

Plan of action for the implementation of the Concept for the Development of the Estonian Civil Society for 2004-2006

Introduction

The Concept for the Development of the Estonian Civil Society (approved by the Estonian Parliament, December 2002) specifies the mutually complementary roles of the public authority and citizen initiative and the principles of co-operation for shaping and implementing public policies and building up a civil society in Estonia. The general aim of the document is to express common understanding of the public authority and the non-profit sector about cooperation as social partners in order to build up a civil society and a social economy in Estonia with the active participation of its citizens.

The plan of action for the implementation of the Concept for the Development of the Estonian Civil Society (below: Concept) for 2004-2006 summarizes the work done so far by a joint commission of the government of the Republic of Estonia and the representatives of the citizens' associations and it sets forth the most important actions for the implementation of the Concept which are feasible and promote activities supporting future choices for developing this field.

1. Background

The plan of action drafted to implement the Concept is based on the analysis of the current situation mapped by the joint commission of the government of the Republic of Estonia and the representatives of the citizens' associations (below: Commission) and on the proposals submitted to the Commission for the improvement and development of the situation in Estonia.

Both the representatives of the public authority as well as of the citizens' associations found in their working groups that in order to create a conducive atmosphere for solving the problems and promoting citizen initiative it is crucial to adopt a comprehensive approach to the field - the assessment of the effectiveness of the existing and established structures as well as the analysis of different possibilities, their advantages and disadvantages in making further choices. Only then is it possible to put forward concrete proposals for introducing changes to develop legislative space, funding schemes and supporting networks, which promote citizen initiative.

The plan of action for 2004-2006 contains activities which are concerned with the analysis of the existing legislative framework and the established practices, a more detailed examination of the problems, the identification of interests, the dissemination of information to the public, the framing of the proposals and the initiation of various pilot projects. While drafting the plan of action, the area-specific problems emphasized by the members of the Commission, the proposals submitted by the working groups as well as the existing possibilities of the organizations implementing the activities were taken into account.

The priorities dealt with by the working groups were 1) legislation regulating citizen initiative, 2) involvement of citizens and citizens' associations in the decision-making processes, 3) financing of citizens' associations, 4) statistics, 5) civic education and 6) public awareness.

1.1. Legislation

The domains most often discussed, which were related to the legislation regulating the activity of the citizens' associations and the problems pointed out in the corresponding working group, were connected with the funding schemes of the citizens' associations and the established forms of citizen initiative. The most important laws regulating the different forms of citizen initiative in Estonia are the Non-Profit Associations Act (NPAA) and the Foundations Act (FA). In addition, there is the Law of Obligations Act, which, in Article 580, Section 1, establishes that, in contract of partnership, two or more persons (partners) undertake to act to achieve a mutual objective and to help to achieve the objective in the manner established by the contract, above all by making contributions.

The representatives of the self-initiated citizens' associations are of the opinion that their treatment on the same basis as, for example, the associations of business organizations is not justified. It was pointed out that the non-profit organizations and foundations created by the public sector cannot be treated as civic initiative organizations and their activity does not need support or promotion. The experts Merusk, Olle and Saaremets (2004) think that if, in view of the public interest, the public authority will have to - for some reason and on some basis - delimit the existing non-profit organizations, for example, with the aim of funding the activity of these organizations, it will achieve this by applying corresponding criteria to the existing forms of non-profit organizations. The experts think that the introduction of the concept of the citizens' association into legislation would not solve the real problems, rather, it might damage the principle of legislative clarity.

The citizens' associations have also referred to a problem that partnerships do not exist as independent legal entities. It has not been specified which of their activities cannot be implemented because of the existing partnership regulation and why some other form is not chosen for implementing their activities. The issue of the necessity of regulating voluntary activity has been raised. The reason for this is that there have been attempts to solve arising problems on the basis of single cases, but this does not make it possible to solve all the problems connected with organizing voluntary work in the uniform manner. The representatives of organizations involving volunteers in their activities are not satisfied that the term "volunteer" lacks the definition and content which is clarified by legal norms and protected by law.

