

ESTONIA

PARLIAMENTARY ELECTIONS 5 March 2023

ODIHR Election Expert Team Final Report



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I. EXECUTIVE SUMMARY

Following an invitation from the Estonian authorities to observe the 5 March 2023 parliamentary elections and in accordance with its mandate, the OSCE Office for Democratic Institutions and Human Rights (ODIHR) deployed an Election Expert Team (EET) for the 5 March parliamentary elections. The ODIHR EET focused its assessment on the use of information and communications technology in the elections, in particular internet voting, political and campaign finance regulation and oversight and the participation of national minorities in the electoral process.

The legal framework constitutes a sound basis for the conduct of democratic elections, in line with international standards. The election process, including internet voting, was administered efficiently, in line with the law, but with some minor technical deficiencies. For the first time in these elections, the number of votes cast online surpassed those cast in polling stations. While the integrity of the political party and campaign financing was generally ensured through comprehensive regulation and reporting requirements, some aspects warrant further attention, including the lack of donation and campaign spending limits, regulating third-party campaigning by some organizations, and transparency in political advertising. The rights of national minorities to fully and equally participate in the elections are ensured and minorities were able to campaign freely and largely without obstacles using minority languages, but there were instances of divisive rhetoric from some politicians.

The election legislation has been significantly amended since the last parliamentary elections. Following recent legal amendments, a fully electronic voter registration and identification system was successfully introduced, which increased voter access to the polls, including the possibility for voters to vote at any polling location within their electoral district on election day. This approach simplified the administration of the election process and further streamlined possibilities for voting across multiple voting channels. Further, the ban on outdoor political advertising during the campaign period was abolished, in line with a previous ODIHR recommendation. Another significant change abolished the campaign silence, allowing the contestants to campaign on election day.

A number of other previous ODIHR recommendations were addressed in the changes, including in relation to internet voting, campaigning and election observation, but several longstanding recommendations are yet to be addressed, including removing the automatic voting ban for all prisoners, allowing the possibility for those with undetermined citizenship and long-term residence to join political parties, specifying conditions for the invalidation of internet voting results, providing clear criteria for determination of the validity of electronic ballots and enhancing the capacity of the Political Party Finance Supervision Commission (PPFSC).

Internet voting continued to enjoy a generally high level of public trust, owning to the transparency of the system and the fact that internet voting, in use since 2005, is an already established practice. Overall, the internet voting process was organized professionally and transparently, with due attention to accuracy and security of the underlying systems, but with some technical difficulties. However, some political parties expressed doubts about internet voting as part of their campaign discourse, and

The English version of this report is the only official document. An unofficial translation is available in Estonian.

made unsubstantiated claims of fraud related to internet voting, all of which had a detrimental impact on the trust among a considerable number of voters and led to polarization along the political party lines in the choice of voting method. Further, the election authorities made insufficient efforts to inform the public about the timing of the release of results from internet voting following the introduction of additional features, negatively affecting the confidence of some election stakeholders.

The overall integrity of political party funding is ensured by the combination of generous public financing, quarterly disclosure of all received donations, a ban on donations from legal entities and from abroad, and a comprehensive definition of what constitutes an illegal donation. Election contestants and party-affiliated organizations are required to submit detailed campaign finance reports, providing for a high level of transparency. However, unaffiliated third-party organizations can participate in advocacy campaigns without transparency or reporting requirements. In one case, an NGO's advocacy was observed to correlate with a political party's program.

No campaign donation or spending limits are regulated by law, at odds with international good practice. The law does not require that campaign advertisements include information on the payer's identity, detracting from transparency. Further, private companies that sell campaign advertisements are not required to disclose discount policies. Most parties actively used all available means of paid advertising, some notably spent significantly more than others. The PPFSC, which is in charge of political and campaign finance oversight, fulfilled its mandate efficiently and proactively but lacked resources and the right to require relevant financial information from the contractual partners of the contestants. Campaign financing of political parties received avid attention in media reporting, adding to transparency and accountability.

The existing legal framework allows for full and equal electoral participation of citizens belonging to national minority representatives. There are no legal requirements for the inclusion of national minority representatives in political party candidate lists, but a number of candidates from among the minorities ran on different party lists, and some were ultimately elected. Campaigning in minority languages is permitted and a regular practice in areas with a larger concentration of national minority representatives.

The war in Ukraine added a strong security aspect to minority issues in Estonia. Divisive rhetoric by some specific politicians in the pre-election period had a negative impact towards the alienation and marginalization of national minorities, although some key public officials continued to engage in dialogue with minority communities in order to overcome divisions and promote a cohesive society. During the campaign, some political party representatives suggested legal initiatives to forbid using minority languages in public spaces, which raised concerns in the Russian-speaking community. Five per cent of Estonia's population are adults with undetermined citizenship and, while they can participate in and donate to political activities, they lack the right to join parties and vote in parliamentary elections.

This report offers a number of recommendations to support efforts to bring elections in Estonia closer in line with OSCE commitments and other international obligations and standards for democratic elections. Recommendations focus on the need to address concerns related to internet voting and provide more information on establishing its results, introducing quality assurance processes in internet voting, campaign spending limits, requirements for advertisers to disclose discount policies and a more comprehensive definition of third-party campaigning, enhancing the capacity of the PPFSC, taking measures to reduce divisive rhetoric negatively impacting national minorities and ensuring continued efforts for long-term residents with undetermined citizenship to gain full political

rights. ODIHR stands ready to assist the authorities in further improving the electoral process and addressing the recommendations in this and previous reports.

II. INTRODUCTION AND ACKNOWLEDGMENTS

Following an invitation from the Estonian authorities and based on the findings and conclusions of a Needs Assessment Mission (NAM) conducted from 10 to 13 January 2023, the OSCE Office for Democratic Institutions and Human Rights (ODIHR) deployed an Election Expert Team (EET) to observe the 5 March parliamentary elections. The ODIHR EET consisted of three experts drawn from three OSCE participating States.

