

Estonian Review

E E S T I R I N G V A A D E

VOLUME 19 NO 33 SEP 16 – 22, 2009

FOREIGN MINISTER VISITS WASHINGTON



Foreign Minister Urmas Paet with US Secretary of State Hillary Clinton in Washington, 17 September.

The White House

Clinton and Paet Emphasise Importance of NATO Principle of Collective Defence

17 September - Foreign Minister Urmas Paet, meeting with Secretary of State of the United States Hillary Clinton in Washington, stated that Estonia would be ready to finishing developing the Estonia-USA joint Operational Mentor and Liaison Team (OMLT) by 2011.

Foreign Minister Paet and Secretary of State Clinton confirmed that Estonia and the USA have excellent allied relations, especially their long-term security co-operation. "Estonia would like to continue this close co-operation with the USA both bilaterally and in NATO and other international formats. Particularly in Afghanistan, where there are co-operation opportunities in the military as well as civilian sectors," said Paet.

Clinton recognised Estonia's great contribution to stabilising the situation in Afghanistan and also its support of new democracies.

Paet and Clinton thoroughly discussed the situation in Afghanistan following the presidential election in August. "It is clear that expecting quick results in Afghanistan is unrealistic, so we must remain persistent in our military and civilian activities—in the war against terrorism, it is more effective to deal with the root of the threat, rather than watch the consequences in Europe, the United States, and all over the world," said Paet. "Our common goal is to reach the point where Afghans can manage to hold up their own state and security," he emphasised.

In speaking about further co-operation trends and developments in NATO, Paet and Clinton noted that the basis for NATO's work is collective defence, and the backbone of the organisation's new strategic concept must be NATO's visibility, trustworthiness, and the clear presentation of its abilities. "One essential factor is responding to new threats, including threats in the realm of cyber security—we should increase international co-operation in the cyber security sector," Paet asserted. Secretary of State Clinton noted that the NATO Cyber Defence Centre in Tallinn is one example of such co-operation.

Continued on page 2

Paet Met With Leader of Working Group for New NATO Strategy Albright

18 September - During his meeting in Washington with former US secretary of state and leader of the working group for NATO's new strategic concept Madeleine Albright, Foreign Minister Urmas Paet emphasised that Estonia completely supports the position of President of the United States Barack Obama at the NATO summit, namely that every NATO member state that desires a defence plan should have one.

Paet and Albright agreed that the bases for NATO's work are collective defence and Article 5, though the other aspects of the Washington Treaty must not be neglected. Paet and Albright emphasised that now that the United States has decided not to establish the bilaterally agreed-upon missile shields in the Czech Republic and Poland it is essential to resolve the situation on the NATO level with the participation of all the member states.

"The basis for the new strategic concept must be Article 5 as well as NATO's visibility, trustworthiness, and the clear presentation of its abilities," stressed the Estonian foreign minister. "NATO must be prepared to protect its territory and ensure its safety through operations and missions outside the alliance. This includes dealing with new threats," Paet added.

Paet stated that it is necessary for the NATO foreign ministers to discuss the results of the working group led by Albright regarding NATO's new strategic concept this upcoming spring in Tallinn. Albright emphasised that prior to that, extensive work would be done by the group of experts she is leading, which includes the common representative of the Baltic nations, former Latvian ambassador to NATO Aivis Ronis.

Paet also had a meeting today at the Pentagon, where co-operation between Estonia and the USA in the security sector was discussed with representatives of the United States Department of Defence.

Continued on page 2

Clinton

(continued from page 1)

Clinton and Paet also consider the further expansion of NATO to be important.

Clinton and Paet also emphasised the need to develop the European Union's energy security through diversifying energy channels. "For Estonia and the other Baltic nations, diversifying energy connections with other European Union regions is a vital component of energy security," Paet emphasised.

"Although Estonia has active communication and multi-faceted co-operation with the United States, particularly in the defence co-operation and security sectors, there is certainly still room for development in the economic realm, where increasing the number of close contacts and reciprocal investments would be very welcome," Paet acknowledged. "We would like to co-operate, for example, in the area of oil shale technology, in which Estonia has long-time experience and expertise," he added.