The idea of a partnership means, above all, that it is not necessary to create a legal person governed by private law for implementing all the activities, however, the representatives of citizens' associations have pointed to the problems related to the financing of their organizations, the division of responsibility for a supported activity and the controlling of the outcomes that are encountered in practice. In the area of probation supervision and in arranging victim support a legalized possibility to use volunteers and its exact regulation has justified itself, but there is a lack of uniform understanding of the need and scope to regulate cross-domain voluntary activity keeping in view that the overregulation of volunteer activity may change the content of the activity in public interest based on altruist goals.

Although the introduction of additional regulations may not always be useful, it is necessary, in view of the signals about the problems emerging in citizen initiative practice to analyze more thoroughly the background of and the reasons for the drawbacks and to find possible solutions for the removal of hindrances to citizen initiative activity, either by drawing proposals for the amendment/improvement of the existing legal framework or by conducting a comprehensive publicity campaign in order to introduce the existing legal regulations and the possibilities of how to use them more widely.

1.2. Involvement

Despite the wider recognition of the principles of interest group involvement, there is a lack of uniform principles applicable to involvement processes by different institutions and a more detailed overview of the existing practice of involvement, which, in its turn, makes the decision-making process as a whole less transparent. One of the problems is the uneven and inadequate knowledge of the need and of various methods of involvement that the institutions and officials of the public sector have; for this reason they are not able to use the existing possibilities for the shaping of the processes.

In view of the abovementioned drawbacks two projects on involvement have been initiated: an Estonian-Danish joint project "The strengthening of co-operation between the Estonian public sector and the organizations representing the entrepreneurs" commissioned by the Ministry of Economic Affairs and Communications, whose coordinator on the Estonian side is the Estonian Association of Non-profit Organizations and Foundations, and the Praxis Center for Policy Studies is carrying out a project on "Involvement and consultation in the decision-making process - research, analysis and recommendations". The results of these projects are an important input into establishing the general principles of citizen and citizens' associations involvement in order to promote cooperation between different national sectors and governmental institutions for the establishing of good involvement customs and practices.

An important element in establishing the involvement schemes is the cooperation between the representative and umbrella organizations of the non-profit sector and the representatives of the governmental sector. The role of the umbrella organizations is their capacity to involve more citizens and interest groups in the process, deliver professional and area-specific competent opinions. To promote cooperation in the field of consultation with representative and umbrella organizations as important channels of information it is necessary to set down the criteria of umbrella organizations and specify the schemes of representing interests. At the same time the principle that each organization has the right to represent their interests independently must be borne in mind.

Over the past years several internet-based portals supporting participatory democracy and promoting involvement in decision-making processes have been opened, which, however, do not often fulfill their basic task because of the lack of awareness and skills of the citizens: they have little knowledge of the legislative process as a whole and the different possibilities of involvement; the habit of writing relevant proposals and commentaries and their submitting is not yet developed. Thus the proposals in the interactive portals, if they are not moderated, are often inapplicable. The result is that the interaction facilities function more as information channels and not as consultation channels. To guarantee the effectiveness of the involvement process, above all, keeping in view the principles of consultation, it is important to start from the evaluation of the objectives of the existing legislative fora (Themis, TOM,

etc.), the possibilities they offer, applicability, real outcomes and practices in order to get an overview of the situation, develop the internet-based facilities for participating in the legislative process, simplify involvement process for the citizens and citizens' associations.

1.3.Financing

The funds for the citizens' associations activity are made up from membership dues, from public sector appropriations through contracts for grants, target financing or rendering services, from project grants financed by local and international foundations, from the revenues received from the sale of the products/services or from the donations of private persons and businesses. The indirect sources are the tax allowances and non-monetary aid. An important resource for the associations is the time and work contributed by their members and volunteers.

Although the membership dues are one of the most important sources of income for the associations, they are mostly symbolic, as they do not cover all the necessary operating costs and they do not allow the organization to develop or expand its activity. In order to create conditions for active civic involvement in social life, it is important to consider the possibilities of supporting citizen initiative directly or indirectly from the state budget funds.