The ODIHR EET focused its assessment on the use of information and communications technology in the elections, in particular internet voting, the regulation and practice related to political party and campaign finance, and the participation of national minorities in the electoral process. The report is thus limited in scope and does not offer an overall assessment of the elections. Specific areas under review were assessed for compliance with OSCE commitments, other international obligations and standards for democratic elections, and national legislation. In line with the ODIHR's methodology, the EET did not undertake comprehensive and systematic observation of election-day procedures. This final report should be read in conjunction with the 2023 ODIHR NAM report and previous reports, which provide additional detail on electoral processes in Estonia.²

The ODIHR EET wishes to thank the Ministry of Foreign Affairs, the National Electoral Committee (NEC), the State Electoral Office (SEO), political parties, civil society organizations, academia, and other interlocutors for their cooperation and assistance.

III. BACKGROUND AND POLITICAL CONTEXT

Estonia is a parliamentary republic with legislative authority exercised by a unicameral parliament (*Riigikogu*). Executive authority is vested with the government, led by the prime minister. The parliament elects the president for a five-year term and holds limited functions, including nominating the prime minister. In accordance with the Constitution, on 28 November, President Karis called parliamentary elections for 5 March.

Five political parties won parliament seats after the last elections in 2019. The Centre party, together with the Conservative People's Party (EKRE) and *Isamaa*, formed a coalition government led by the Centre party's Jüri Ratas. In January 2021, following allegations of corruption and the cabinet's resignation, the Reform Party formed a government with the Centre Party, led by Kaja Kallas. On 3 June 2022, the prime mister dismissed the ministers from the Centre party, but her government continued to function as a minority government. In July 2022, Ms. Kallas formed her second cabinet in coalition with *Isamaa* and SDP. The 2023 elections were contested by 9 political parties and 11 independent candidates, offering voters a wide choice.³

Women are well represented at the state and local level executives, with the prime minister and 6 of 14 outgoing cabinet members being women. However, women are less represented in parliament,

² See all previous <u>ODIHR election-related reports on Estonia</u>.

The Center Party, EKRE, Eesti 200, Estonian Greens, *Isamaa*, the Right-wing Party, the Reform Party, the Social Democratic Party and the United Left Party.

with 30 of 101 women MPs elected in these elections, although this is an increase since the 2019 parliamentary election in which 27 women were elected.

IV. LEGAL FRAMEWORK AND ELECTION ADMINISTRATION

Parliamentary elections are primarily regulated by *Riigikogu* Election Act, last amended in 2020. Election legislation is supplemented by regulations of the NEC.⁴ The legal framework constitutes a sound basis for the conduct of democratic elections, in line with international standards.

Since 2021, a fully electronic voter registration and identification system was introduced, along with the possibility for voters to vote at any polling station within their electoral district and, during the initial stages of the advance voting period, in polling stations in any district, which increased voters' opportunities to cast a vote. The introduction of the electronic voter identification system in the parliamentary elections was successful and it eliminated the burden of the lower-level election administration bodies with handling paper voter lists. The fully electronic voter registration system streamlined the voter identification procedures considerably and allowed for the possibility for voters who voted electronically to be able to override their vote by casting a paper ballot on election day, and not only during the advance voting period.⁵

Other changes to the election legislation include the ban on outdoor political advertising during the campaign period was abolished, in line with a previous ODIHR recommendation. The campaign silence was also abolished allowing the contestants to campaign on election day.

While a number of previous ODIHR recommendations were implemented, including in relation to internet voting, campaigning and election observation, several longstanding recommendations are yet to be addressed, including removing the automatic voting ban for all prisoners, allowing the possibility for long-term residents with undetermined citizenship to join political parties, specifying conditions for the invalidation of internet voting results, providing clear criteria for determination of the validity of electronic votes and relaxing conditions for refunding deposits for candidate registration.

The parliamentary elections are supervised by the NEC and managed by a three-tier structure of election managers that includes the SEO, 79 city and municipal secretaries and, at the precinct level, 405 Voting District Committees. The NEC is an independent body responsible for issuing decisions to supplement the law, registering candidates, considering election complaints and validating election results. The SEO is in charge of developing technical solutions, operational preparations, training

In 2022, the NEC amended previous regulations related to the description and technical requirements for ensuring general principles of internet voting, as required by the Election Act, the format of the paper and electronic ballots for *Riigikogu* elections, and the allocation of mandates.

In previous parliamentary elections, voters who voted over the internet were pre-marked on the printed voter list and could not vote on election day. In order to allow such voters to vote on election day, a mechanism for identifying and excluding their votes cast over the internet, at the time of counting the internet votes, pre-supposed the use of a fully electronic, central voter list.

In addition, the SEO appoints Vote Counting Committees, one for each district, which count the votes of all voters who voted outside of the district.

The NEC's seven members are appointed for four-year terms by the Chief Justice of the Supreme Court (two members), and one each from the Chancellor of Justice, the Auditor General, the Chief Public Prosecutor, the Secretaries of the Parliament Chancellery, and of the State Chancellery.

election officials and organizing internet voting.⁸ The NEC and SEO decisions and instructions are binding for lower-level election managers. The election administration enjoyed the full confidence of the election stakeholders in its impartiality and professionalism.

V. INTERNET VOTING

Apart from the possibility of voting in a polling station, all voters can vote by submitting an electronic ballot through the internet. A voter may cast an electronic ballot multiple times, and only the last ballot cast is taken into account. This method is aimed at increasing opportunities for voters to vote in private and, therefore, in secret. Votes cast in person override internet votes. Online voting was possible by using a personal computer with the official voting application prepared for the 2023 parliamentary election. Voting from mobile devices (including tablets) was not supported. To cast a vote online, a voter had to authenticate by using an Estonian ID card or a mobile ID that contains their digital signature.