Albright

(continued from page 1)

"Estonia would like to continue such close co-operation with the United States in NATO and in other international formats," Paet stressed. "Working together in Afghanistan, which is an essential destination for the military and civilian contributions of both our countries, is an example of co-operation between Estonia and the United States of America," he noted.

Foreign Minister Paet also participated in a discussion in co-operation with the Center for Strategic and International Studies (CSIS). The discussion, during which Paet presented along with former ambassador of the USA to NATO Kurt Volker, focused on various aspects of transatlantic co-operation, for example co-operation in Afghanistan, the NATO strategic concept, and energy and cyber security.

Paet: Europe's Security Infrastructure Should be Determined Within the Framework of NATO

17 September - **During his meeting today with National Security Advisor of the United States James Jones, Foreign Minister Urmas Paet said that decisions to improve Europe's security infrastructure should be made within the framework of NATO.** Security Advisor Jones confirmed on behalf of the United States that the USA's technology and strategy for protecting Europe and NATO are constantly being improved, as are solutions to minimise the potential risk from Iran. Jones affirmed that abandoning the missile shield plan will not damage Europe's security.

Paet stated that the USA's plan to establish missile shields against Iran in Poland and the Czech Republic was an object of bilateral discussions with Poland and the Czech Republic, but the USA's dedication to the safety of its European allies is broader. "We are interested in seeing Europe's and NATO's security issues analysed through NATO co-operation, including the new strategic concept that is being worked out," said Paet. "Any need to renew security infrastructure should be thoroughly

discussed, and then the appropriate actions planned, in NATO," he emphasised.

Paet and Jones emphasised that the basis for NATO's work is collective defence, and the backbone of the organisation's new strategic concept must be the continuance of this principle through NATO's visibility, trustworthiness, and the clear presentation of its abilities, as was agreed at the Strasbourg-Kehl summit in spring of 2009.

Foreign Minister Paet and Security Advisor Jones also addressed Estonia-USA co-operation in Afghanistan, where Estonia would like to continue its military co-operation with the United States. "In addition to military co-operation, in order to achieve success it is also essential to make contributions to the civil sector," Paet emphasised. "Estonia contributes to developing the health care sector in Helmand and would also like to develop civil co-operation with the USA," he added.

FOREIGN NEWS

EU Leaders Co-ordinated Positions for G20 Summit

17 September - **Today, Prime Minister Andrus Ansip attended the unofficial meeting of the European Union heads of state and heads of government in Brussels, where the positions of the European Union were co-ordinated for the G20 Summit to be held in Pittsburgh from 24-25 September.**

The G20 is a group of countries including the European Union and the other nineteen major economies of the world.

According to the objectives of the G20 Summit, the main topics of today's meeting of the leaders of the European Union were the economic situation, the strategies for overcoming the economic crisis, and the re-organisation of financial markets.

The heads of state and heads of government of the European Union are of the opinion that the G20 must continue co-ordinated activities to ensure the sustainable growth of the economy and avoid the recurrence of the crisis.

"Common efforts for economic recovery have started to yield fruit," said Prime Minister Andrus Ansip. "Now is the time to start planning the strategies for putting an end to the crisis and these must be implemented in a co-ordinated manner as soon as the economy enlivens. This means that the right balance must be found between the stabilisation of the economy and the fiscal tolerance of the countries, taking into account the specific situation in each country. The loan burden of several countries is on its way to a critical limit."

In order to avoid the recurrence of the economic crisis, it is also important to improve the way financial markets operate. The leaders of Europe are of the position that the G20 must continuously commit itself to the creation of a global macro-level financial surveillance system. Surveillance over systematically important financial institutions must also be intensified, making surveillance requirements more effective and at the same time improving the quality of cross-border surveillance.

The heads of governments also agreed on common positions regarding the issue of funding the combating of climate changes in preparation for the

President Ilves Urges Closer Co-operation Among EU Baltic States

18 September - **"We must – I emphasise – must strive for closer and more intensive co-operation,"** said President Toomas Hendrik Ilves in his opening speech at the Baltic Sea Region Strategy Conference organised by Sweden, the presiding state of the European Union, in Stockholm.

The Estonian head of state, who initiated the Strategy for the Baltic Sea Region as a member of the European Parliament, reiterated that this is the first initiative of the European Parliament that can be considered to represent the official politics of the European Union.

