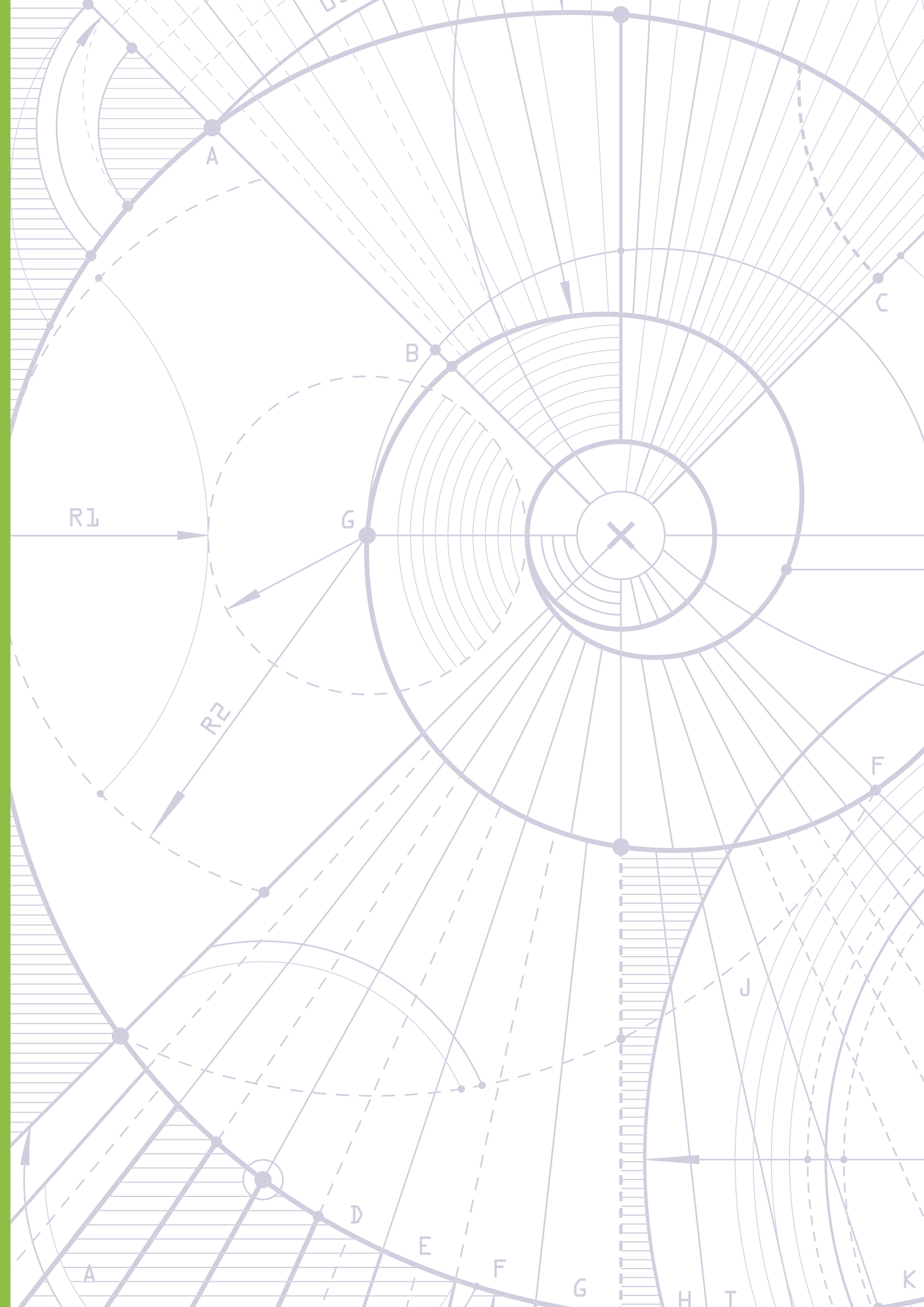


YEARBOOK (●) 2011

TEHNILISE JÄRELEVALVE AMET
ESTONIAN TECHNICAL SURVEILLANCE AUTHORITY

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Dear reader

You are holding the yearbook of the Technical Surveillance Authority, which gives you a thorough overview of our organization and activities in 2011.

