

# The New Territorial Pattern in Estonia

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## **Factors that affected the new administrative-territorial organisation of municipalities**

The new map of Estonian municipalities emerged from the cumulative effect of various factors. At the most general level, these can be grouped into national and local factors.

As far the national factors are concerned, the Administrative Reform Act and the criteria for the minimum and recommended population size of a municipality stipulated in the Act definitely stand out as the most important, as these and the geographical distribution of the population shaped the general territorial layout of the new municipalities.

With some new municipalities, the decisive factor may also have been their compatibility with the exemption conditions stipulated by law. To begin with, the Act allowed for creating a municipality with a population size falling below the minimum criterion in sparsely populated regions with a total area of at least 900 square kilometres, provided that it had at least 3,500 residents (Article 9(3)1)). This exemption was used very little during the voluntary merger stage – only the merger of Alutaguse and Saarde rural municipalities during the voluntary stage corresponds to this exemption, although the government later initiated merger proceedings also for these rural municipalities.

The effect of the so-called Setomaa exemption (Article 9(3)2) of the Administrative Reform Act) on the new administrative division is more complex, as the rural municipalities concerned did not use the option described in the Act to form the Setomaa rural municipality during the voluntary merger stage. Nevertheless, a rural municipality that meets the exemption requirements was later formed by a decision of the Government of the Republic, and this was based on the spirit of the law, inquiries made by the local residents, recommendations made by the regional committee, and opinion polls. Third, the Act provided for the option of maintaining local government in island rural municipalities, which was used to the full extent. All four existing marine island rural municipalities decided to continue as independent local authorities.

**From the perspective of the regional pattern that emerged as a result of the 2017 reform, the most important aspect was what was not included in the Act.** Although the Act indicates that the '[p]rovisions of the Territory of Estonia Administrative Division Act and the Promotion of Local Government Merger Act, considering the specifications arising from this Act, shall be applied to the alteration of administrative-territorial organisation and of borders, and changes to the names of municipalities provided for in this Act' (Article 1(4)), **the descriptions of the purpose, criteria and actions of the reform are neutral with regard to the territoriality of municipalities.** According to the Act, the purpose

of the reform is to support the increase of the capacity of local authorities through increased scope (Article 1(2)) and nothing more.

At the same time, the Act did not force the central government to automatically merge all municipalities that did not meet the minimum criterion. As the Supreme Court stated in its judgement, and as the lawyers defending local authorities pointed out, the Government of the Republic also had to take other circumstances into consideration when making decisions (Article 9(9)1 of the Act), including territorial circumstances (see the article by Veiko Sepp and Rivo Noorkõiv).

In other words, the Government gave the previously much-criticised task of map drawing first to local authorities, instead of attempting to tackle it on their own as before. For example, in the strategy document 'Administrative reform in local government'<sup>1</sup> in 2001, the criteria for territorial integrity were also defined, in addition to the criteria for the number of residents:

*4. A municipality must be a cohesive entity with one or several closely linked centres.*

*5. If the connections between the various parts of a municipality of any size are closer to their neighbouring municipalities than to each other, these parts will be merged with the corresponding neighbouring municipalities.*

Based on these principles and criteria, and as a result of negotiations, the Government of the Republic also defined a specific proposal for the alteration of the administrative-territorial organisation of municipalities in a draft order (see more in Madis Kaldmäe's article).

However, based on Article 5 ('Right of local authorities to merge') of the Promotion of Local Government Merger Act passed by the *Riigikogu*

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<sup>1</sup> 'Haldusreform kohaliku omavalitsuse valdkonnas', Ministry of the Interior, January 2001; [https://haldusreform.fin.ee/static/sites/3/2012/09/2001\\_haldusreform-kov-valdkon-nas-strateegia.pdf](https://haldusreform.fin.ee/static/sites/3/2012/09/2001_haldusreform-kov-valdkon-nas-strateegia.pdf).

(Estonian Parliament) on 28 June 2004, **the Government of the Republic established 65 merger areas**, with grants paid only for mergers within those regions. This restriction was in force until 2013.