"The environmental protection of the shallow Baltic Sea – practically the biggest inland sea in the European Union—and avoiding any possible large-scale emergencies, recognisable enhancement of competitiveness of the region, and mitigating the mutual bureaucratic obstacles are challenges that serve the interests of all citizens and that are faced by all the Baltic Sea countries of the European Union," said President Ilves. He considered the co-ordination of research efforts within the universities in the region towards the resolution of regional problems to be an issue of utmost importance, which would mean closer co-operation and less disunity in this sphere.

President Ilves also met with one of the most influential foreign politicians of the Nordic countries, the Swedish Minister of Foreign Affairs, Mr. Carl Bildt, today; the alternatives for giving specific substance to the Baltic Sea Strategy, as well as overcoming the global economic downturn and mutual investment opportunities and east-bound partnerships of the European Union were discussed at the meeting.

The Estonian head of state also met with a number of representatives of the Swedish economic and financial communities today in Stockholm; they all expressed their hope that Estonia will take all the steps necessary to meet the criteria for adopting the euro as soon as possible.



President Toomas Hendrik Ilves with Swedish Minister for EU Affairs Cecilia Malmström, 18 September. © Gunnar Seibold, Swedish EU Presidency

Baltic Sea Region Strategy to Raise Competitiveness of Region

18 September - **Foreign Ministry Undersecretary Marten Kokk participated in the Baltic Sea Region Strategy conference that took place in Stockholm from 17-18 September.** It was the final meeting of its kind before the strategy is approved by the European Council in October.

At the conference, issues related to the Baltic Sea Region Strategy were addressed and the implementation of the strategy was discussed. Macroregional strategies in general and their potential implementation in other areas of Europe were also discussed.

According to Undersecretary Marten Kokk, the Strategy for the Baltic Sea Region sets the stage for the Baltic Sea region to become a forward-looking and competitive region. "This could motivate other European Union regions to start thinking about working out similar strategies," stated Undersecretary Kokk.

Kokk noted that macroregional strategies like the Strategy for the Baltic Sea Region have a good perspective on the future, since they allow for topics that are important to the entire region to remain on the agendas of the governments of all the different countries in the region at once. The Foreign Ministry undersecretary stated that there are financial issues that need to be resolved for the implementation of the Baltic Sea Region Strategy. "We hope to include international financial institutions in the process. We maintain the position that additional strain should not be placed on the budget of the European Union," he added.

UN Report on Sale of Children, Child Prostitution and Child Pornography in Estonia Presented in Geneva

17 September - **The UN Special Rapporteur on the sale of children, child prostitution, and child pornography Najat M'jid Maalla presented her evaluation of Estonia at the 12th regular session of the UN Human Rights Council in Geneva on Wednesday, 16 September.** Maalla visited Estonia in October of 2008.

In her presentation, Special Rapporteur Maalla recognised Estonia's strong political will to address the given topic and noted that the number of cases of the sale of children and child prostitution and pornography is very small in Estonia. The rapporteur also stated that Estonia has employed many measures and implemented many reforms to protect the rights of children. In talking about changes that took place after Maalla's visit, the rapporteur made a recommendation to continue with the plan to give the Chancellor of Justice institution the role of Ombudsman of children's rights as well.

In his response, Estonia's Permanent Representative in Geneva Jüri Seilenthal thanked the special rapporteur and confirmed Estonia's continuing desire to promote and protect human rights. The ambassador supplemented the special rapporteur's presentation with an overview of recent developments in legislation and government activities.

Estonia has submitted its candidacy to become a member of the UN Human Rights Council in 2012.

Estonian Permanent Representative Presents Credential Letter to Director General of WTO

18 September - **Permanent Representative of the Republic of Estonia at UN Headquarters and other international organisations in Geneva Jüri Seilenthal presented his credential letter to World Trade Organisation (WTO) Director General Pascal Lamy today.**

In their discussion, the ambassador and the director general addressed the negotiation processes of various nations with the WTO and the status of the ongoing Doha Development Agenda trade negotiations. The ambassador introduced the situation of Estonia's economy to Pascal Lamy, as well as the Estonian government's strategy for getting out of the economic crisis.

