by 208 million kroons, as the fair value of Pakterminal's net assets was estimated at close to 408 million kroons.

Material fixed assets acquired in the transaction were valued at 748 million kroons, beneficial contracts at 121 million kroons and cash at 81 million kroons. Also taken over were loans in the amount of 547 million kroons.

Vopak E.O.S., which operates fuel terminals in Maardu and Muuga to the east of Tallinn, earned a net profit of 212 million kroons last year. Its profit was reduced by an exchange rate related accounting loss in the amount of 126 million kroons.

The company's profit in 2007 was 505 million kroons.

Revenues climbed from 1.19 billion kroons in 2007 to 1.73 billion kroons last year.

Vopak E.O.S. reloaded 15.7 million tons of oil during 2008, compared with 13.6 million tons in the year before.

Assets of Vopak E.O.S. at the end of the year stood at 4.12 billion kroons and owner's equity at 1.97 billion kroons.

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