The continuing of the recuperation of the local economic environment in 2011 also influenced the activity priorities of the Technical Surveillance Authority and increased our work volume. We carried out a record amount of procedures in several areas and collected more state fees than ever before. Future expectations nevertheless became more moderate during the year regarding the unsolved problems in European and global economy, and the possibility of a new economic regression.

2011 was a productive year for the Technical Surveillance Authority. I would particularly like to highlight the public competitions, which allowed us to allocate additional frequency resource for the digital broadcasting service and for the provision of mobile data communication in the frequency band of 2.5 GHz. In the past year, the Technical Surveillance Authority achieved a significant judicial decision, which emphasises and specifies the liabilities of the parties associated with construction established in the Building Act.

A conceptual change in the work of the Technical Surveillance Authority was the adoption of the e-services environment and the safety portal. These are tools of continual further development, which raise the efficacy of our work and expand the possibilities of communicating with us.

In 2012, we will be making an effort for a significant increase in the users of the e-services of the Technical Surveillance Authority. This presumes the reliability and convenience of the services, and the constant development of the possibilities for their use. I also invite all readers of the yearbook to get acquainted with the e-services of the Technical Surveillance Authority and to give feedback thereon.

With best wishes,

Raigo Uukkivi
Director General



(PURPOSES AND VALUES)

PURPOSES

The Technical Surveillance Authority is an agency working under the Ministry of Economic Affairs and Communication with a broader objective to help implement the national economic policies through the improvement of safety, organizing sensible use of limited resources and increasing the reliability of products in the field of manufacturing environments, industrial equipment, railway and electronic communication.

The activities of the Technical Surveillance Authority have three main goals:

working towards greater safety, improving the reliability of its services and products and organizing the use of limited resources.

In working towards greater safety, we have two main goals: ensuring the safety of objects and processes and increasing the corresponding awareness.

As to **increasing reliability**, we aim to ensure the availability of services and their conformity with the requirements, as well as compatibility of products and sustainable use of resources, and increase reliability and awareness.

In organization of the use of limited resources, the Technical Surveillance Authority aims to ensure the optimum use of limited resources and their sustainable use.

In order to achieve these objectives, we supervise the implementation of requirements established by the legislation relevant to our areas of activity, participate in developing legislation and development plans, and in preparation and implementation of projects related to our areas of activity.

VALUES

The vision of the Technical Surveillance Authority is to have a good reputation of being an effectively operating, competent and reliable regulatory and supervisory authority in Europe.

The main values of the Technical Surveillance Authority are:

- Being a competent and reliable partner whose activities are transparent, solutions professional and impartial, with affairs managed in a proper manner. Prevention plays an important role in our work. The authority granted to us by legislation is exercised in a deliberate and proportionate manner.
- Being an integral state agency with clearly understandable working principles and a good reputation, offering interesting employment that presents opportunities for development, a good working environment and competitive salaries, and appreciates the competence and work of the officials.
- Being a constructive and open state agency that works as a team to achieve the established goals.
- Being a well-balanced and innovative agency on the international arena and an organisation that represents the interests of the state; always willing to share and learn.



(INCREASING SAFETY)

We engage in the supervision of safety regarding electrical installations and electrical work, handling of dangerous chemicals, gaseous fuel appliances and installations, lifts and cableways, machinery, pressure equipment, extraction and blasting and pyrotechnics, buildings and construction activities, including railway construction, and railway vehicles and railway traffic.

In the field of **construction**, we check conformity with the set requirements for construction and later use, as well as the performance of obligations of the participants in the construction process (owner, builder, authority exercising owner supervision, etc.) We also check the correctness of registration at the register of economic activities and the availability of the required specialist in charge. We also coordinate detailed plans and design criteria regarding buildings in a public water body that has a permanent connection to the shore.

As to **electrical safety**, we inspect the safety and conformity of the use of electrical installations, conformity with the safety requirements set for electrical contractors, and the competence of people in charge. We also inspect the conformity of working in protective zones of line facilities. We exercise supervision over technical inspection bodies and institutions dealing with certification of staff.