Internet voting was first introduced in Estonia in 2005 and has since become a popular voting method among voters of all ages. ¹² These parliamentary elections were the first in which the number of internet votes exceeded those cast in polling stations. ¹³ Overall, the internet voting process was organized professionally and transparently, with due attention to accuracy and security of the underlying systems, but with some technical difficulties and facing claims of electoral fraud by some political actors that remain unsubstantiated.

The capacity to develop, maintain and expand internet voting is the result of close collaboration between several institutions and shared responsibilities. ¹⁴ The voter register is extracted from the Population Register and continuously kept up to date, including for the purpose of internet voting. The State Information Authority (RIA) provides hosting services for the internet voting system, acts in case of cyberattacks, and conducts system penetration tests. All ODIHR EET interlocutors voiced strong confidence in the ability of RIA to defend the election and other infrastructure against cyberattacks, and no significant cyberattacks were reported against the 2023 Estonian parliamentary election. The State Election Office (SEO) is responsible for the configuration and operation of the internet voting system, including organizing the vote decryption ceremony and the counting of online votes. The NEC conducts an overall oversight of the electoral process and handles complaints.

During the election period, internet voting continued to enjoy a high level of public trust, owing to the transparency of the system and this voting method being an established practice. However, some voters distrust the results of internet voting, with notable divisions within the society between those who fully trust and those who fully distrust internet voting. This was also exemplified by the difference in the preferred political forces of those who voted in polling stations and those who voted

The SEO head and deputy are appointed by the parliament's secretary general upon receiving the NEC's approval. Other SEO staff are appointed based on proposals by its head.

Internet voting opened on 27 February at 9 am and closed on 4 March at 8 pm, the night before the 5 March election day.

For these elections, 1,329 electronic votes were removed from the digital ballot box.

Voters had to download and start the voting application before being able to vote.

In 2011 - 24.3 per cent, in 2015 - 30.5 per cent, in 2019 - 43.8 per cent used the internet voting option.

In total, 312,181 votes were cast over the internet (51 per cent), and an additional 301,620 (49 per cent) votes were cast in polling stations or via home voting.

The voting and counting software used for these elections was developed by a private company that won the public competition, <u>Cybernetica AS</u>, and maintained by the SEO.

online. 15 This polarization was also represented in the political spectrum, with some parties resolutely supporting internet voting and other parties raising doubts before and after the elections, most notably EKRE. Following the announcement of results, some EKRE frontrunners, including its leader, made statements that the elections were stolen through internet voting and the party subsequently submitted several complaints requesting the annulment of internet voting, which were all dismissed. ¹⁶ Notably, the allegations on systematic electoral fraud were made in the public domain without substantiation; such claims can harm public trust in democratic institutions. ¹⁷ While the election authorities provided comprehensive voter information on its website and other platforms, they did not timely and proactively address some of the concerns raised by the contestants regarding the integrity of the internet vote.

To further increase and maintain trust in internet voting, the election authorities should proactively address all concerns raised by election stakeholders who distrust the results of internet voting.

Internet voting is based on a double envelope scheme: the inner envelope contains the vote encrypted with a public election key, while the outer contains a digital signature uniquely identifying the voter. This allows the software for collecting votes to be relatively simple and efficient because it does not conduct any additional processing, including checking the validity of the received electronic ballot. However, further safeguards are needed as currently a voter with sufficient programming skills or resources could circumvent the use of the official voting application and submit an improperly formed ballot which is accepted in the electronic ballot box. This could present a cybersecurity risk, such as through the real or perceived possibility of compromising the system by introducing code injections. It could also have a negative impact on the voters' trust in the system's robustness. During the votecounting process for these elections, one such invalid vote was detected and discarded.

The election authorities could consider introducing cryptographic methods to prevent the possibility of depositing improperly formed ballots.

At the beginning of internet voting, on 27 February, the system was configured with an outdated voter register, which resulted in 63 voters casting votes for lists in their previous districts of registration before the misconfiguration was discovered and corrected. The voters were informed, and 59 of them voted again online, and one also voted at a polling station. The ballots of the four voters who did not vote again were revoked by the SEO, effectively invalidating their votes. The lack of quality assurance of configuration and other data can negatively affect the voters' trust in internet voting.

See for example an article on claims that elections were stolen through internet voting.

¹⁵ Before the internet voting results were added, and based only on the preliminary reports of results of voting by paper ballots from the majority of the polling stations, EKRE was leading with 24.9 per cent, and the Reform Party had 20.3 per cent of the votes. By contrast, the final election result that included internet votes reported the Reform Party won 31.2 per cent of the votes and *EKRE* 16.1 per cent.

The leader of EKRE, Martin Helme, submitted an individual complaint to the NEC calling into question security of the IT systems used in the internet vote count. On 14 March, the NEC dismissed the complaint on the grounds that Mr Helme was elected and, therefore, his rights were not violated and also dismissed a similar complaint by the party as it was submitted after the formal deadline. In addition to the dismissals, the NEC also responded to the merits of the complaint, arguing, among other things, that the most updated versions of software were installed on the vote counting computers, and that these computers do not need to be audited, because the counting is independently verified. On 16 March, EKRE filed another complaint requesting the annulment of the results of the e-voting, arguing that the elections cannot be controlled because third parties do not have access to the ballot box storage service. The NEC dismissed the complaint as it was submitted after the deadline and did not consider it necessary to open an investigation ex officio as it found the arguments of the complainant unconvincing. 17

To prevent errors or outdated information when configuring the components of the system, the election authorities should put in place a quality assurance process that includes the comprehensive testing of the internet voting system in its entirety before being deployed.