The existing financing of the citizens' associations from state budget funds is in practice domain-oriented and there is a lack of uniform principles and rules of procedure for applying for funding, allocating funds and later accountability. Although the domain specificities do not allow complete similarity, the lack of uniform general principles leads to misunderstanding, decreases comprehensibility and confidence in the decisions that have been taken, and in the transparency of the financial decisions. Inefficient is the assessment of the effectiveness of the activities financed from the state budget, for which there are no uniform criteria. (The financing of the citizens' associations from the state budget in 1998-2001, Ministry of the Internal Affairs, 2001: http://www.sisemin.gov.ee/atp/failid/Kodanikeyhenduste_riiklik_rahastamine.rtf). In order to guarantee transparency, to control the achievement of the objectives and to assess the effectiveness uniform rules of procedure, which take into account the domain specificities, must be laid down.

In restructuring the systems of financing, the rules and the procedures it is critical to have the review of the existing financing schemes supporting the development of civil society, the analysis of needs and possibilities. The representatives of the associations have pointed out that the established traditions of financing from state budget funds and, for example, the Gambling Tax Act, have put some areas and their organizations into an advantageous position. The existing Gambling Tax Act establishes fixed rules for the distribution of sums according to the areas, less attention has been paid to the description of the decision-making process, which, in the opinion of the representatives of the associations, is not considered to be sufficiently transparent, creating dissatisfaction and distrust towards the decisions taken by the Council. It is essential that the distribution of funds should be flexible and take into account the emerging needs and changes in the society.

The financing of the execution of public tasks by citizens' associations, the search for suitable schemes and agreement about uniform principles is a cross-domain need and for this cooperation between different ministries as well as regular cooperation of the public sector with the representatives of the citizens' associations should be strengthened. Although

financing is mostly area- and activity-based, cooperation between the ministries for the achievement of related objectives in financing citizens' associations has not been sufficiently developed. The aim of the analysis of financing schemes has been to find the best solutions to guarantee the purposefulness and the maximum effectiveness of financing, but also to economize on administrative costs.

Over the years some organizations have become important partners for the ministry coordinating a specific domain. For an effective partnership it is necessary to establish possible mutual contributions, rights and obligations. It is not to be forgotten that consultation and the collection of different opinions often require additional resources (temporal, human, monetary, etc.) from both sides, which must be taken into account in cooperation. The expenses related to the representation of the interests and opinions of the organization cannot be covered by single project-based grants.

The first steps to develop taxation policy which promotes citizen initiative and makes charity possible have been taken - on the basis of Article 11 of Income Tax Act the list of nonprofit associations and foundations has been approved by the government of the Republic of Estonia, the inclusion of an association in this list means, for example, that it is exempt from fringe benefit, that the donated sum is deducted in a certain amount from the taxable income of a self-employed person, etc. In addition, the associations included in the list have various reliefs from customs duty.

It is necessary to study the awareness of the population about the possibilities created with income tax incentives and their use of these possibilities, to analyze how taxation policy affects citizen initiative, evaluate the effectiveness of chosen solutions, describe the advantages and potential problems. For example, volunteer activity might involve some expenses, which, as fringe benefits, are taxable within the framework of the existing legislation, thus restricting the involvement of volunteers in the activities of the associations. The experience and example of other countries are not directly applicable within the Estonian system of taxation; however, the applied solutions deserve review and comparison, in order to create a vision of possible changes in the taxation system concerning Estonian associations and their donations.

In the existing Estonian legislation the concepts of public interest and private interest are not clearly defined. The differentiation between organizations which act in public interests and the non-profit organizations and foundations that act in private interests (in the interests of their members) is important in order to promote the establishment and development of organizations of citizen initiative, which act in public interest and support domains in which they operate. It is also important that the principle of uniform treatment will not be violated by those who have organized through citizen initiative but have risen into prominence by satisfying their private interests. The public interest is defined to a certain degree in Article 11 of the Income Tax Act, however, the conditions under which associations are listed as benefiting from income tax incentives, which this Article establishes, do not differentiate sufficiently between organizations acting in public interests and those acting in private interests.

At the initiative of the representatives of the citizens' associations a bill to amend Article 11 of the Income Tax Act has been drawn, which specifies the concept, obligations and rights of an organization acting in public interests and the method of the inclusion in the list of

associations benefiting from tax incentives. It is necessary to promote cooperation in order to find a suitable and comprehensive solution to the application of the principles set out in the bill.