The above approach was slightly changed in the draft Local Government Organisation Reform Act in 2013, and **instead of merger areas, 63 local commuting centres were defined** (Article 2(2) and (3)):

- (2) *A municipality formed as a result of the merging of rural municipalities and cities is an area which covers the majority of its residents' local activity space and is comprised of at least one local commuting centre as defined in Article 2(4) of this Act, the settlements functionally connected to it, and the localities in their hinterland, and which generally have at least 5,000 residents.*
- (3) *A local commuting centre in the context of this Act is a densely populated settlement central to its local activity space, which is up to a 30-minute car ride away for the residents of the area and the main destination where people go to consume daily and periodical services, and for work and education.*

The topics of territorial integrity and cohesion were actually also important discussion points during the preparation of the 2017 administrative reform. Therefore, the expert committee reached the shared viewpoint at their first meeting on 29 May 2015 that

*flexibility and customisation must be possible during the decision-making process with regard to the territorial aspect of the reform. In addition to the classic centre-hinterland type rural municipality, future rural municipal models could also include network-based (multicentric) rural municipalities. This can be the case particularly in regions without a strong or dominant centre, or if some regions are too far from the centre [distance criterion – e.g. x minutes' driven by car]. When planning the reform, it is important not to become stuck in the existing county boundaries.*

As a result of the expert committee's discussion held on 14 July 2015, the principle of territorial integrity became a part of the concept of the administrative reform – to be more specific, it became one of the four goals that should be achieved as a result of the administrative reform:

*A municipality is a logical territorial whole which considers regional differences and adheres to the settlement system.*

However, the application of the concept document for the administrative reform to the solutions provided in the Administrative Reform Act was nevertheless optional (see Ave Viks' article), and the requirement of territorial integrity was not defined as a criterion with the force of law. Meanwhile, the main methodological reason was that the concept of territorial integrity is difficult to operationalise into an unambiguously measurable criterion – excluding the simple and insufficient criterion of the continuity of a territory (the absence of separated land), which could be used to assess territorial integrity in accordance with the settlement system. For example, in the case of the most classic model of territorial integrity, which presumes a connection between the centre and the hinterland, issues arise immediately regarding the objectivity of the criterion for defining the borders of the hinterland; that is, among others, which indicators and data can be used to decide whether a municipality or a part thereof can be included in the centre's hinterland; which is the right threshold for distinguishing between the hinterland and non-hinterland belonging to a centre; how can situations be solved where an area is connected to several centres which can function on different levels of the settlement system.

The underlying political reasons for not defining the criterion based on the centre-hinterland model were also important – the lack of readiness to deal with the topic of the metropolitan region, and the desire to avoid the risks caused by the merger of the larger cities and peripheries in Ida-Virumaa.

Due to all of these and other arguments, and also due to the pace of the reform process, the expert committee was unable to propose the 'objective and unambiguous criterion' required in the national government's action programme suitable for inclusion in the Administrative Reform Act. The Act did, however, contain relevant guidelines for regional committees regarding their opinions and assessments (Article 5(2)2 and 3)):

*2) to local authorities of the region and the Ministry of Finance **regarding the consideration of the effects and circumstances** of a municipality formed as a result of the alteration of the administrative-territorial organisation **specified in Article 7(5) of the Territory of Estonia Administrative Division Act;***

*3) to local authorities of the region and the Ministry of Finance regarding the consideration of **the specification of the region, compatibility of the settlement system and territorial integrity in the case of the establishment** of a municipality.*

This legal requirement was supported by the structure of the forms used for submitting the expert opinions, which served as the basis for developing a viewpoint in regional committees, where in addition to evaluating adherence to the criteria, another task was to assess the **effect on territorial integrity in terms of the circumstances listed in Article 7(5) of the Territory of Estonia Administrative Division Act**, which are: (1) historical reasons; (2) effect on residents' living conditions; (3) sense of cohesion for the residents; (4) effect on the quality of public services; (5) effect on administrative capacity; (6) effect on the demographic situation; (7) effect on the organisation of transport and communications; (8) effect on the business environment; (9) effect on education; and 10) the organisational functioning of the municipality as a common service area.

Based on the expert assessments, the opinions and decisions of the regional committees always included a conclusion as to whether the planned merger is in accordance with to the principle of territorial

integrity or not. In its final discretionary decisions regarding the territories of rural municipalities and cities, the Government of the Republic also had to consider the circumstances of territorial integrity as listed in the Territory of Estonia Administrative Division Act (Article 9(9) of the Administrative Reform Act).