The vendor published the source code of the internet voting system before the election. ¹⁸ However, the package did not include sufficient instructions on how to compile the software and how to check if the voting application used for the election is identical to the one compiled from the published source code. Documentation published online lacked sufficient detail and completeness when explaining the cryptographic voting protocol.

To allow for meaningful external scrutiny and to build public trust, the SEO should publish complete, precise, and up-to-date documentation regarding technologies and processes supporting the internet voting system.

After the closing of online voting, the digital ballot box was extracted from the RIA server, written on a DVD and transported to the SEO. On election day, the encrypted ballots were verified using timestamps and the previous electronic ballots of voters who cast multiple online ballots or voted on paper were deleted. After closing at 8 pm, all valid internet votes were anonymized, shuffled and decrypted using a separate computer not connected to any networks. The internet votes were decrypted only after being fully anonymized, but after reshuffling ballots to anonymize them and before decryption and counting the votes, the integrity of the anonymized votes could be checked by independent auditors or anyone with appropriate checking tools. This provided additional safeguards for the trustworthiness of the internet vote.

The decryption process was completed before midnight, more than three hours later than in the previous parliamentary elections and several hours after the results of voting in polling stations were already available to the public. ¹⁹ The ODIHR EET observed a lack of proactive communication by the SEO on how the vote decryption process would affect the timing of the announcement of results, especially because the decryption was modified since the last parliamentary elections in 2019. According to a number of ODIHR EET interlocutors, the uncertainties due to the change of practice and the delay which was not explained in advance had a negative effect on public confidence.

In order to ensure transparency and remove any doubt about the integrity of results, the SEO should explain the results reporting process and timeline in due time before election day.

The internet voting system provides two mechanisms to verify the votes. First, the voter can verify that the vote was recorded as cast.²⁰ This allows the voter the possibility to ascertain that their choice was accurately recorded in the ballot box. However, it is known that the voter verification mechanism is vulnerable to compromise if the voting client application is altered. While it would be difficult to deploy this attack vector at scale and undetected, the possibility of this type of attack indicates a critical deficiency in the current design of the voter verification step. Namely, the application could be programmed to crash immediately after collecting the information about the properly submitted

The <u>source code</u> is available on the software repository GitHub.

In a change since the 2019 parliamentary elections, the counting of internet votes could start only after 8pm so that the internet votes cast by voters who also voted in person on election day could be excluded. This led to additional time needed to securely perform all checks and procedures and, overall, the process finished much later in the night compared to the previous parliamentary elections.

Voters can check their encrypted vote through a mobile phone application for 30 minutes after voting, by using it to read a QR code presented in the voting application after voting, which contains sufficient information to display the voter's choice on the phone screen.

ballot, but before using this information to conduct the verification. If the voter restarts the application and attempts to vote again, possibly upon incorrectly assuming that their ballot has not submitted, the altered application would then first submit the ballot with an altered choice, but would perform the voter verification procedure on the ballot submitted before the crash, and the voter verification application would display the voter's original choice.²¹

The second mechanism, called universal verifiability, is based on an independent audit of all certificates and the voting results generated by the internet voting system, and this verification detects possible misconfigurations or operational problems. The results of internet voting are confirmed if they match the ones recomputed by the auditor. The process of verification of shuffling of ballots to ensure that the encrypted votes are fully separated from the identity of voters and the verification of the decryption of ballots was conducted successfully on 6 March, the day after the elections. However, the ODIHR EET observed that the critical step of removing the votes overwritten by another vote cast on the internet or in a polling station was not audited.²²

As previously recommended, the election authorities should consider methods to achieve end-to-end verifiability. To improve the current verifiability mechanisms, the election authorities should remove deficiencies in individual verifiability and ensure that all critical steps of determining the results of internet voting are auditable.

VI. POLITICAL PARTY AND CAMPAIGN FINANCE

A. INCOME AND EXPENDITURE

Annual state funding is the primary source of income for all parliamentary parties, with funding proportional to the number of MP seats. ²³ Parties that obtain at least two per cent of votes are also eligible to receive annual state support. ²⁴ The sole extra-parliamentary party that received public funding after the 2019 elections, *Eesti 200*, received the public funds that accounted for some 20 per cent of its income, generally regarded as sufficient to develop the party organizationally and conduct its activities. However, contrary to international good practice, there is no separate public funding for the election campaign of parties which are not receiving annual subsidies, potentially disproportionally disadvantaging parties that are contesting for the first time. ²⁵

In order to provide equal opportunities to compete in elections, the election authorities should consider allocating public funding for the campaign activities of political parties contesting for the first time based on reasonable demonstrations of support.

See Olivier Peirrera, <u>Individual Verifiability and Revoting in the Estonian Internet Voting System</u>, Cryptology ePrint Archive, 2021/1098.

Parties that won at least two per cent of votes annually receive a minimum of EUR 30,000; at least three per cent – EUR 60,000; and at least four per cent – EUR 100,000 EUR.

An insider with sufficient resources to alter the system, if able to do so undetected, could manage to control which votes are removed and therefore partially impact the results.

In 2022, the five parliamentary parties received in total 5,240,582 EUR and public funding accounted for 60 – 80 per cent of the parliamentary political party yearly income: Center party - some 78 per cent, EKRE – 80 per cent, Reform party 78 per cent, *Isamaa* 51 per cent, Social Democrats – 61 per cent.

Paragraph 232 of the 2020 ODIHR and Venice Commission Joint Guidelines on Political Party Regulation stipulates that the system of public funding "should also aim to ensure that all parties, including opposition parties, small parties and new parties, are able to compete in elections in accordance with the principle of equal opportunities, thereby strengthening political pluralism and helping to ensure the proper functioning of democratic institutions". See also paragraph 242 of the joint guidelines.

