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OECD ja Euroopa Komisjoni Eesti riigi raporti soovituste tutvustus.



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STRENGTHENING PLACE-BASED REGIONAL DEVELOPMENT POLICY IN ESTONIA

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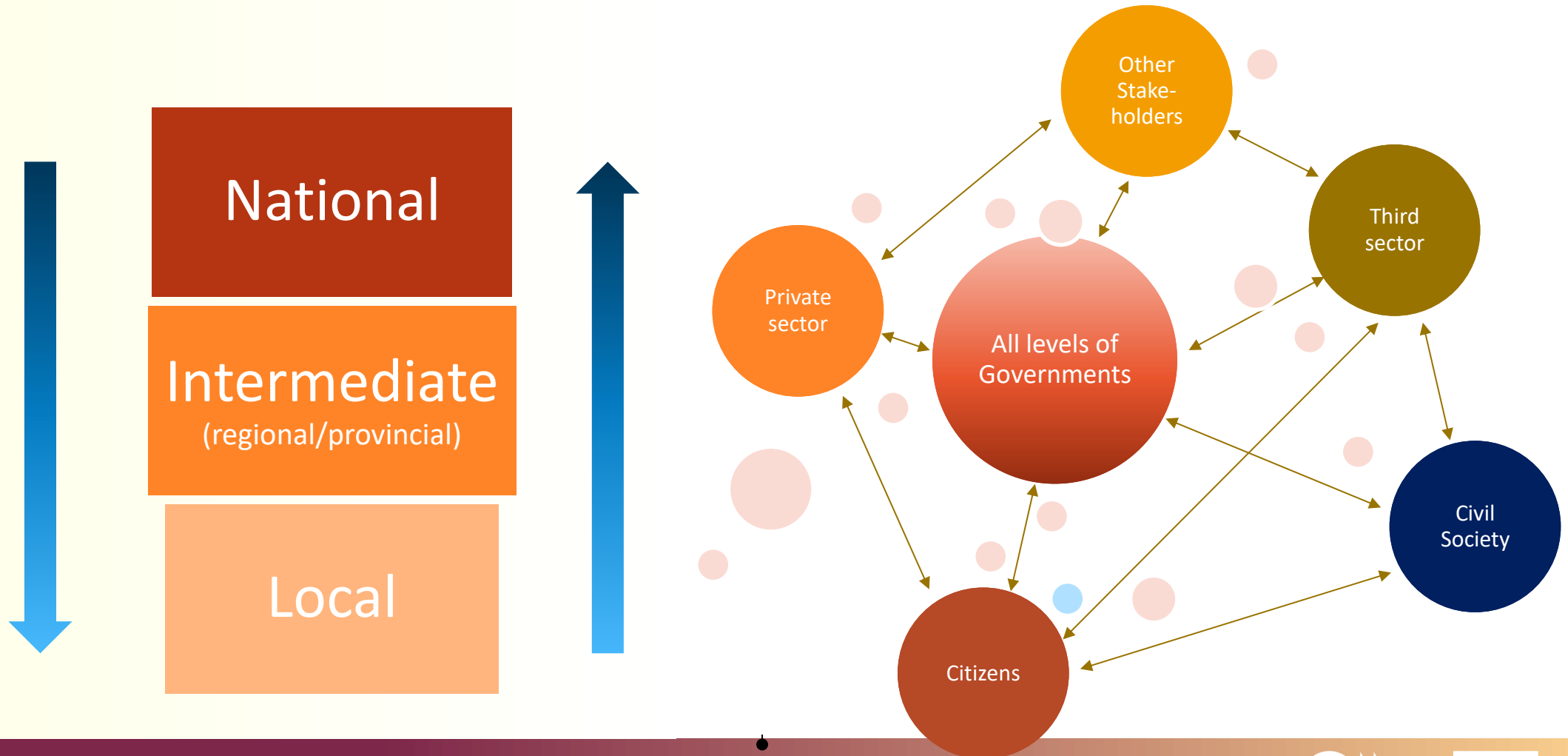
Remarks from the European Commission



OECD – Results of *Strengthening place-based regional development policy in Estonia*



A more collaborative multi-level governance system offers a strong base for place-based regional development.