1.4. Statistics

In order to guarantee the transparency of the activity of nonprofit organizations and foundations certain legislative regulations have been established in the Nonprofit Associations Act, in the Foundations Act as well as in special acts: the nonprofit organizations and foundations are entered into the registers of nonprofit organizations and foundations, which are kept by the registry departments of county and city courts about the nonprofit organizations and foundations in their jurisdiction. The entries in the register are public and each person has the right to get acquainted with the index and the public file and make copies of a document in the index of the register or the public file. The existing official data available in the register of the nonprofit organizations and foundations as well as in the statistical register of economic units do not make it possible to get a full overview of the activity of Estonian citizens' associations or of the number of active organizations. There are no data about partnerships, the data do not reflect the number of persons working for nonprofit organizations or foundations and other data related to volunteerism. As a number of different definitions are used to describe the sector (the broadest being the legal definition), the number of active organizations in the overviews about the sector is different. The opinions as to the suitability of using the classifications of the domains of Estonian economic activity for describing the nonprofit sector differ.

A further objective of the activities in the field of statistics might be the creation of a data bank for the nonprofit sector or a special statistical register of citizens' associations, which would comprise all the organizations (nonprofit organizations, foundations, partnerships) and would enable to classify the data in various ways. In the current public economy account kept by the Statistical Office the nonprofit organizations and foundations "dissolve" between the different institutional sectors and the information collected about them does not take into account the specific features of the nonprofit sector. Facilities should be developed in order to consolidate the data of the existing sources of information (Statistical Office, Tax Office, ministries, domain-specific umbrella organizations).

To examine the current situation of citizen initiative and the attitudes of the population new studies for data collection should be initiated and questions concerning the activity of citizens' associations should be included in regularly conducted population surveys (for example, the questions about volunteerism in the household surveys, the questions concerning employment in the nonprofit sector in the employment surveys, etc.) Above all, the strengthening of cooperation of corresponding institutions is needed in order to consider possible solutions to solve the emerging problems.

1.5. The teaching of civics

The problem in the teaching of civics is an overemphasis on the teaching of the prescribed topics and issues through factual knowledge and as centered around "pure knowledge". In view of the principal idea of the subject it is necessary to shape it so that it would prepare students for life under the conditions of developing democracy and civil society and would teach them how to cope with everyday life as a citizen. The syllabus of social science - the areas that are dealt with, the number of classroom hours and the teaching materials that are used - should be reviewed. The students think that the historical dimension, an overview of

the field of economy and the differentiation between entrepreneurship and the so-called social economy should be included in the syllabus. The methods of active learning offer several possibilities, as, instead of dealing out factual knowledge they focus more on the development of social skills (communication and debating skills) and everyday skills (the search and processing of information, presentation, cooperation, analysis and decision-making skills). The use of active learning methods is not encouraged because of the scarcity of classroom hours and the large number of topics in the syllabus, but also because of the uneven quality of teaching skills and uneven knowledge of different possibilities. Although the work in the classroom depends largely on a particular teacher, clearer guidelines or instructions should be incorporated either into the syllabus or into some other document as long as the teachers are not prepared to find new methods for dealing with the topics independently.

An important contribution to the acquisition of everyday skills is the practical experience obtained by the students. For example, young people easily adopt the ideas of volunteerism, but for perceiving volunteerism as a value young people should have competent direction and supervision as well as the idea, the possibilities and the needs of volunteerism should be explained to them. For presenting the topics and conducting classes outside the classroom, the existing networks should be made use of and cooperation between different structures and schools (school-youth center/hobby center- local government) should be promoted. The experience of other countries shows that those who have encountered the idea of volunteerism at an early age and have gained positive experience, get involved in helping others and in volunteer work later as well, be it social work, environment protection or some other area.

Notwithstanding an urgent need for continuing education for teachers, the use of existing possibilities is very uneven and as the system of continuing education as a whole is market-oriented, the social science area is very often neglected by the teachers and school leaders when selecting courses and participating in them. In order to emphasize the need to integrate civic values into different syllabi and classes and to introduce the possibilities to do this, the school leaders should be given special attention.

As the subject of civics, the methods used to teach the subject, the teaching materials and modes of teaching change quickly in practice, it is necessary to observe, analyze and assess the process of the acquisition of knowledge and skills by the students, which is not possible only within the framework of level tests and examination papers. A good opportunity presents itself when the methods applied in the 1999 international research on the teaching of civics will be used for conducting a repeat survey. A special analysis should be made of the command of different social science topics by the civics teachers in both Estonian-language and Russian-language schools.

