

The President, Toomas Hendrik Ilves, today decided to proclaim the Law for the Ratification and Implementation of the Treaty Establishing the European Stability Mechanism (ESM), which was ratified by the Riigikogu on 30 August.

The law is in compliance with the Constitution, after some fundamental modifications were introduced by the Riigikogu; according to the Head of State, joining the ESM is important and necessary to ensure the stability of the euro area in general and, therefore, serves both the short and long term interests of Estonia. Also, the fears expressed by those who oppose the ESM – that a burden restricting the domestic development of Estonia is being placed on Estonian state budget – are unfounded.

"In today's world, no country can be successful on its own in the sphere of economy and security. Everyone needs allies who share the same principles, objectives, values. A strong, successful and influential European Union is Estonia's choice and will also mean responsibility and compromises. Estonia's choice is to follow the European Union, which ensures the rights of small countries to express their views and vote and it respects the identities of small countries," President Ilves told.

The Estonian Head of State sees as important the fact that the Riigikogu modified the Draft Law for the Ratification of the ESM in such a way that only the Riigikogu – and not just one of its committees – can adopt decisions regarding the financial commitments (to be) taken by Estonia. Confidential proceedings on the project of the Memorandum of Mutual Understanding, available to the Committee of the European Affairs in exceptional situations, does not change this principle. Such an exception can only be used in rare situations, if ever, President Ilves warns, as: "Only the great hall of the Riigikogu can decide which commitments are to be taken by Estonia under the ESM and which are not. This is a responsibility that cannot be diminished."

In July, as a consequence of the constitutional review proceedings initiated by the Chancellor of Justice, the Supreme Court en banc found the ESM Foundation Agreement to be in compliance with the Constitution. When commenting on the ruling back then, President Ilves told: "Participation in the European Union and the euro area is important for the well-being of the Estonian people and the sustainability of Estonia as an independent state. Estonia has no better choice. Efficient procedure for adoption of resolution regarding the European Stabilisation Mechanism is justified, even essential here. Even if this will restrict our former right for the adoption of decisions in case of threats to the euro zone, Estonia included. This is the very conclusion drawn by the Supreme Court."

Yesterday, at the opening session of the new working year of the Riigikogu, President Ilves acknowledged the Parliament for using the power entrusted to it by the people to ratify the ESM Agreement: "... I was impressed by the methods adopted by the Riigikogu to organise its work, abolishing the opinion of the Estonian Parliament becoming a silent approver of any draft laws sent in by the Government. /---/ You introduced some substantial and material changes into the original document that you were communicated."

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