Project overview





Today's presentation



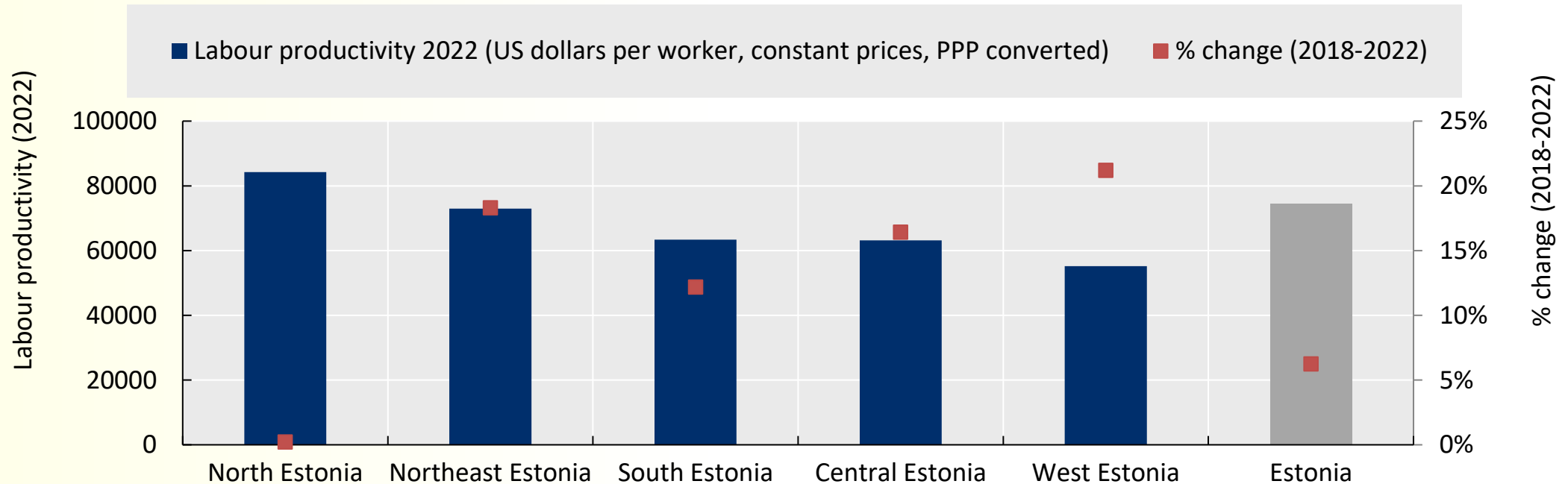


Regional differences in Estonia: Five regions, one nation



Labour productivity differences among regions have implications for jobs, wages, public services...

Labour productivity by region



Source: OECD (2022), OECD Regional Statistics (database), OECD, Paris, <http://dx.doi.org/10.1787/region-data-en>