Political parties may receive membership fees, donations from individuals, and income from the management of their property; parties are also allowed to trade in securities. Donations from legal entities are prohibited, and so are anonymous donations and donations from foreign sources. The definition of what constitutes illegal donations is broad and includes transfers of goods, services and benefits and release from obligations not offered to other political parties.²⁶ Such a comprehensive definition narrows the possibilities for in-kind donations and facilitates transparency and oversight.

There are no limits for individual donations except for cash donations.²⁷ The combination of sizeable public financing, quarterly disclosure of all received donations, a ban on donations from legal entities and abroad, as well as strict definitions of what constitutes an illegal donation was sufficient to safeguard the integrity of political party financing. According to the analysis of the political party donation database conducted by the ODIHR EET, most political parties receive large, medium size, small and very small donations in comparable proportions, which indicates equitable access of persons who wish to support political parties financially.²⁸

Political parties can receive loans from credit institutions in accordance with market prices. The ODIHR EET was informed by political party representatives that some parties deal with financial difficulties by deferring payments of bills, at times for very long periods of time, rather than taking loans. By law, delayed payments must be reported in the party's quarterly reports.²⁹ The possibility to defer payments could potentially lead to misuse, for example, by circumventing the prohibition of financing by legal entities.

To prevent circumvention of the campaign income rules, the law should be amended to establish deadlines by which unpaid bills related to campaign expenditures must be serviced.

Political parties are unconstrained in how much they can spend for their campaigns, and most of them have actively used all available means of paid campaign advertising during the election period.³⁰ Most parties actively used all available means of paid advertising, some notably spent significantly more than others, resulting in political parties with less money being unable to competing on an equal footing. In this context, the lack of campaign spending limits is at odds with international good practice.³¹ Amendments to the Political Parties Act (PPA), which the government submitted to the parliament shortly before the 2023 parliamentary elections, proposed a limit on campaign

This includes waiving of claims against a political party, payment of political party expenses by third parties or making concessions to the political party unless the payment of such expenses or the making of such concessions is also available to other persons as part of regular economic activities.

A party may receive up to 1,200 EUR annually in cash donations per person, which the party is required to immediately register as income.

See the <u>Political party income and expenditure database</u> maintaned by the Political Parties Financing Survaillence Committee.

Following the 2019 elections, some parties reported substantial amounts of unpaid bills in their election finance reports. See the <u>election campaign reports</u>, published on the website of the Political Parties Financing Surveillance Committee.

Including large outdoor billboards and various other means of displaying campaign material, radio and TV advertising in commercial broadcasters, print and online media.

Article 19 of the 1996 General Comment #25 on Article 25 of the ICCPR states that the "reasonable limitations on campaign expenditure may be justified where this is necessary to ensure that the free choice of voters is not undermined or the democratic process distorted by the disproportionate expenditure on behalf of any candidate or party". See also Paragraph 248 of the 2020 ODIHR and Venice Commission Joint Guidelines on Political Party Regulation which provides that "It is reasonable for a state to determine the criteria for electoral spending and a maximum spending limit for participants in elections, in order to achieve the legitimate aim of securing equity among candidates and political parties."

expenditures for the period of three months before elections, but these amendments were not adopted.

To avoid escalation of campaign expenditure and enhance equity among parties and candidates, the law should be amended to introduce campaign spending limits.

The discount policies of companies that sell political advertisements, most notably TV advertising and billboards, lack transparency. Several ODIHR EET interlocutors described instances of a large number of political advertisements obtained with significant discounts. While the law provides for a general principle of balanced access to the broadcasting media, there are no specific legal provisions on how discounts should be determined and applied by the advertisers, which may lead to preferential treatment.

To ensure a level playing field, consideration could be given to requiring advertisers to publish their discount policies for electoral campaign advertising.

The law does not require that paid political advertisements include information on who produced and paid for them, detracting from transparency. Such a disclaimer was required only by some social media platforms (most notably Facebook) as part of their internal transparency policy.

To enhance transparency, the law should mandate that all campaign advertisements include information on who produced and paid for them.

Along with political parties, other campaign spenders included party-nominated and independent candidates, foundations that advocate for issues related to programs of political parties and organizations formally affiliated with political parties, such as political party youth and women organizations that can receive donations from political parties and engage in campaign activities.³² Individual candidates must submit their bank account details and submit a campaign finance report a month after the elections. Party-nominated candidates must inform the nominating party about their expenditures. All candidates must declare their own resources for campaigning.

The third parties, or organizations which are formally not affiliated with political parties but participate in advocacy campaigns, are not recognized by law as campaign spenders. However, it is possible that such organizations campaign on the same issues as a specific political party without having to adhere to the same regulatory requirements as the formally recognized campaign spenders, weakening the overall transparency of campaign financing. ³³ Amendments proposed by the government shortly before the 2023 parliamentary elections were aimed at further regulating third-party campaigning but were not adopted prior to these elections.

To strengthen the transparency of campaign expenditures and ensure compliance of all electoral participants with the regulatory requirements, the law should include a comprehensive definition of

The political parties are required to disclose the list of affiliated organisations to the Political Parties Financing Surveillance Committee. These organizations must produce quarterly income and expenditure reports.

The ODIHR EET was informed of one such organization running an advocacy campaign that appeared to correlate with the program of a political party. In addition, after the elections, on 31 May, Eesti Express published an article detailing the activities of an NGO SALK, accusing them of helping Reform, *Eesti* 200 and Social Democratic Parties in their election campaign and prompting the PPFSC to conduct an investigation. See paragraph 256 of the 2020 ODIHR and Venice Commission Joint Guidelines on Political Party Regulation which stipulates that "Third parties should be subjected to similar rules on donations and spending as political parties to avoid situations where third parties can be used to circumvent campaign finance regulations."

what activities of unaffiliated third-party organizations constitute election campaigning and provide for their accountability.