The range of **local factors** shaping the administrative-territorial map of Estonia was also diverse. Achieving territorial integrity in accordance with the criterion of the number of residents worked best in cases based on **the logic of the everyday functioning of the settlement system** and how the residents and local politicians sensed this. In several regions in Estonia, these had already been defined as cooperative regions, which were reflected in the county plans and county development plans, for example. Good examples here are Valgamaa's division into three regions, or Põltsamaa's collaboration area, where previous collaborative experience made it considerably easier to come to an agreement during the voluntary merger stage.

The regional logic of adhering to the criterion of the minimum number of residents was opposed by a view that had evolved on the basis of the existing administrative-territorial division, whereby the heads of local authorities saw the existing rural municipalities and cities, regardless of size, as natural local worlds, with their own identity, a functional community as well as sufficient administrative capacity (for a more detailed account of the justifications submitted to the Government of the Republic, see Kaie Küngas' article). Those opposing a merger with an urban centre emphasised the value of rural living as such, pointing out the threat of marginalisation and decreased say in the larger municipality. However, cities adhering to the criterion and wishing to continue operating independently (e.g. the city of Keila), or municipalities with suburb-type settlement (e.g. the rural municipality of Ülenurme) did not see why their well-oiled machinery should be changed. There were some special cases regarding those local authorities and their leaders who were not opposed to the merger as such, but who only

agreed to administrative-territorial changes if the centre of the new rural municipality were to remain within their territory. The most characteristic example here is Koeru rural municipality, which abandoned the merger negotiations after the rural municipalities that were planning to merge voted in favour of Järva-Jaani becoming the centre of the new Järva rural municipality.<sup>2</sup>

The logic and justifications behind all of these various local territorial issues are naturally positioned in the complicated context of the personal relationships, attitudes and opinions of the heads of local authorities, communities and residents, within the scope of which everyone individually or in the form of local authorities made a decision in favour of one or another solution. At the same time, the personal preferences of residents also formed one input for the collective decisions.

Signatures were collected at the initiative of the local community in several rural municipalities and smaller regions to influence the decisions of the municipal council or the Government of the Republic. In accordance with the requirements of Article 6 of the Administrative Reform Act, and the Territory of Estonia Administrative Division Act, surveys were carried out in the municipalities, and the parts thereof that were involved in the merger process, to determine the opinion of the residents. Due to the informative nature of the survey results, their influence in the development of the regional pattern nevertheless remained modest (see Sulev Valner, 'Fifty-One Shades of Public Engagement'). To be specific, using the results of the opinion polls in making and justifying decisions was optional for the decision-makers (the municipal councils and the Government of the Republic).

In conclusion, the state did not regulate the regional pattern that would be developing as a result of the administrative reform. The criterion of the minimum number of residents in a municipality together with

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<sup>2</sup> Koeru municipal council decision No 55 of 16 December 2016.



possible exemptions set the boundaries within which municipalities had the right to a voluntary agreement to shape their territory. Although certain guiding principles, which included softer guidelines for good territorial solutions, were given to the municipalities by the regional committees and the merger consultants during the process, in the end, considerations of territorial integrity remained secondary in the decisions made by municipal councils and the Government of the Republic, compared to the legally stipulated criteria and national or local political considerations.

### **Types of territorial pattern that emerged**

As a result of the lack of criteria describing territorial integrity and using the model of voluntary mergers, the territorial pattern that emerged after the 2017 administrative reform in Estonia was highly variegated.

Based first on the definition in the Territory of Estonia Administrative Division Act, according to which the territory of Estonia is divided into counties, rural municipalities and cities (Article 2(1)), secondly on the distinction between urban (cities and towns) and rural (small towns and villages) settlements, and thirdly on the classical logic of the territorial integrity of a centre and the hinterland, at least 11 types of municipalities can be distinguished in the new administrative-territorial division.

**1. County-based rural municipalities (2).** Rural municipalities that span the entire county were formed in two island counties – Saaremaa and Hiiumaa. However, neither of these new municipalities is an ideal representative of this type.

The territory of Saaremaa rural municipality does not include Muhu and Ruhnu rural municipalities in the county of Saaremaa, as the former both decided to use the exemption granted to small islands and continue independently. While Hiiumaa rural municipality territorially joins the entire county, considerable authority has been given to rural municipal districts – previous rural municipalities and the city of Kärdla – which is why this is only a formal territorial merger at least for now.