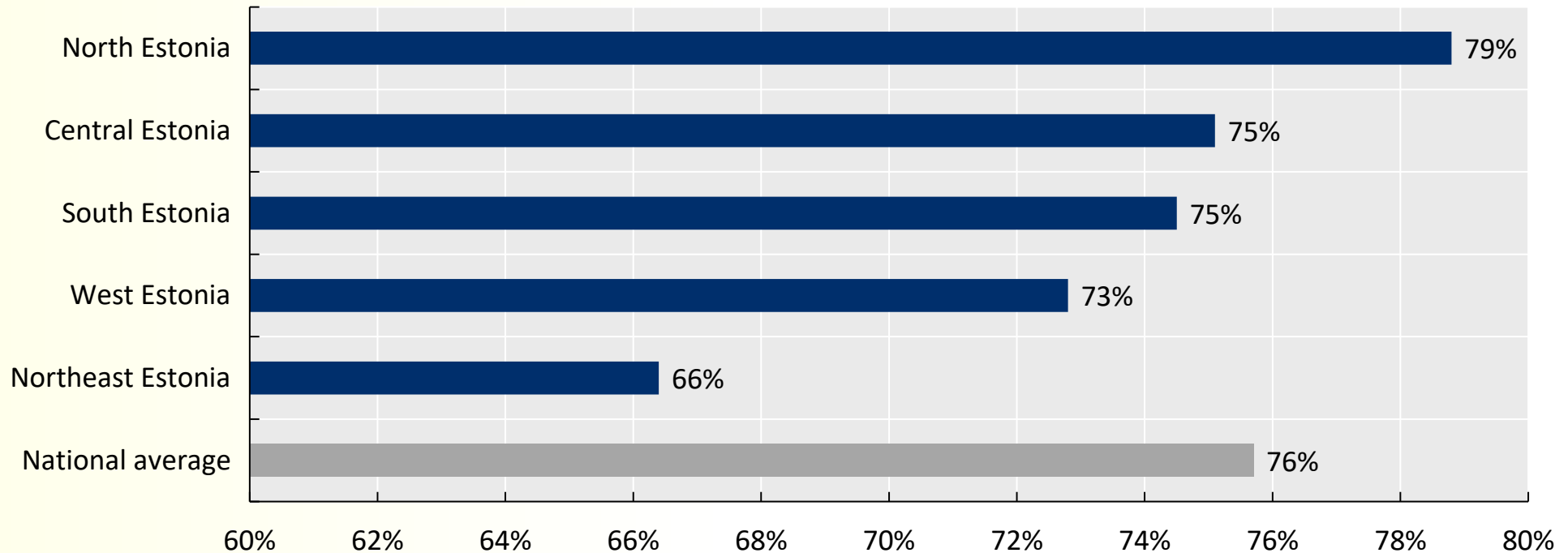




Regional employment differences:

Where you live shapes your ability to have a job

Employment rate for 15-74 year olds, 2024



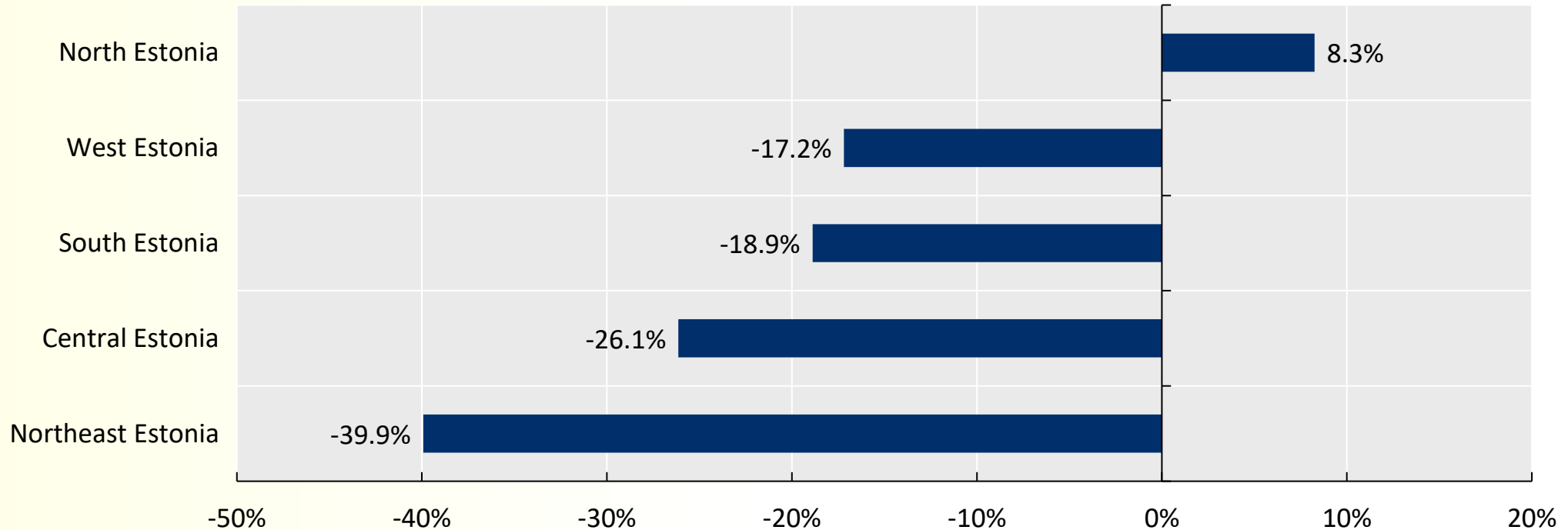
Statistics Estonia. (2024). TT4645: LABOUR STATUS OF POPULATION AGED 15-74 by Indicator, Region/county, Age group and Reference period. Retrieved from <https://andmed.stat.ee/api/v1/en/stat/TT4645>