Supervision of handling dangerous chemicals involving safety of handling, determining the category of danger, monitoring the compliance of the information sheet and safety report and fulfilling the requirement to inform about a chemical.

In the **supervision of mines, quarries and peat fields**, we supervise the safety of extraction technology and the conformity of the documentation related (projects, development plans, technical documentation), in addition, we monitor the compliance of the enrichment and first-stage processing processes of mineral resources with safety requirements. We also carry out competency examinations for the staff in charge of mining and quarrying.

In the field of **explosive substances and pyrotechnic articles**, we monitor compliance of handling (manufacturing, storing and use), and also carry out competency examinations for the staff in the sector of explosive substances and handlers of pyrotechnic articles.

In respect of **machinery safety supervision**, we inspect the conformity of machinery, including its safety components. As to cranes, freight hoists and lifting devices that require registration, we check the conformity of the persons responsible and the operators, the certificate of technical inspection and the conformity of installation, rebuilding and repairs. We also monitor the conformity of the technical inspection body and of the persons conducting examinations for persons in charge. Additionally, we supervise the conformity of determining potentially explosive atmospheres and the conformity of equipment and protection systems used therewith. In respect of lifts and cableways, we check the conformity of the technical inspection body's activity and the activity of the installers, repairers and servicers, as well as personnel certifiers.

In respect of **lifts and cableways**, we check the conformity of the technical inspection body's activity and the activity of the installers, repairers and servicers, as well as personnel certifiers.

To guarantee the safety of the use of **gaseous fuel** (natural gas, liquefied gas, biogas and derived gas), we monitor the use and construction of gas installations and the performance of gas works. We also monitor the conformity of gas installations to safety requirements and the conformity of commercial gas appliances.

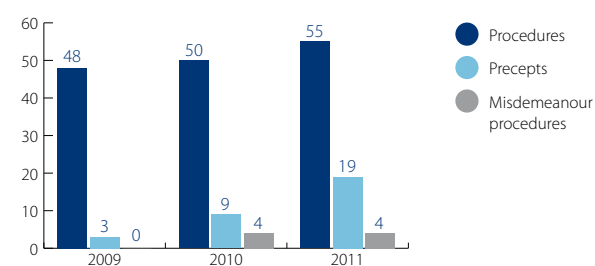
In respect of **pressure equipment**, we check its conformity, as well as conformity to the requirements for installation, use, repair, alteration and production of hazardous liquid tanks, and the performance of duties of the technical inspection bodies and manufacturers. We also monitor the conformity of activities in the protected zone of pressure piping systems.

In respect of **railway safety**, we issue certificates to railway undertakings and safety authorisations to infrastructure managers, licences for construction and certificates of use of railway facilities, and approve the detailed plan or design criteria which constitute the basis for the building design documentation of railway civil engineering works. In cooperation with the Road Administration, we issue locomotive driver's licences. We check the construction, maintenance and use of the railway infrastructure (rail tracks, communications and safety equipment, level crossings) and activities in the railway protection zone. We also monitor the competence of persons responsible for railway safety and organizing railway traffic, and supervise the compliance of rail traffic to fire safety requirements and the organization of carriage of dangerous goods.

BUILDINGS AND CONSTRUCTION ACTIVITIES

In 2011, the Estonian Technical Surveillance Authority conducted 55 procedures in order to check the conformity of buildings and construction activities to the requirements, initiated 4 misdemeanour procedures and issued 19 precepts. The existence of registration in the register of economic activities and correctness of data was checked for 127 undertakings operating in this field, and 20 precepts were issued to restore the correctness of the data in the register. Registration in the register of economic activities was deleted in case of 9 undertakings due to repeatedly ignoring the precept.

Supervision of the conformity of construction and buildings in 2009–2011



In 2011, as a result of supervision by the Technical Surveillance Authority the suspended ceilings of Estonia's larger cinema halls were rebuilt to guarantee safety. During the procedures initiated for the conformity assessment of the suspended ceilings of the cinema halls of the cinema centres Coca-Cola Plaza in Tallinn and Cinamon in Tartu, it was found that the structures of the cinema halls of both cinema centres required additional fortification in order to ensure safety, which was then carried out pursuant to a precept issued by the Technical Surveillance Authority.