- 2. Cities comprised of one urban settlement (10).** The following will continue as independent cities: the capital, Tallinn; the larger towns in Ida-Virumaa – Narva, Kohtla-Järve and Sillamäe, three historic county cities – Rakvere, Viljandi and Võru, and three cities in Harjumaa – Maardu, Keila and Loksas. At the same time, as a result of the reform, the city of Kohtla-Järve lost one of its previous six separate territories – the city district of Viivikonna, which was merged with the city of Narva-Jõesuu.
- 3. Cities comprised of an urban centre settlement and rural settlements of the city's hinterland (5).** This group is not homogeneous insofar as the connection between the city and the hinterland has been achieved to a varying degree in the new municipalities. The group is comprised of cities whose immediate hinterland belongs to the territory of the new city either in its entirety (the city of Haapsalu), almost entirely (the city of Paide), largely (the city of Pärnu) or only slightly (the city of Tartu). At the same time, the city of Pärnu includes not only the immediate hinterland but also some of the rural settlements in the more distant hinterland (the previous Tõstamaa rural municipality, villages in the eastern part of Paikuse rural municipality). Meanwhile, the city of Narva-Jõesuu consists of one small city and a hinterland of larger cities (Narva, Sillamäe).
- 4. Rural municipalities with a centre and hinterland, which connect one urban centre and the rural settlements of its hinterland (21).** In this group, it is also possible to distinguish subgroups: two, to be precise. In the first subgroup, there are centre-hinterland rural municipalities that remained or were formed within the boundaries of a previously existing county: Anija, Antsla, Jõgeva, Jõhvi, Kohila, Lüganduse, Märjamaa, Otepää, Põltsamaa, Põlva, Rapla, Saarde, Saue, Tõrva and Valga. The other subgroup is comprised of rural municipalities, in which case connecting the centre and the hinterland also required some changes to be made to the county boundaries. Such rural municipalities are Elva, Lääneranna, Mustvee, Rääpina, Türi and Viru-Nigula.