Estonia has been a member of the WTO since 1999, and on 13 November 2009 Estonia will celebrate the 10th anniversary of its accession to the organisation.

Jüri Seilenthal was born in 1970 and began working at the Foreign Ministry in 1995. From 2002-2006 Jüri Seilenthal was the ambassador to Italy, simultaneously acting as ambassador to Israel and Malta, residing in Rome. Seilenthal worked as the Foreign Ministry undersecretary for administrative affairs from 1999-2000, and from 1997-1999 he was Estonia's charge d'affaires ad interim to Ireland. From 1996-1997 he was the director general of the Foreign Ministry's personnel department. Since June of 2007, Seilenthal has been the Estonian ambassador to the Holy See, and prior to his current position he worked as the chef de cabinet of the foreign minister's office. Ambassador Jüri Seilenthal is married and has a son and a daughter.

Foreign Minister Paet Opened Estonian Honorary Consulate in Houston

20 September - **Foreign Minister Urmis Paet opened the Estonian Honorary Consulate in Houston in the United States of America on Saturday, 19 September.** The Estonian honorary consul in Houston is Floyd Richard Drake.

Foreign Minister Urmis Paet said that the opening of the Houston honorary consulate is an important step for Estonia expanding its network of honorary consuls all over the world. At the opening of the honorary consulate, Paet also emphasised that the new Estonian honorary consul has a good opportunity to help intensify business relations between Estonia and the state of Texas. "Our new Estonian honorary consul Floyd Richard Drake's experiences with business in the United States will definitely be helpful to Estonian businessmen who wish to find business contacts in Houston," Paet noted. "The honorary consul's profound interest in culture will certainly facilitate developments and co-operation opportunities in that area as well," he added.

During the formal celebration following the opening, the honorary consul's Estonia piano was played by pianist and one of the owners of the Estonia piano factory, Indrek Laul.

The consular area of the new honorary consul is the state of Texas. The honorary consulate is located at 1912 Buschong, Houston, TX 77039, USA. The honorary consulate can be reached by phone at +281 442 8247, by fax at +281 219 0498 or by email at frd@usabldg.com.

Floyd Richard Drake, the owner and director of the maker of steel constructions United Structures of America Inc., was born in Texas in 1938. In 1961 Drake graduated from the University of Texas.

The new Estonian honorary consul's hobby is collecting art, and he also enjoys the ballet, opera, and classical music. Drake, who also likes to travel, has visited Estonia on several occasions.

There are currently five Estonian honorary consuls in the United States.

President of the Republic Accepted Credentials from Danish and German Ambassadors

16 September - **President Toomas Hendrik Ilves met with the new Danish and German ambassadors today, who presented their credentials to the head of state.**

Credentials were presented by Uffe A. Balslev, Ambassador of the Kingdom of Denmark, who resides in Tallinn, and German Ambassador Dr. Martin Hanz, who also resides in Tallinn.

At the subsequent meeting, the discussion included closer mutual relations and intensification of defence-related co-operation, as well as the European Union and the future of Europe.



President Toomas Hendrik Ilves with German Ambassador Dr. Martin Hanz, 16 September.

DOMESTIC NEWS

Two Thirds of Estonian Households Have Access to Internet at Home

18 September - **According to Statistics Estonia, in the 1st quarter of 2009 63% of Estonian households had access to the Internet at home.** Compared to the same period of the previous year, this indicator has increased by five percentage points. Almost all enterprises with 10 or more persons employed had access to the Internet, as in the previous three years.

The connection to the Internet was more widespread among households with children and two or more adults. In rural settlements the broadband connection via telephone line (DSL connection) and in urban settlements broadband connection via cable TV was more common.

Nearly three quarters of the population aged 16–74 used computers and the Internet and mostly at home. The most popular activities while using the

NATO Exercise to Continue in Baltic Air Space

18 September (BNS) - **A NATO exercise under the code name Baltic Region Event IV will continue in the Baltic countries' air space on Tuesday.**

The first phase of the exercise took place in Estonia on 14 and 15 September with the participation of US, Estonian, Latvian, Lithuanian, Polish, Turkish and German soldiers.