The procedure initiated regarding the reconstruction and expansion of an office building situated in Northern Tallinn became rather large-scale. During the procedure, it appeared that when building intermediate floors, the existing loadbearing structures had not been sufficiently fortified, wherefore the building failed to comply with the requirements of the Building Act and was unsafe for use. In addition, the developer of the office building had sold premises under the name of apartments in the office building without a permit for use. Pursuant to the precept issued by the

Technical Surveillance Authority, the developer made the building comply with the requirements of the Building Act. In addition, pecuniary punishment was imposed on the developer and constructor of the object by way of misdemeanour regarding severe violations of the Building Act. Before the transaction, people acquiring property should, among other things, make sure that the building about to be purchased has a permit for use, and that the purpose of use declared on the permit corresponds with the intended use of the building.

The Solaris case set a precedent and expanded the concept of good building practice

In 2011, the court action regarding the design and construction of the suspended ceiling of the Cinamon cinema hall in the Solaris Centre continued. The court action ended successfully for the Technical Surveillance Authority – the court confirmed the legality of the procedural acts conducted by the Authority and the conclusions presented in the investigation summary. An important point of dispute was whether the construction of the suspended ceiling of the Cinamon cinema hall required the preparation of building design documentation pursuant to the Building Act, considering that in the sense of the standard a suspended ceiling is not a loadbearing structure, thus not directly requiring building design documentation.

The Technical Surveillance Authority believes that from the perspective of safety, appropriate design documentation and adherence thereto during the construction process is most important when designing a building. A building shall be designed and built according to good building practices and legislation pertaining to building design documentation, and shall not endanger the life, health or property of people or the environment. Because detailed requirements for buildings and building design documentation are not established in legislation, the design and construction of novel, rare and irregular buildings or parts thereof should be subject to the principles of good building practices. As all special cases cannot be foreseen and standardized, each specific building should be planned, designed and built individually and solutions developed that thoroughly ensure safety.

Referring especially to the requirement to follow good building practices, the court agreed to the opinion of the Technical Surveillance Authority that failure to prepare building design documentation regarding the suspended ceiling of the Cinamon cinema hall in the Solaris Centre constituted a violation of the requirements of the Building Act.

The Solaris court case set a precedent – the good building practices indicated in the Building Act of 2003 thus far mainly constituted a recommendation for using the relevant standards, although the regulation of the area does not generally refer to standards as obligatory. Judgment No. 3-1-1-7-10 of the Criminal Chamber of the Supreme Court establishes that in certain cases good building practices still entail an obligation to follow the requirements of the standards. In the Solaris case, the court further expanded the concept of good building practices and found that if the necessity of proper building design documentation is not explicitly referred to in the regulation, nor specified or addressed in the standard, the necessity of preparing design documentation must still be seriously considered taking into account the size of the design, the irregularity of the solutions and the environment, the lack of reference objects and experience, the purpose of use, etc. The precedent can be expanded over the entire scope of the Building Act – construction, design, use.

Owner supervision requirements became clearer

In 2011, the regulation "Procedure for exercising owner supervision" entered into force, describing more specifically than before the principles of exercising owner supervision with the purpose of avoiding confusion that may arise from

interpreting the Building Act, raising the quality of construction services, and specifying the obligations of the person exercising owner supervision more clearly.

The new consolidated text of the regulation preserved the majority of the previously effective principles, but these have been worded more clearly and explicitly. It is emphasized, for example, that owner supervision on the construction site must be exercised by a specialist with relevant competence in person. If the specialist lacks competence to inspect any special work, the specialist is obliged to engage a specialist of a narrower field.