# A map of municipalities formed as a result of the administrative reform

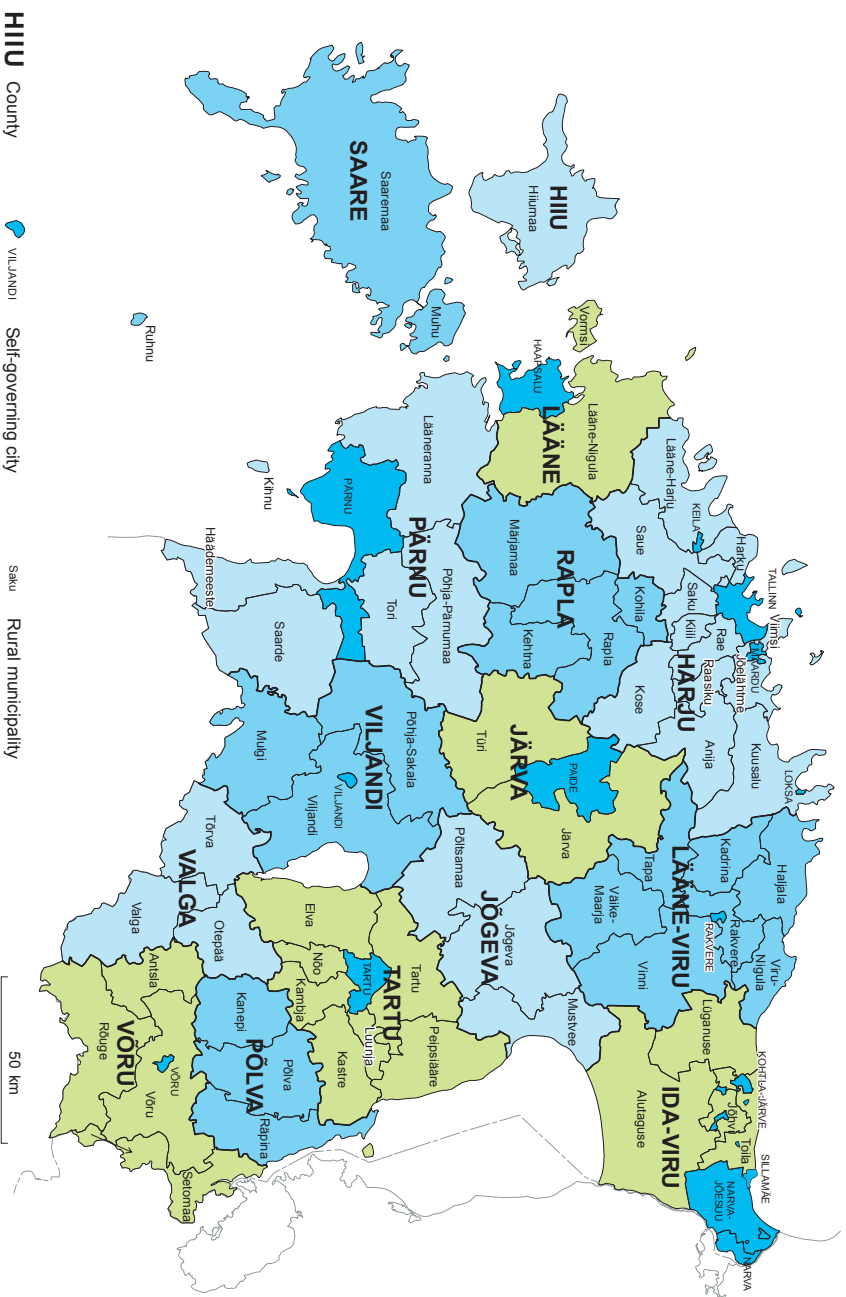


Figure 1.

5. **Rural municipalities with several urban centres (4).** Two urban settlements and the rural settlements of their hinterland are connected in Põhja-Sakala (the cities of Suure-Jaani and Võhma), Tapa (in addition to the city of Tamsalu), and Põhja-Pärnumaa (the towns of Vändra and Pärnu-Jaagupi) rural municipalities; while Mulgi rural municipality includes three urban settlements (the cities of Abja-Paluoja, Karksi-Nuia and Mõisaküla).
6. **Rural municipalities comprised of an urban settlement and rural settlements, whose urban settlement is not the main functional centre for a considerable part of the rural municipality (4):** Kehtna, Lääne-Harju, Peipsiääre and Tori rural municipalities. The reason could be the relatively small size of the urban settlement (the city of Kallaste in Peipsiääre rural municipality), its peripheral position (the town of Järvakandi in Kehtna rural municipality, the city of Paldiski in Lääne-Harju rural municipality) and/or the proximity of larger centres (the city of Pärnu for the Sauga region in Tori rural municipality compared to the city of Sindi). In the case of Peipsiääre rural municipality, merging the (rural) centre (Alatskivi) and the hinterland also resulted in a change to the county boundaries (see group 4).
7. **Ring-shaped peri-urban rural municipalities without an urban centre (4).** This group has clearly distinguishable subgroups: (1) classic ring-shaped peri-urban rural municipalities of Võru and Viljandi, which after the mergers also include not only the immediate hinterland of the cities of Võru and Viljandi but also a significant part of the more distant hinterland (Kolga-Jaani and Mustla districts in Viljandi rural municipality; Orava and Vastseliina districts in Võru rural municipality); and (2) peri-urban rural municipalities that do not form a full circle around their urban centres. The second subgroup includes Rakvere and Toila rural municipalities.
8. **Rural municipalities in the immediate hinterland of an urban centre characterised by suburban settlement to a considerable extent, but whose centre is at least formally a rural settlement, generally a small town (9).** The majority of such rural

municipalities are situated near Tallinn; the territory of these municipalities did not change as a result of the administrative reform: Viimsi, Jõelähtme, Raasiku, Rae, Kiili, Saku and Harku rural municipalities. This group also includes rural municipalities adjacent to the city of Tartu – Luunja rural municipality as well as the new Kambja rural municipality, whose larger suburban section (Ülenurme district) was merged with its smaller rural section (Kambja district).