1.6. The support structure of citizen initiative and public awareness

The level of citizen initiative and the sustainable development and professionalism of citizens' associations depend on many supporting factors such as information flow, the existence of consultation and advisory services, opportunities for cooperation, financing, leaders, etc. Unlike single associations, the networks and structural parts find it more difficult to operate and maintain their sustainability if they are project-based. The state has established the network of development centers in the counties, which also offers various services to citizens' associations, but there is too little information about the services offered by the

centers and the existing services package does not support or guarantee the promotion of systematic cooperation and partnership arrangement in the field.

While the citizens' associations are capable of finding resources for performing various activities (write project applications, carry out projects), the activities, which are necessary for the development of the organization itself, are not usually supported by funding. The government of the Republic of Estonia has worked out a program of local self-initiative, which is a substantial contribution to the citizen initiative at local level; however, there is a need to develop a uniform state-supported concept/long-term program to enhance citizen initiative and civic participation. In order to promote and develop citizen initiative support structures it is necessary to agree on the measures which would support the existing networks of citizen initiative and voluntary community activity and enhance the professionalism of citizens' associations by integrating the existing possibilities with necessary additional possibilities.

In enhancing popular awareness and shaping attitudes and values, media has an essential role to play, by now the possibility of disseminating civic knowledge - rights and obligations - through media has been a resource which has little been use. It is essential to find possibilities to cooperate with both public and independent channels, to express under different rubrics the possibilities for citizen involvement in the shaping of living environment, to introduce the existing channels for participating in the decision-making process, to disseminate information about activities initiated to promote civil society and their effectiveness, point out good examples about citizen participation and citizen activity. An essential resource for enhancing public awareness is the modern infotechnological facilities - several internet-based information resources have been established - it is possible to give a better overview of the concepts and topics concerning citizen initiative.

The idea of launching the Civil Society Research and Development Center concerns the establishment of a central organization which deals with the research of the area and the analysis of the developments and processes, while bringing together the experts, researchers and teachers active in the field. The center would help to shape uniform programs, which promote civil society, civic education and the third sector, as well as educational programs and curricula (both for formal and informal education), on the one hand, having a practical output in developing the educational system, on the other hand, conducting research at academic level. The idea of the establishment of the Civil Society Research and Development Center is based on the current analysis of the area and on the fragmentation of the current activities as well as on the need to improve the dissemination of information and to promote the cooperation of relevant organizations.

1.7. The promotion of cooperation between the government of the Republic of Estonia and the representatives of citizens' associations

Cooperation between the government of the Republic of Estonia and the representatives of citizens' associations with the objective of identifying the area-specific problems concerning civil society, of considering different solutions and drawing plans of action, of consulting and exchanging information has acquired a systemic beginning with the establishment of a joint commission. The members of the Commission have been convened following the principle of representation; the actual work is done in the working groups. In order to implement the plan of action drafted by the Commission it is essential that the representatives of relevant institutions and organizations and experts should be involved in the work of the joint

commission, above all, through the working groups. As the areas that are dealt with are very different, it is useful to make the actual work more working-group-based, while the Commission would have an advisory role and the right to review the work done in the groups and take the final decision, as well as the right to ask opinions and to arrange consultations with those involved in a broader circle.

The work of the Commission so far has shown that it is also necessary to consider the communication schemes for informing the public about the work of the Commission, for disseminating information about the topics under discussion, for broadening the circle of those consulted and for enhancing the effectiveness of the consultation process. For a better representation of the interests of the associations mechanisms should be found to guarantee two-sided information flow within the organization represented concerning the application of the Concept. To represent the opinions of the government of the Republic of Estonia it is important to develop an approach to the drafting of action programs, which is based on the common understanding of the needs and possibilities by the governmental sector.

2. Plan of action

In view of the area-specific problems described by the working groups, the readiness of the organizations participating in the work of the Commission and their real possibilities, a plan of action based on the priorities set out in the Concept uniting the domains and containing eleven objectives was drafted for 2004-2006 (Appendix 1).