Population change will affect each region differently

Projected population growth, 2024-2050



Source: Eurostat. (2024). Population on 1st January by age, sex, type of projection and NUTS 3 region. Retrieved from [https://ec.europa.eu/eurostat/databrowser/view/proj_19rp3\\$defaultview/default/table](https://ec.europa.eu/eurostat/databrowser/view/proj_19rp3$defaultview/default/table)





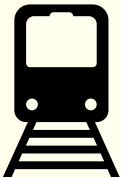
More than money: Where you live shapes well-being



Health: 4-year gap in life expectancy between North and Northeast Estonia



Education: 51% hold a tertiary degree in North Estonia vs. 29% in Central Estonia; 30% of rural teachers want to leave the profession compared to 22% in Tallinn



Transport connectivity: More than 90% of urban residents have easy access to public transport vs. only 17% of rural residents

Statistics Estonia. (2023). RV0452: LIFE EXPECTANCY by Year (2022/23), County, Sex (male and female) and Age group. Retrieved from https://andmed.stat.ee/en/stat/rahvastik_rahvastikunaitajad-ja-koosseis_demograafilised-pehinaitajad/RV0452

OECD. (2025). Educational attainment - Regions. Retrieved from <http://data-explorer.oecd.org/s/110>

Estonian Ministry of Education and Research. (2018). Teachers and school leaders as valued professionals (Õpetajad ja koolijuhid väärtustatud professionaalidena). Retrieved from https://harmo.ee/sites/default/files/documents/2021-02/TALIS2_kujundatud.pdf

European Forum for Geography and Statistics. (2018). Estonia. Retrieved April 22, 2025, from https://www.efgs.info/11-2-1-estonia/?utm_

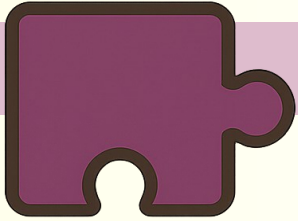




Place-based policy for regional development in Estonia: What it would take

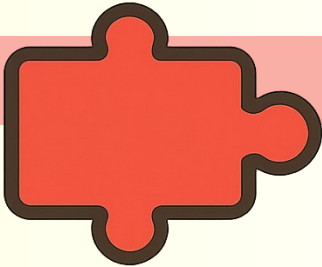


Place-based policy for regional development is...



Intentionally spatially targeted

Tailors policy tools – resources, government intervention – to specific places within the country.



Able to respond to multi-dimensional regional development challenges

Requires a cross-cutting approach to address complex, multi-dimensional regional development challenges, aligning different sectors to take advantage of complementarities and guard against spill over effects.



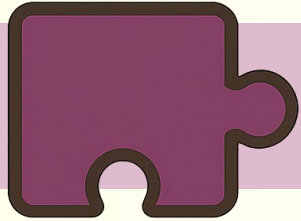
Place-sensitive to regional conditions and opportunities

Builds an understanding of regional context, conditions and opportunities to design policy that drives regional development.





Missing puzzle pieces for place-based policy for regional development



Puzzle piece #1: Intentionally spatially targeted, taking location and geography into consideration

In Estonia, **sectoral policy on the national level is mostly spatially blind**. Intentionally spatially targeted policy focuses mostly on Ida-Viru and Southeast Estonia

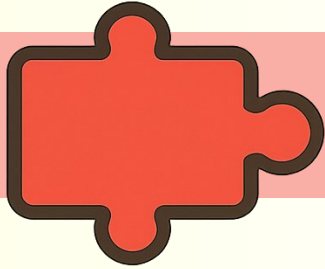
Recommendation:

1. Encourage ministries to think about the regional implications of their policies by **strengthening the assessment of regional impacts of new policies** (e.g. involve the Ministry of Regional Affairs and Agriculture directly in reviewing assessments, introduce accountability mechanisms, such as a public “regional impact dashboard”)





Missing puzzle pieces for place-based policy for regional development



Puzzle piece #2: Able to respond to multi-dimensional regional development challenges

In Estonia, there are **weak links between sectoral ministries and the Ministry of Regional Affairs and Agriculture**, limiting the ability to respond effectively to complex regional development issues.