- 9. Remote rural municipalities i.e. rural municipalities characterised by rural settlement (14).** Within this group, in turn, it is possible to distinguish between rural municipalities with one strong rural centre (Kadrina, Kose, Nõo, Kanepi, Vinni, Väike-Maarja), rural municipalities with two centres (Häädemeeste and Haljala), rural municipalities with one stronger centre and several weaker centres (Alutaguse and Rõuge), and network-like rural municipalities where there are no territorial prerequisites for the development of one or two centres (Lääne-Nigula, Kastre, Järva). In the context of the settlement system, Kuusalu rural municipality is a special case with the hinterland associated with the city of Loksa also included within its territory.
- 10. Rural municipalities with detached territory (2).** This group firstly includes Setomaa rural municipality, which was formed on the basis of a cultural specification, including Luhamaa nulk which is separated from the rest of the rural municipality by Võru rural municipality. Another rural municipality with detached territory is Tartu rural municipality, with which Piirissaar merged (an island located 27 km from the rural municipality's inland territory). Without this island part, Tartu rural municipality would be in the group of rural municipalities comprised of an urban centre and its immediate hinterland, although it also includes settlements in the more distant hinterland of the city of Tartu.
- 11. Island rural municipalities, which were exempted (4).** These are Muhu, Vormsi, Kihnu and Ruhnu.

## The territorial integrity of the new municipalities

While assessing the territorial integrity of the municipalities formed on the basis of classical central place theory<sup>3</sup> and its logic of centres-hinterland (the 1938 rural municipality reform of Estonia was based on this,<sup>4</sup> but also for example the consolidation of municipalities in Sweden in the 1950s–60s<sup>5</sup> and Norway's 1992 plan for an administrative reform<sup>6</sup>), it must be concluded that the regional pattern that emerged as a result of the administrative reform only partially adheres to the principle of territorial integrity.

Most obviously, territorial integrity was not achieved in the urban areas of large cities (in the Estonian context). The most successful attempt to connect an urban centre and a hinterland area was made in Pärnu, but even there the solution was incomplete. In the case of the city of Tartu, the merger of Tähtvere rural municipality can first and foremost be considered an experiment in spatial politics, the results of which may either encourage or discourage other rural municipalities with suburban settlements in the vicinity of Tartu to merge with the city. Tallinn, and the larger cities in Ida-Virumaa will also continue to be separated from their hinterland after the administrative reform.

Several larger county cities (Viljandi, Võru, Rakvere) will also continue separately from their hinterland, while smaller county cities were

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<sup>3</sup> W. Christaller, *Central Places in Southern Germany* [1933]. Prentice-Hall, 1966. G. G. F. Mulligan, M. D. Partridge, J. I. Carruthers, 'Central place theory and its reemergence in regional science' – *The Annals of Regional Science* 48, 2012, pp. 405–431.

<sup>4</sup> E. Krepp, 'Valdade territoriaalne reform' – *Üld-, majandus- ja kultuurpoliitiline ajakiri* No 6, 1938, pp. 239–249.

T. Teder, 'Vallapiiride reformist' – *Maaomavalitsus* No 10, 1938, pp. 148–150.

T. Pae, E. Tammiksaar, 'See on ülesanne, mis mõtleivate inimeste üle jõu on käinud. Valdade liitmise reformid Eestis' – *Tuna* No 4, 2015, pp. 14–32.

<sup>5</sup> A. Lidström, 'The Swedish Model under Stress: The Waning of the Egalitarian, Unitary State?' – H. H. Baldersheim, L. E. Rose (eds.), *Territorial Choice. The Politics of Boundaries and Borders*. Palgrave Macmillan, 2010.

<sup>6</sup> H. Baldersheim, L. E. Rose (eds.), *Territorial Choice. The Politics of Boundaries and Borders*. Palgrave Macmillan, 2010.

either already merged with their adjacent hinterland (Põlva, Rapla, Jõhvi), or this happened as a result of the reform (Paide, Haapsalu, Valga, Kärdla, Jõgeva). The county of Saaremaa stands out among others: Kuressaare, a relatively large county city, merged not only with its adjacent hinterland, but with all of its rural hinterland.

The implementation of the centre-hinterland model was generally successful around small cities. The direct reason for this was the suitability of the minimum population size criterion with the level of that settlement system. Due to the small number of residents in such cities and their hinterland, they were not left many options for fulfilling the criterion other than to merge. The problematic aspect of this became more evident due to the fact that population decline over the past two decades has created a situation where the number of residents in several mergers of a centre and a hinterland that adhered to the logic of the settlement system resulted in the total resident count being just under 5,000. Generally, these cases were solved in favour of the centre-hinterland logic in the discretionary decisions of the Government of the Republic, granting justified exemptions based on the population size criterion (e.g. Saarde and Antsla rural municipalities).