Phase Two of the exercise will involve two KC-135R tanker aircraft, eight F-16 fighters and the German anti-aircraft Eurofighters that began their air space security mission on 31 August, the Latvian Defence Ministry said.

The exercise will be carried out under the NATO air force headquarters in Germany, and will be co-ordinated by the regional co-ordination centre stationed in Lithuania.

Aaviksoo: Cultural Layer of Estonia's Security Policy Still Thin

18 September - **Yesterday, at the presentation of the special issue of the Akadeemia journal, Minister of Defence Jaak Aaviksoo stated that the cultural layer of Estonia's defence and security policy is still dangerously thin and that the debate on the major issues in the defence policy ought to be opened up to a broader audience.**

Defence Minister Aaviksoo said in his salutatory address that today the cultural layer of our national defence and security policy is still too thin. "We have in this area only a few opinion leaders and experts; there are, however, far more of those people whose contribution to the discourse on the defence policy is required. This requires the debate on the major issues in the defence policy to be opened up to a broader audience. Partly, it is to this aim that the present special issue of Akadeemia has been devoted, and I am hopeful that as a result of it there will be an increase in the number of people who have questions about the defence policy and the wish to ask them," Aaviksoo said.

According to Toomas Kiho, Editor-in-Chief of Akadeemia – a journal combining culture, history and security – is a precedent unto its own. "Militaria and culture need not be mutually exclusive areas necessarily, which is demonstrated by the newly released special issue of Akadeemia in camouflage covers," Kiho said while handing out authors' copies.

The presentation was attended by the academic panel of the journal, members of the Defence, Foreign Affairs and Cultural Affairs Committees of the Riigikogu, military historians, specialists in the area of security, cultural historians, and journalists. In the special issue, several experts on security and military history, from both Estonia and abroad, are represented, including the historian Jan Lipinsky, Oxford doctoral student Lucas Kello, the British military historian Sir Michael Howard, officials of the Ministry of Defence Holger Mölder, Hellar Lill and Toe Nõmm, the International Centre for Defence Studies researcher Maria Mäiksoo, Member of the Parliament Mart Nutt, and others.

The idea to publish a special issue of Akadeemia devoted to security issues evolved in connection with the 5th anniversary of Estonia's accession to NATO and the 60th anniversary of the alliance itself. The Ministry of Defence, the International Centre for

Internet were reading newspapers/magazines, Internet banking, and sending/receiving e-mails.

Almost all enterprises with 10 or more persons employed used computers and the Internet. A few enterprises that can manage without computers use the services of bookkeeping firms for the management of public business and accountancy or the respective activities are performed by the parent enterprise. The most popular type of Internet connection among enterprises was DSL broadband connection.

ID cards are used by half of the enterprises with 10 or more persons employed. ID cards were used mostly for authorising users in information systems and for giving a digital signature. The most active users of the ID card were the enterprises of human health and social work activities, financial and insurance activities and professional, scientific and technical activities.

Statistics Estonia conducted the survey of information technology usage among persons aged 16–74 and in households as an annex to the Labour Force Survey since 2005. The survey is carried out in the 2nd quarter; the reference period is the 1st quarter. In 2009, 4 000 persons participated in the survey. A household is a group of persons who live at the same address and share joint financial resources and whose members consider themselves to be members of one household, while family is based on relationship or kinship.

Statistics Estonia has surveyed the use of information technology in enterprises since 2001. In 2009, 3 500 enterprises participated in the survey. The survey involves enterprises with 10 or more persons employed.

The usage of information technology in households and by individuals aged 16–74 and in enterprises is studied by statistical organisations in all European Union Member States on the basis of harmonised methodology.

Estonian Government to Hold Session in Room Where 1944 Provisional Government Was Formed

21 September (BNS) - **The Estonian government will this week hold its weekly session in the historic room where the cabinet headed by Otto Tief was formed after the withdrawal of Nazi Germany's troops and prior to the arrival of Soviet forces in fall of 1944.**

The 24 September session of the government will take place in the assembly room of the Bank of Estonia that witnessed on 18 September 1944 the formation, on orders of then-Prime Minister in the duties of President Jüri Uluots, of a provisional government headed by Otto Tief as deputy prime minister. The regular governmental news conference also will be held in the central bank building.