The regulation aims to solve problems that have occurred in the course of practice and to remove different interpretation possibilities. For instance, owner supervision is often confused with construction supervision exercised by a state agency or a local government. The main purpose of exercising owner supervision is to guarantee fulfilling the obligations of the owner and building requirements pursuant to legislation (e.g. guaranteeing the safety of the building and the construction process). Another purpose of owner supervision is to inspect compliance with the terms and conditions of the contract entered into between the owner of the building and the building contractor (e.g. acquisition of the agreed building quality and adherence to building deadlines).

The purpose of the construction supervision exercised by a local government or the Technical Surveillance Authority is to monitor the guaranteeing of state and public interests regarding buildings and construction more broadly, and to interfere where the owner of a construction building fails to fulfil the obligations imposed upon them by legislation.

Designing buildings in public water bodies

In 2011, the Technical Surveillance Authority for the first time prepared and issued design conditions for the construction of buildings in a public water body without a permanent connection to the shore. On the basis of the design conditions, work was commenced on designing the geothermal pipeline of the Lake Museum of the Limnology Centre of the Estonian University of Life Sciences in Lake Võrtsjärv. At the end of 2011, the Technical Surveillance Authority received a building permit application for the said building, the processing of which will continue in 2012.

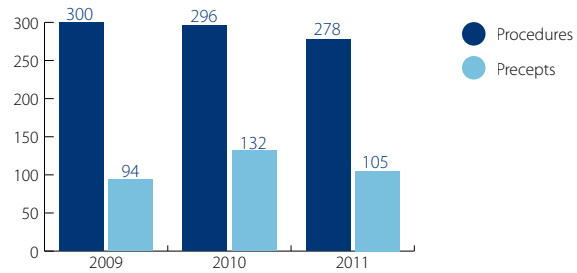
In addition, the Technical Surveillance Authority authorized the adoption of 1 comprehensive plan and 12 detailed plans in 2011. The plans envisage the construction of buildings in public water bodies with a permanent connection to the shore with an approximate area occupied of 140,550 m².

In 2011, the Technical Surveillance Authority coordinated the design conditions for designing 24 buildings in public water bodies with a permanent connection to the shore, with a total area occupied of ca 23,300 m².

ELECTRICAL INSTALLATIONS AND WORKS

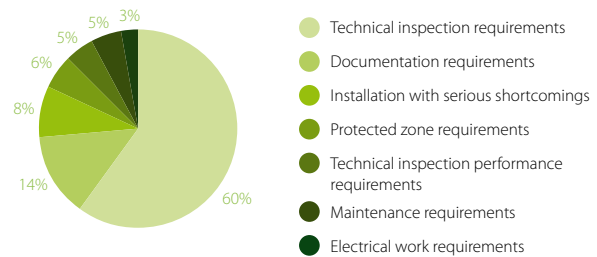
The Technical Surveillance Authority supervises electrical installations and works across Estonia. In 2011, 278 procedures were conducted and 105 precepts issued. Of those procedures, 19 were related to technical inspection bodies, 2 to institutions dealing with the certification of staff, 18 to electrical works, 223 to the use of electrical installations, 8 to non-compliance with the protected zone requirements and 8 to the investigation of accidents. Misdemeanour procedures were initiated on 10 occasions. One decision was made to delete an undertaking as an electrical contractor or technical inspection body from the register of economic activities.

Supervision of electrical installations and works in 2009–2011



The number of procedures showed a slight decrease compared to 2010, whereas the number of electrical installations inspected increased considerably. At the same time, the number of procedures to identify conformity with the requirements of protective zones and electrical works increased. The shortcomings identified were similar to those of previous years.

Shortcomings identified in relation to the use of electrical installations



In 2011, 223 procedures were conducted and 94 precepts made regarding the use of electrical installations. During the procedures, the following objects were inspected:

- 45 business and office buildings, 18 precepts were made;
- 44 apartment buildings, 24 precepts were made;
- 43 industrial installations, 29 precepts were made;
- 26 establishments providing accommodation, 5 precepts were made;
- 14 educational institutions, 2 precepts were made;
- 110 temporary electrical installations (construction-time, temporary entertainment installations), 1 precept was made;
- 10 utility installations (street lighting, water, etc.), 2 precepts were made;
- 8 entertainment installations, 6 precepts were made;
- 8 network installations, 1 precept was made;
- 6 electrical installations with risk of explosion, 2 precepts were made.