The hierarchy of the settlement system and the centre-hinterland logic have been specifically addressed in Estonia in the county plans laid down in 2017–2018. According to a study of service centres<sup>7</sup> these distinguish between rural and regional centres (altogether 60 such centres), around which it could have and would have been possible for new municipalities to develop, with regard to the nature of the settlement system in Estonia. Upon comparing the concept of the hierarchy of centres in the county plans to the territorial result of the administrative reform, it becomes evident that in 42 cases (70 per cent) such a municipality connecting the centre and the hinterland has, in fact, been formed.

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<sup>7</sup> 'Uuring era- ja avalike teenuste ruumilise paiknemise ja kättesaadavuse tagamisest ja teenuste käsitlemisest maakonnaplaneeringutes'. Centre for Applied Social Sciences, University of Tartu, 2015.

Seven regional centres defined in the county plans have been connected with their hinterland in such a way that some other settlement is the new municipal centre. Generally, these are, indeed, exceptional centres with regard to the study of service centres, the definition of which as regional centres has occurred due to the excessive distance to the other higher-level centres (the role of Orissaare in eastern Saaremaa due to its distance to the city of Kuressaare) or, in turn, their proximity, which means that it is pragmatic to develop a 'dual centre' (e.g. Karksi-Nuia, which shares the role of the service centre for the region along with Abja-Paluoja). In other cases, as opposed to the study of service centres, these regional centres have been defined as additional centres (Järvakandi, Riisipere, Tõstamaa) in the county plans due to local characteristics and notwithstanding scale. Furthermore, there are 18 local centres that are the administrative centres of new municipalities, around which relative territorial integrity has been ensured at a lower hierarchical level of the settlement system.

A clear lack of territorial integrity is evident in 14 municipalities (18 per cent of the municipalities of Estonia). The majority (11) of these are cases where a county or regional centre has not been merged with a significant part of its immediate hinterland. These are supplemented by three cases where the centre of a municipality is not even located on the same territory as the municipality itself.

### **Challenges arising from the inevitable imperfection of the regional pattern**

The regional pattern that developed as a result of the administrative reform could be evaluated in many ways. If we assess the situation on the basis of the centre-hinterland logic, the result is satisfactory, especially considering the fact that the rural municipalities and cities themselves had to develop solutions within the scope of different political interests and options during a relatively short period. However, the administrative separation of larger cities and their hinterland nevertheless means



## The concordance of municipalities formed as a result of the administrative reform with the network of county plan centres

County	County centre or regional centre that is the centre of a municipality formed as a result of the administrative reform	County centre or regional centre as a municipality without a significant part of its hinterland merged to it as a result of the administrative reform	County centre or regional centre that is not the centre of a municipality formed as a result of the administrative reform	Local centre that is the centre of a municipality formed as a result of the administrative reform	Municipal centre located outside the municipality's territory
Harju	Jüri, Saku, Saue, Tabasalu, Haabneeme, Loo, Kose, Paldiski, Kuusalu, Kehra	Tallinn, Keila, Maardu, Loksa	Riisipere	Aruküla	
Hiiu	Kärdla				
Ida-Viru	Kiviõli, Narva-Jõesuu	Narva, Kohtla-Järve, Sillamäe		Iisaku, Toila	
Jõgeva	Jõgeva, Põltsamaa, Mustvee			Järva-Jaani	
Järva	Paide, Türi			Taebäla, Hullo	
Lääne	Haapsalu, Lihula			Vrni, Haljala	
Lääne-Viru	Tapa, Kunda, Väike-Maarja, Kadrina	Rakvere	Tamsalu		Rakvere vald
Põlva	Põlva, Rõpina			Kanepi	
Pärnu	Pärnu, Vändra, Kilingi-Nõmme, Häädeemeeste		Tõstamaa, Pärnu-Jaaguپی	Sindi, Linaküla	
Rapla	Rapla, Märjamaa, Kohila		Järvakandi	Kehтна	
Saare	Kuressaare		Orissaare	Liiva, Ruhnu	
Tartu	Elva, Alatskivi	Tartu		Kurepalu, Kõrveküla	
Valga	Valga, Otepää, Tõrva				
Viljandi	Suure-Jaani, Abja-Paluoja	Viljandi	Karksi-Nuia		Viljandi vald
Võru	Antsla	Võru		Rõuge, Värska	Võru vald

**Table 1.**

that there will be continued difficulties regarding comprehensive spatial planning in conurbations. When people's places of employment and residence are located in different municipalities, further coordination is required for the development, provision and funding of transport, education, recreational and social welfare services. Unhealthy competition over registered residents and their tax revenue also remains.