The session will mark the 65th anniversary of the formation of the Tief-led government, spokespeople for the government said.

Tief's government was the last legal government of Estonia before the country regained independence. The importance of the government, which functioned only five days, lies in maintaining legal continuity of independent statehood between the German and Soviet occupations.

Defence Studies and the Akadeemia journal contributed to the publication of the special issue.

British Navy Chief Met With Wounded Estonian Soldiers

22 September (BNS) - **Britain's First Sea Lord and Chief of Naval Staff Adm. Sir Mark Stanhope who is visiting Estonia met on Tuesday with soldiers wounded on foreign missions.**

The admiral met today with Minister of Defence Jaak Aaviksoo and the two paid a joint visit to the rehabilitation center of the East Tallinn Central Hospital where soldiers returning from missions are receiving treatment.

Stanhope shed light on the British rehabilitation system and experience in conversation with 15 soldiers who are getting treatment for injuries sustained on missions.

The admiral also met with Commander of the Defence Forces Lt. Gen. Ants Laaneots and Navy Chief Capt. Igor Schvede.

Stanhope and Schvede spoke about the participation of both countries' vessels in trainings and operations, action in the composition of NATO's permanent naval units, and exchange of mine countermeasures know-how.

The British Navy chief said Estonia and Estonian troops were making an impressive contribution to the Afghanistan operation. He also said Estonian seamen were highly competent partners. By specialising in mine countermeasures, the Estonian Navy made the optimum choice, he observed.

The admiral visited the naval base in Tallinn and the mine-hunter Admiral Cowan, which Estonia bought from Britain. He underlined the historic ties of the two countries' naval forces, mentioning as an example the naming of the mine-hunter after Adm. Sir Walter Henry Cowan who led British naval forces in the Baltic during Estonia's War of Independence.

Stanhope is further scheduled to meet with the Defence Ministry's deputy general secretary for defence planning Lauri Tumm to discuss bilateral defence co-operation.

This is one of the first foreign visits for Stanhope after his appointment as First Sea Lord.

ECONOMIC NEWS

Austrian Companies Looking for Design Co-operation Partners from Estonia

22 September (BNS) - **Austrian companies are looking for seven Estonian producers for co-operation in the sphere of design; at the moment three local companies have displayed interest, the daily Äripäev reported.**

Ilona Guryanova, chairwoman of the Estonian Association of Designers, said a delegation of Austrian designers wishing to develop co-operation relations with Estonia and looking for business partners from the country would come to Tallinn in the framework of the Tallinn Design Nights cultural festival.

"There is another group of producers and entrepreneurs who are looking for possibilities of production in Estonia as well as subcontracting, but with the opportunity of selling their products in Vienna or in the whole of Austria," she told the paper.

Vahur Vōsa, member of the board of Fellin Furniture OU, said he did not yet know what the Austrians' eventual interests were. But he said that the company was interested in co-operation.

Vōsa said that Fellin's products were not mass products. As a result the company had been looking for opportunities on foreign markets in order to provide its trademark and Estonian design there.

Rein Raidna, CEO of 4room OÜ, told the paper that mutual sale and purchase was expected from the Austrians. "We hope we could also offer our opportunities of production. The Austrian firm we are interested in is in a very exclusive category."

Raidna said that the company had several new export channels and co-operation partners. He said that product development had been the key issue last year.

Andres Kivistik, CEO the AS Viisnurk furniture works, said that because of its niche the company also did not feel competition in Estonia.

"We have always been looking for foreign partners, but as the volumes have contracted on the present markets and we have free capacities, we are also looking for new partners," he said.

Estonian Companies to Acquire Loksa Shipyard

17 September (BNS) - **The Danish Odense Steel Shipyard Ltd. has wound up negotiations with a consortium of three Estonian companies -- AS Frelok, OU Crown Solution and OU Stako Diler -- on the sale of the Loksa shipyard.**

The parties have agreed to withhold the price of the deal, one of the companies in the consortium said today.

The transaction, which has to be approved by the Competition Board, is expected to become effective at the end of October.

The new owners of the Loksa shipyard want to continue its main activity - manufacturing of steel structures for the shipbuilding industry.

They also intend to expand its portfolio with new lines such as energy, oil and gas industry, and building of infrastructure.