B. REPORTING AND DISCLOSURE

Political party incomes and expenditures are declared quarterly. Political parties report by inputting their financial data into the financial reporting information system. Identities and amounts provided by all individual donations must be disclosed. Although the PPA includes a definition of in-kind donations and also prescribes the method of ascertaining their values, no in-kind donations from any political parties were reported in the political finance database, despite this type of donation being used in practice, which raises questions about the effectiveness of the regulations related to in-kind donations.³⁴

As a transparency measure, guidelines could be developed for handling in-kind donations by electoral contestants to ensure that all such donations are reported as prescribed by the law.

Political party expenditure is disclosed via quarterly expenditure reports and a separate campaign expenditure report that is submitted by political parties and candidates within a month after the elections. The quarterly reports are available in a searchable database and include expenditure categories – such as advertising reported separately for different media, management and public relations costs. Some ODIHR EET interlocutors indicated that these reports should be more detailed and more thoroughly itemised.³⁵ Election campaign reports are detailed and include names of all political party contractual partners and sums which are paid and those which are outstanding, ensuring transparency.

C. MONITORING AND OVERSIGHT

The Political Party Act establishes the Political Party Financing Surveillance Committee (PPFSC) as the oversight body. The PPFSC has a mandate to verify compliance with the legal provisions and advise political parties on campaign finance matters, including how to overcome financial difficulties. The PPFSC's members serve for a five-year term. Each parliamentary party, Chancellor of Justice, Auditor General and the NEC nominate one member.³⁶

The PPA bans the so-called intermediation in political party financing, a practice that involves relaying to the political party money of another person. The PPFSC conducts monitoring of such illegal practices. If the case of intermediation is suspected, PPFSC requests information from tax authorities and takes enforcement action. The PPA also bans the use of public resources for campaign purposes, and the political parties generally complied with the prohibition. The PPFSC is also conducting monitoring of compliance with the law in this respect.³⁷

Income and expenditure database is available on the PPFSC's <u>website</u>.

The number of PPFSC members depends on how many parties are represented in the parliament. The PPFSC is supported by two staff dealing with legal and financial aspects of the oversight.

The law has the following expenditure reporting requirements: advertising expenses by type (television, radio, online, outdoor and newspaper advertising, printed adverting materials), public relations expenses, publication expenses, expenses of conducting public events and other expenses related to political activities.

The ODIHR EET was informed that during the 2021 local elections, a widespread practice of using municipal newspapers to promote candidates was taking place, which is not in conformity with the prohibition of the use of public resources in the campaign. After the 2021 local elections, the PPFSC reached out to municipal authorities to explain that this practice is not legally permissible.

Most ODIHR EET interlocutors expressed the opinion that PPFSC's resources are insufficient to fulfil its considerable mandate and should be enhanced. The PPFSC hired a company to independently collect campaign advertising data, which allowed it to better fulfil its function, but this mechanism did not always provide all the data needed for effective oversight. The mandate of the PPFSC would be stronger if it could require financial information from political parties' contractual partners, such as advertising platforms, media and PR agencies.

Consideration should be given to enhancing the capacity and the authority of the PPFSC in conducting political party and campaign finance oversight.

If a political party is suspected of having received an illegal donation, the PPFSC has the right to issue warnings that indicate the levy planned to be imposed on the political party if it fails to comply.³⁸ These warnings can be appealed before the administrative court.³⁹ Various other financial sanctions are foreseen, for instance, for failure to submit bank account information, failure to file quarterly reports or provision of false or incorrect information.

Political and campaign finance oversight is also facilitated by the media that actively pursues and reports on possible political and campaign finance irregularities. Some civil society groups also monitored political party campaigns from good practice and ethical conduct perspectives. ⁴⁰ The PPFSC also received and considered a number of notifications and complaints from the political opponents who watched each other's campaigns and used opportunities to point out what they perceived as misconduct. ⁴¹

VII. PARTICIPATION OF NATIONAL MINORITIES

According to the 2021 census, ethnic Estonians represent 69 per cent of the population. The largest national minorities are Russian (24 per cent), Ukrainian (2 per cent) and Belarusian (1 per cent). There are no legal requirements for the inclusion of national minority representatives in political party candidate lists or any other types of minority quotas. While some MPs from among minorities were elected in this and previous parliaments running on different party lists, there are no official statistics of candidates or elected MPs belonging to any national minority.

The existing legal framework allows for full and equal electoral participation of national minority representatives who hold citizenship. Campaigning in minority languages is permitted and regularly practised in areas inhabited by national minority voters, most notably the Russian minority. Under the Language Act, outdoor advertising is allowed in a foreign language if such content does not exceed the amount of content in Estonian ⁴³ No instances of non-compliance with language regulations were reported during the campaign. Other types of campaign communication, such as the

Depending on the type of the illegal donation, these can be: to send the donation back to the donor, transfer it to the state budget or sell it and transfer the money to the state budget. The non-compliance levies in cases of illegal donations can be up to EUR 15,000.

From 1 January 2023 until the end of June, the PPFSC has issued or documented court judgements in <u>43 instances</u> related to injunctions, precepts or penalty notices.

A group of NGO representatives – <u>the Election Guards</u> – published cases of good and bad election practice of election campaigning.

From 1 January 2023 until the 5 March election day, the PPFSC received and responded to inquiries related to political and campaign finance supervision in 47 instances. After election day, by the end of June 2023, the PPFCS received and responded to more than 50 additional queries.

See <u>Population census 2021</u> data by Statistics Estonia.

As a consequence of this rule, the written content in minority languages need to be translated to Estonian.

dissemination of leaflets and holding rallies, may be conducted in minority languages without restrictions, and this was observed to be the case. The largest parties campaigned in the Russian language both in the areas predominantly inhabited by Russian-speaking voters and on the Russian language TV channel of the public broadcaster.