For rural municipalities with a large(r) territory, the main challenge is to manage the risk of regional marginalisation, and the management of complex networks of service centres in such a way that both service availability as well as a reasonable level of cost-efficiency is guaranteed. Municipalities located in remote regions (e.g. Peipsiääre, Alutaguse) need custom solutions: based on the availability arguments, it would be reasonable to develop all local government services within the area itself. This requires difficult choices to be made regarding the concentration of resources in the new centre, including partially at the expense of other settlements, but most likely also exceptions in the state support schemes.

In rural municipalities with several centres, the primary task is to change centres that have previously been competing with each other into centres that collaborate, including a division of functions and ensuring transport connections that enable dual or multi-centres to operate. For network-based municipalities without larger urban centres on their territory and without existing settlements with potential to develop into higher-level centres and where this is not desired anyway (e.g. Rõuge and Lääne-Nigula rural municipalities, but also all ring-shaped peri-urban rural municipalities), important solutions lie in close administrative cooperation with the nearest urban centre.

However, the most fundamental issue with regard to the resulting territorial pattern is the suitability of the pattern's scale for exercising local government in Estonia. The main question asked during the reform preparations and also after the reform (see e.g. Garri Raagmaa's article) is whether the Estonian local government system continues to be too fragmented even after the administrative reform, and whether

municipalities functioning within county boundaries would have been a better solution instead.

It is clear that with regard to tasks that are essentially related to local government (e.g. public transport, secondary and vocational education, waste management), many of the new municipalities are still not large enough; and also, that as the territorial subjects of economic development, Estonian municipalities should be larger to ensure better international competitiveness.

At the same time, it is not as if the county solution does not have its own issues. For example, we should then ask to what extent the principle of subsidiarity should be adhered to in that case, because a large part of the current tasks of local authorities are completely feasible for municipalities with about 5,000 residents (see Veiko Sepp and Rivo Noorkõiv, 'The Central Criteria for the Administrative Reform'). Likewise, a county-based solution would pose a considerable threat to the vitality of small cities, which play an important balancing role in the Estonian settlement system.

As an extrapolation, it must nevertheless be admitted that no administrative-territorial map – not the previous one with small rural municipalities, not the existing one with regions, and not even a possible county-based map – can provide an ideal territorial division for the exercise of local government because the territorial logics suitable for different fields of government operate on a different scale and on different levels. Even the previously much-discussed two-level system of local government could not take the complex territoriality of the tasks of a local authority sufficiently completely into consideration.

That is why it would be sensible to move towards a multi-level or multi-layer model of governance<sup>8</sup> in the territorial administration of

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<sup>8</sup> See e.g. L. Hooghe, G. Marks, *Multi-Level Governance and European Integration*. Rowman & Littlefield Publishers, 2001; L. Hooghe, G. Marks, 'Unraveling the Central State, but How? Types of Multi-level Governance' – *American Political Science Review*, Vol. 97, 2003.

Estonia, where public tasks need not be within the exclusive competence of a single territorial level or specific authority. Instead, the best administrative-territorial solutions should be sought through the mutual (regional) collaboration of municipalities, creating additional territorial management structures within municipalities, the involvement of citizens' associations in the organisation of local life at the grassroots level, but also through regional-level cooperation between the local authorities and the state.

In the context of introducing such a governance model, the new territorial pattern that emerged as a result of the administrative reform would simply mean moving the legitimacy of local democratic power 'upwards' in the territorial sense to municipalities of a greater scope than before. However, the management and organisation of different areas of local life should take place on the most suitable territorial level, as determined by the principle of subsidiarity. The corresponding solutions must be developed by the new municipalities themselves.

The inevitable imperfection of the regional pattern after the administrative reform should not be a significant obstacle to good local government. A suitable model for local government can be moulded for almost every territory. The administrative reform's main contribution to this lies in the hope and faith that the Estonian municipalities formed as a result of the reform should, on average, have better capacity for developing and constantly improving models for exercising local government that are most suitable for their residents.