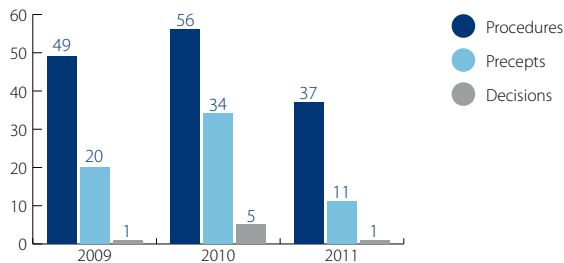
The main violations were the lack or expiry of technical inspection, shortcomings in the organization of maintenance and shortcomings in the documentation of an electrical installation.

8 procedures were conducted and 8 misdemeanour procedures initiated in order to determine the violation of the requirements for the protected zone. Compared to the previous years, the amount of violations in the protected zone was considerably smaller. The main shortcomings were negligence in excavation works in protective zones of underground cables and absence of permits to work in protective zones of underground cables or overhead transmission lines.

In order to check the activities of the institutions dealing with the certification of staff in the electricity sector, supervision procedures were conducted, checking the examination manuals, assessment methods, compliance with the requirements for education and work experience, submitted reports on in-service training, organization of examinations and examination questionnaires. Shortcomings dealing with the certification of staff were not identified in the institutions.

During the conformity supervision of electrical work, 37 procedures were conducted, 11 precepts made, and 1 undertaking was deleted from the register of economic activities. The main problems were the incorrectness of the data entered in the register of economic activities and the mistakes made by the technical inspection body during the inspection.

Procedures regarding the compliance of electrical work with requirements in 2009–2011



Electrical accidents

In 2011, 51 electrical accidents occurred, where 2 people were killed, 11 severely injured and 38 suffered minor injuries.

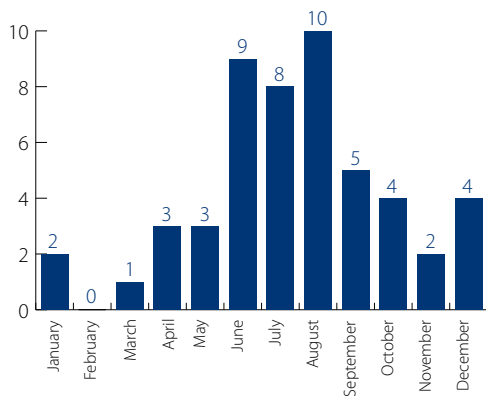
The main reason for accidents in recent years has been disregard for electrical safety requirements and wrongful operation. Two thirds of the accidents in 2011 were caused by a failure to comply with safety requirements and one third by the use of defective electrical appliances. Both in 2010 and 2011, 2 persons were killed stealing metal from substations.

Across regions, accidents are distributed relatively similarly in the recent years. Similarly to the previous years, in 2011 most accidents (55%) took place in Northern Estonia (Tallinn, Harju County and Ida-Viru County). The number of accidents significantly increased in Southern Estonia, where 4 accidents occurred in 2010 and an alarming 16 accidents in 2011.

In 2011, accidents most often occurred in the age group 19–29 years (31%). Deplorably many accidents still happen with small children – 6 incidents in 2010 and 10 in 2011.

Across the year, most accidents in 2011 occurred in the summer months. For instance, if a total of 9 accidents occurred in the first five months of the year, then 9 accidents were added only in June. A similar trend has also characterized the previous years.

Accidents caused by electricity in 2011 across the months



The Technical Surveillance Authority receives notification of electrical accidents mainly from alarm centres and the owners or users of electrical installations. In addition to electrical traumas, the Emergency Centre also communicates information regarding power failures. In 2011, the Technical Surveillance Authority received 360 respective notifications. Most of the emergency notifications were related to overhead transmission lines – mainly trees fallen on the overhead transmission lines, and fallen power lines or posts. There were also reports of fires occurring in distribution centres and substations. Almost half of the notifications were received in the last quarter and were related to storms that hit Estonia.