General election-related information was also available in Russian and English, including on the SEO website and in print and broadcast media. The public broadcaster's Russian language channel ETV+ and some private outlets provided information on elections also in Russian. In areas with larger national minority populations, the election administration at polling stations included significant representation of members of national minorities and the use of minority languages in oral communication during the voting process was permitted. Overall, the measures taken by the election authorities ensured access to relevant information and inclusive participation of national minorities.

The elections took place against the backdrop of the war in Ukraine which has added a strong security aspect to minority issues in Estonia. Election programs and campaign discourse of some of the main political parties aligned on the need to strengthen the Estonian national identity. However, some ODIHR EET interlocutors also noted divisive rhetoric by several politicians during the pre-election period, which may have a negative impact and contribute to the alienation and marginalization of national minorities. Positively, key public officials continued to engage in dialogue with minority communities in order to overcome divisions and promote a cohesive society.

Amendments to language and education laws adopted in December 2022 foresee the abolishment of teaching in minority languages in all schools and kindergartens, and this process was widely debated during the campaign. ⁴⁴ The reform of the use of languages in education is featured in most political parties' programmes, with broad alignment on the need for such transition but differing views on modalities and timeframes of implementation. Some ODIHR EET interlocutors representing national minorities viewed this reform as limiting their language rights. During the campaign, some political party representatives suggested legal initiatives to forbid the use of minority languages in public spaces, which raised further concerns in Russian-speaking communities.

With a view to preventing alienation and marginalization of minority groups, efforts by the authorities and political actors should be made to lessen the divisive rhetoric in political discourse and during the election campaign.

Five per cent of Estonia's population are adults with undetermined citizenship and their proportion is gradually decreasing. ⁴⁵ They can participate in political party activities and donate to parties or candidates but lack the right to join a political party, contrary to a prior ODIHR recommendation and

With the exception of the language and culture classes.

After the restoration of Estonian independence in 1991, citizenship was automatically granted only to holders of Estonian citizenship prior to 16 June 1940, and their descendants. Long-term residents of Estonia and their descendants who did not receive Estonian citizenship automatically or through naturalisation, and did not obtain another citizenship are referred to as persons of undetermined citizenship. As of 1 January 2023, there were some 64,005 adults with undetermined citizenship. In some areas, these non-citizens are disproportionally represented. Most notably in Narva, according to the 2021 census data, the number of non-citizens is 19,500, or half of the voting age population.

international standards. ⁴⁶ They also have the right to vote in local elections but do not enjoy this right in parliamentary elections. ⁴⁷

Significant progress has been made for long-term residents and their children to acquire Estonian citizenship in recent years. ⁴⁸ However, still many of the long-term residents fail to avail themselves of the opportunity to acquire citizenship; some face difficulties passing the language exams, while others are disinterested in the process, preferring to retain the status that allows visa-free travel both within the European Union and to the Russian Federation.

Recent debates and legal initiatives by some parties to discontinue voting rights for long-term residents with undetermined citizenship in local elections were met with concern among minority communities, as this would further hamper their participation in political and public life.⁴⁹

To promote and enhance the political rights of all groups, continued efforts should be made to encourage, facilitate and incentivise the naturalisation of long-term residents with undetermined citizenship. To ensure the right to freedom of association, they should be permitted by law to join political parties.

VIII. RECOMMENDATIONS

These recommendations contained throughout the text are offered with a view to enhancing the conduct of elections in Estonia and bringing them fully in line with OSCE commitments and other international obligations and standards for democratic elections. These recommendations should be read in conjunction with past ODIHR recommendations that remain to be addressed.⁵⁰

1. To further increase and maintain trust in internet voting, the election authorities should proactively address all concerns raised by election stakeholders who distrust the results of internet voting.

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- Article 11.1 of the 1950 European Convention on Human Rights provides that "Everyone has the right to freedom of peaceful assembly and to freedom of association with others". Article 11.2 further stipulates that ". No restrictions shall be placed on the exercise of these rights other than such as are prescribed by law and are necessary in a democratic society in the interests of national security or public safety, for the prevention of disorder or crime, for the protection of health or morals or for the protection of the rights and freedoms of others." Article 22.1 of the ICCPR states that "Everyone shall have the right to freedom of association", while Article 2.1 notes that this right is not limited to citizens but applies to "all individuals" within a State's "territory and subject to its jurisdiction" and Article 22.2 specifies that this right cannot be restricted unless "necessary in a democratic society" for a specific and limited set of circumstances. Paragraph 9.3 of the 1990 OSCE Copenhagen Document reaffirms freedom of association.
- These stateless persons are legal residents who enjoy full economic, social and consular rights and protections.
- Since 2016 legal amendments, the Citizenship Act enables children born to non-citizens and children under 15 with such status to receive Estonian citizenship automatically, unless their parents proactively refuse so in their name within one year. The amendments also waived the requirement of the written Estonian language exam for applicants over 65 years old.
- A draft bill to this effect was submitted by *Isamaa* in April 2022, and was supported by EKRE, but it failed to receive larger support in the parliament.
- According to paragraph 25 of the 1999 OSCE Istanbul Document, OSCE participating States committed themselves "to follow up promptly the ODIHR's election assessment and recommendations". The follow-up of prior recommendations is assessed by the ODIHR EET as follows: recommendations 9 and 12 from the ODIHR final report on the 2015 parliamentary elections (2015 Final Report) were fully implemented. Recommendations 1, 5 and 11 from the 2015 Final Report and recommendation 10 from the ODIHR final report on the 2019 parliamentary elections were partially implemented. See also the ODIHR electoral recommendations database.