Odense Steel Shipyard put the plant up for sale in September 2008 as part of its own efficiency drive.

The shipyard based in the small town of Loksa on the northern coast of Estonia became a holding of Odense Steel Shipyard Group in 1994 and has since developed into one of the world's leading producers of hatch covers.

The shipyard also manufactures metal structures and hull elements.

According to Frelok's website, the firm specialises in the wholesale of construction steel and production and galvanising of welded grates and stairs. It is based in Tallinn and owns an interest in the Galv-est galvanising plant.

Crown Solution is a Tallinn-based enterprise founded at the end of last year, data of the commercial register show.

Headquartered in Kohtla-Järve, Stako Diler specialises in the manufacture and assembly of metal structures. The company is fully owned by Estonian capital.

Commercial Realty Firm Ärimaja Nets EUR 4.58 Million in 2008

15 September (BNS) - **AS Ärimaja, a company that operates two commercial properties in Tallinn and a spa hotel in the Latvian seaside resort Jurmala, earned a net profit of 71.7 million kroons (EUR 4.58 mln) last year.**

In 2007, the company made a loss of 5.6 million kroons.

A substantial part of the profit in 2008 was earned as financial income from affiliates, it appears from the annual report.

Operating profit in 2008 climbed 15% year on year to 26 million kroons. Sales were up 2% at 132 million kroons, of which 35 million kroons was generated in Estonia and 97 million kroons in Latvia. AS Ärimaja employed on average 235 people last year and spent more than 37 million kroons for payroll costs. The company has three employees in Estonia, with the rest of the personnel employed in Latvia.

AS Ärimaja is owned by Estonian private individuals.

Fertilizer Maker Nitrofert Quadruples Profits in 2008

17 September (BNS) - **The Estonian chemicals company Nitrofert that specializes in fertilizers earned last year a net profit of 719.3 million kroons (EUR 46 mln), which is 4.2 times more than a year earlier.**

According to the annual report, Nitrofert's operating profit was 572.5 million kroons in contrast to 170.6 million kroons in 2007.

Sales revenue soared 62% to 1 573 million kroons. European Union member states accounted for close to one billion kroons, the domestic market 92 million kroons and other countries 471 million kroons of the total.

By products, urea accounted for 970 million kroons and ammonia for 587 million kroons.

Nitrofert said the growth in sales revenue last year was due to price growth while the price of raw material or natural gas remained at the previous year's level.

The company made investments to the tune of 26 million kroons in 2008.

Nitrofert employed on the average 475 people during the year and its payroll expenses inclusive of the social tax added up to 103 million kroons, up by a fourth against 2007. The manager's pay was two million kroons.

The owner of Nitrofert is the Cyprus-registered Balmat Holding Limited.

According to information dating from the end of August, Nitrofert's operations have come to a halt. The manager, Alexei Nikolayev, explained that because of low prices there is no point in launching production.

A. Le Coq Products Take Top Five Spots on Beer Market

21 September (BNS) - **Products of A. Le Coq occupied the five highest places in the table of bestselling beers in Estonia in June and July, according to a study by AC Nielsen cited by A. Le Coq.**

The winner by a wide margin was the Premium brand of beer of A. Le Coq released as a six pack of

cans, of which 873 800 liters were sold. In places two and three came Double Bock and Disel beers sold in two-liter PET bottles.

Premium in a glass bottle, sold in packs of four, followed in fourth place while the canned variety of Alexander, also a brand of beer by A. Le Coq, took fifth place.

Rival Saku Õlletehas had its most successful product -- the Rock brand of beer marketed in PET bottles -- in place six. Of that product 557 800 liters were sold during the period.

Saku's flagship Saku Originaal, in the canned version, was in tenth place.

ESTONIAN REVIEW (ISSN 1023-1951)

Is issued by the
Press and Information Department, Ministry of Foreign Affairs
ISLANDI VÄLJAK 1, TALLINN, ESTONIA 15049

TEL +372 637 7600

FAX +372 637 7617

Estonian Review is also available over the
internet at <http://www.vm.ee>

To subscribe, please contact: vm@vm.ee
Estonian Review is compiled in co-operation with
the Baltic News Service <http://www.bns.ee/>