Safety campaign for electrical and gaseous fuel appliances

In 2011, the Technical Surveillance Authority held a safety campaign for electrical and gaseous fuel appliances called "Don't touch it yourself! Let the specialist regularly check your gas and power system!" The purpose of the campaign was to remind and explain to home owners that in order to ensure safety, a heating appliance, including an electrical installation, must be regularly checked by a specialist, properly maintained and used. Accidents and emergencies with heating appliances often arise from a failure to fulfil the inspection and maintenance requirements, negligence, ignorance or a wish to economize on maintenance and repair costs. With the campaign, the Technical Surveillance Authority wished to make people aware that an electrical or heating appliance can only be inspected, repaired, installed and maintained by specialists with relevant competence. The campaign was targeted at home owners across Estonia, the campaign message was spread through TV, radio, print and outdoor media.



Poster of safety campaign for electrical and gaseous fuel appliance

MACHINERY

The Technical Surveillance Authority checks the existence and conformity to requirements of required documentation, machinery markings and warning texts in Estonian for machinery, including interchangeable equipment, safety components, lifting accessories, chains, ropes and webbing, removable mechanical transmission devices and partly completed machinery.

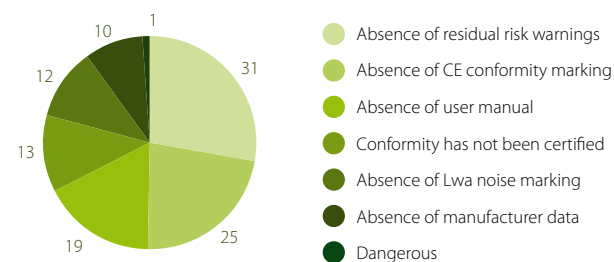
As to cranes, freight hoists and other similar machinery that require registration, we inspect the conformity of the persons responsible and of the operators, the existence of technical inspection, and the conformity of machinery works (installation, rebuilding, repairs). We also monitor the

conformity of the technical inspection body and of the persons conducting examinations for persons in charge, and the conformity of determining potentially explosive atmospheres and the conformity of equipment and protection systems used therewith.

In 2011, the Technical Surveillance Authority initiated 118 procedures, within which 221 machines and devices were inspected.

The most common problem with machinery marketed in 2011 was insufficient marking and non-translated instructions. Undertakings are continually trying to place machinery without the CE conformity marking on the market; in some cases, manufacturer markings are missing, declarations of conformity are not provided with the machinery or cannot be presented, sometimes user manuals are also completely missing. As a positive development, the conformity of car jacks to requirements has significantly improved.

Shortcomings identified in 2011



In the inspection of machinery subject to registration, overdue deadlines for mandatory technical inspection were detected and non-registration of machinery in the Technical Surveillance Authority database was identified in 2011.

The amount of machinery registered in the database of the Technical Surveillance Authority increased by 3.8% as compared to 2010.

Overview of machinery registered in the Technical Surveillance Authority database in 2010 and 2011

| | 2010 | 2011 |
|----------------------------------|--------------|--------------|
| Cranes | 1,794 | 1,827 |
| Cage lifts | 361 | 379 |
| Jiggers | 112 | 128 |
| Construction hoists with a cabin | 15 | 15 |
| Attractions | 23 | 35 |
| Goods lifts | 70 | 73 |
| Platform hoists | 91 | 102 |
| TOTAL | 2,466 | 2,559 |

In 2011, most first-time registrations involved attractions (increase by 34% as compared to 2010), jiggers (increase 12.5%) and platform hoists (increase 11%).

In cooperation with the Labour Inspectorate, the details of several occupational accidents were determined. In 2011, an accident with more serious consequences occurred, where two workers were being lifted in the lifting cage of mobile jib crane Tadano in order to repair a scraper conveyor. During work, the traction cable jammed, and when releasing, slackened, dropping the cage with the people inside.