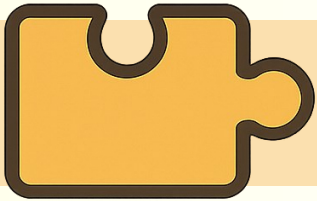
Recommendations:

- 1. Create space for regular cross-ministerial dialogue on regional development.** This could include dedicated sessions for political actors within the Economic Cabinet and a civil servant-level steering committee focused on regional development to “connect the dots” across sectors.





Missing puzzle pieces for place-based policy for regional development



Puzzle piece #3: Place-sensitive to regional conditions and opportunities

In Estonia, **national strategy-setting is disconnected from local input**, and **local governments often lack the capacity to act** on regional needs and opportunities.

Recommendations:

1. **Help municipalities and county development organisations develop strong strategic plans** (e.g. improving national guidance on county planning; offering training, templates, and examples of good practice).
2. **Help national and local governments find common ground among their priorities** (e.g. by mapping how local, county, and national objectives interconnect on the national strategy platform).





**Estonia's pilot regional councils:
A step towards a place-based
approach**



The regional councils can help to fill some of the gaps

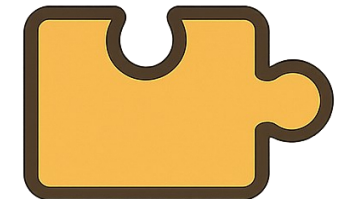
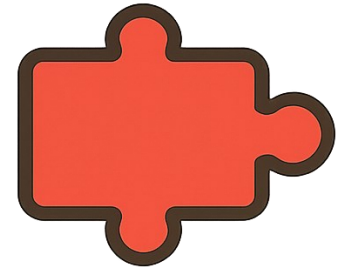
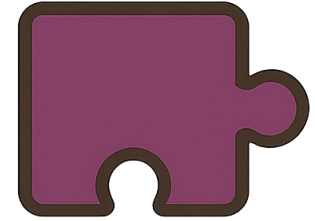
They harness two tools to strengthen multi-level governance for regional development – experimentation and contracts.

They promise to help to address:

- Lack of cross-ministerial co-ordination for regional development at the national level
- Weak links between national and local planning

By bringing together national and local actors to:

- Align the activities of different local authorities in a region
- Help ministries identify and act on local needs

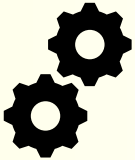




Helping future regional councils live up to their promise through strong agreements...



Broaden **national government participation**, including by targeting ministries who did not participate in the pilots (e.g. environment, social affairs).



Create **clear expectations for the roles of council members and signatories**, making it easy to know when they are scoping out regional needs and opportunities, and when they are negotiating concrete commitments






Ensure that future regional agreements are credible, with clearly defined **roles, resources, and mechanisms for monitoring and enforcement.**



What's next? Continuing to learn by doing

The pilot phase is over - now Estonia must decide how and whether to scale up.

Doing so starts with an evaluation, which:

-  Gauges how the councils delivered on the Estonian Government's objectives for the pilots
-  Uses both quantitative and qualitative measures and includes input from a broad range of stakeholders
-  May be independent for greater objectivity and to encourage participants to share candidly.

Continuing an experimental approach with phased scaling up - introducing new responsibilities gradually – can help build capacity and manage risk.



Conclusion



Recap: Today's presentation and main messages



Differences in economic and non-economic outcomes, and different assets and ambitions among Estonian regions point to a role for a place-based approach to regional development.

To pursue a place-based approach to regional development requires that the Estonian Government make policy that is responsive to the needs, assets and ambitions of regions.

Estonia's pilot regional councils marks a first foray towards a more place-based approach to regional development, using experimentation and agreements as tools.



Thank you!



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