- 2. The election authorities could consider introducing cryptographic methods to prevent the possibility of depositing improperly formed ballots.
- 3. To prevent errors or outdated information when configuring the components of the system, the election authorities should put in place a quality assurance process that includes the comprehensive testing of the internet voting system in its entirety before being deployed.
- 4. To allow for meaningful external scrutiny and to build public trust, the SEO should publish complete, precise, and up-to-date documentation regarding technologies and processes supporting the internet voting system.
- 5. In order to ensure transparency and remove any doubt about the integrity of results, the SEO should explain the results reporting process and timeline in due time before election day.
- 6. As previously recommended, the election authorities should consider methods to achieve end-to-end verifiability. To improve the current verifiability mechanisms, the election authorities should remove deficiencies in individual verifiability and ensure that all critical steps of determining the results of internet voting are auditable.
- 7. In order to provide equal opportunities to compete in elections, the election authorities should consider allocating public funding for the campaign activities of political parties contesting for the first time based on reasonable demonstrations of support.
- 8. To prevent circumvention of the campaign income rules, the law should be amended to establish deadlines by which unpaid bills related to campaign expenditures must be serviced.
- 9. To avoid escalation of campaign expenditure and enhance equity among parties and candidates, the law should be amended to introduce campaign spending limits.
- 10. To ensure a level playing field, consideration could be given to requiring advertisers to publish their discount policies for electoral campaign advertising.
- 11. To enhance transparency, the law should mandate that all campaign advertisements include information on who produced and paid for them.
- 12. To strengthen the transparency of campaign expenditures and ensure compliance of all electoral participants with the regulatory requirements, the law should include a comprehensive definition of what activities of unaffiliated third-party organizations constitute election campaigning and provide for their accountability.
- 13. As a transparency measure, guidelines could be developed for handling in-kind donations by electoral contestants to ensure that all such donations are reported as prescribed by the law.
- 14. Consideration should be given to enhancing the capacity and the authority of the PPFSC in conducting political party and campaign finance oversight.

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15. With a view to preventing alienation and marginalization of minority groups, efforts by the authorities and political actors should be made to lessen the divisive rhetoric in political discourse and during the election campaign.

16. To promote and enhance the political rights of all groups, continued efforts should be made to encourage, facilitate and incentivise the naturalisation of long-term residents with undetermined citizenship. To ensure the right to freedom of association, they should be permitted by law to join political parties.

ANNEX: FINAL RESULTS⁵¹

Number of registered voters	966,129
Total number of voters who voted	613,801
Valid votes	610,299
Invalid votes	3,502
Number of voters who voted in advance	141,682
Number of voters who voted at home	3,663
Number of voters who voted online	312,181
Number of voters who voted abroad	1,826
Turnout (%)	63.7

Political Party	Internet	Total votes	Vote share	Number of	Number of
	votes	received	(percentage)	Seats	Women MPs
	received				
Reform Party	130,072	190,641	31.2	37	13
EKRE	27,363	97,974	16.1	17	3
Center Party	28,575	93,247	15.3	16	4
Eesti 200	52,574	81,332	13.3	14	5
SDE	33,253	56,580	9.3	9	4
Isamaa	24,688	50,115	8.2	8	1
United Left	2,520	14,604	2.4	ı	-
Parempoolsed	8,328	14,036	2.3	1	-
Greens	3,410	5,889	1.0	1	-
Independents	1,398	5,887	1.0	I	-

ABOUT ODIHR

The Office for Democratic Institutions and Human Rights (ODIHR) is OSCE's principal institution to assist participating States "to ensure full respect for human rights and fundamental freedoms, to abide by the rule of law, to promote principles of democracy and (...) to build, strengthen and protect democratic institutions, as well as promote tolerance throughout society" (1992 Helsinki Summit Document). This is referred to as the OSCE human dimension.

ODIHR, based in Warsaw (Poland) was created as the Office for Free Elections at the 1990 Paris Summit and started operating in May 1991. One year later, the name of the Office was changed to reflect an expanded mandate to include human rights and democratization. Today it employs over 150 staff.

ODIHR is the lead agency in Europe in the field of **election observation**. Every year, it co-ordinates and organizes the deployment of thousands of observers to assess whether elections in the OSCE region are conducted in line with OSCE commitments, other international obligations and standards for democratic elections and with national legislation. Its unique methodology provides an in-depth insight into the electoral process in its entirety. Through assistance projects, ODIHR helps participating States to improve their electoral framework.

The Office's **democratization** activities include: rule of law, legislative support, democratic governance, migration and freedom of movement, and gender equality. ODIHR implements a number of targeted assistance programmes annually, seeking to develop democratic structures.

ODIHR also assists participating States' in fulfilling their obligations to promote and protect human rights and fundamental freedoms consistent with OSCE human dimension commitments. This is achieved by working with a variety of partners to foster collaboration, build capacity and provide expertise in thematic areas, including human rights in the fight against terrorism, enhancing the human rights protection of trafficked people, human rights education and training, human rights monitoring and reporting, and women's human rights and security.

Within the field of **tolerance** and **non-discrimination**, ODIHR provides support to the participating States in strengthening their response to hate crimes and incidents of racism, xenophobia, anti-Semitism and other forms of intolerance. ODIHR's activities related to tolerance and non-discrimination are focused on the following areas: legislation; law enforcement training; monitoring, reporting on, and following up on responses to hate-motivated crimes and incidents; as well as educational activities to promote tolerance, respect, and mutual understanding.

ODIHR provides advice to participating States on their policies on **Roma and Sinti.** It promotes capacity-building and networking among Roma and Sinti communities, and encourages the participation of Roma and Sinti representatives in policy-making bodies.

All ODIHR activities are carried out in close co-ordination and co-operation with OSCE participating States, OSCE institutions and field operations, as well as with other international organizations.

More information is available on the ODIHR website (www.osce.org/odihr).