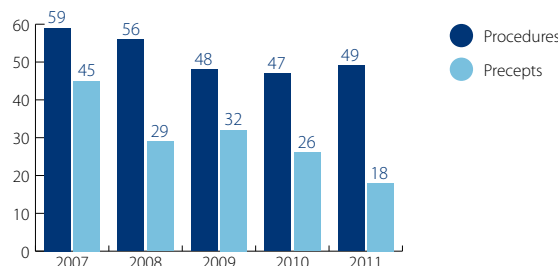
Regarding the need to complement requirements for attractions, motions to amend the sub-act of the Machinery Safety Act were presented to the Ministry of Economic Affairs and Communications.

LIFTS AND CABLEWAYS

In 2011, 49 procedures were initiated and 18 precepts were made in supervising the safety of lifts and cableways. In addition, a misdemeanour procedure was initiated against a legal person regarding the use of inappropriate cableways (ski lifts).

Throughout the year, the use and compliance with requirements of 84 lifts and 8 cableways was inspected. The conformity of the activity of an operator of lifting equipment was also inspected.

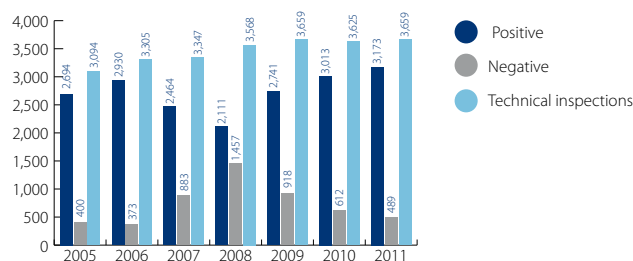
Procedures and precepts regarding lifts in 2007–2011



No accidents with injured parties occurred in 2011; incidents with cableways and lifts were investigated

According to the data presented by the technical inspection body Tehnokontrollikeskus OÜ, 3659 technical inspections were carried out in 2011 regarding lifts, with a positive result in 3173 cases, i.e. 87%. Results of the analysis show that the identified shortcomings were mostly related to lift door trims, documentation, machine room lighting and latching of doors.

Results of technical inspections regarding lifts in 2005–2011



In 2011, Tehnokontrollikeskus OÜ as an institution of the certification of staff issued 4 certifications for supervisors of the use of lifts, 2 certifications for persons in charge of operating lifting equipment (1 lift and 1 cableway), and 3 certifications for supervisors of the use of cableways.

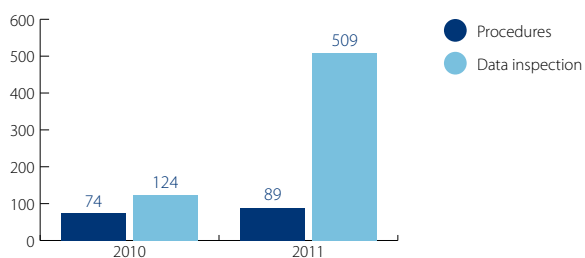
In 2011, the Technical Surveillance Authority participated in the meeting of the permanent committee and working group of Directive 2000/9/EC on cableways in Brussels. The meetings discussed actions for enhancing the cooperation of market supervisory authorities and introduced the European Commission report on the application of the Directive in the Member States.

PRESSURE EQUIPMENT

In 2011, the main inspection objects within the supervision of the market and use of pressure equipment were pressure vessels subject to registration, including vessels for dangerous substances. Altogether, 89 procedures were initiated, 87 reports prepared and 2 precepts made.

Also, a project started in 2010 was continued, within which the compliance of the data regarding pressure equipment subject to registration was inspected against the data in the database of equipment and installations (JVIS) of the Technical Surveillance Authority. Proceeding from the collected data, the attention of the owners of the equipment was drawn to the deficiencies of the pressure equipment subject to registration. In 2011, notifications were sent regarding a total of 509 installations, over half of which have been removed due to shortcomings or the activity of which has been temporarily suspended.

Supervision of pressure equipment in 2010–2011



In addition, undertakings dealing with pressure equipment were randomly inspected, e.g. regarding the compliance with requirements of pressure equipment and of the supervisors thereof. The main shortcomings identified were the non-performance of technical inspections and absence of a designated supervisor for the pressure equipment or lack of qualification of the said supervisor.

GAS APPLIANCES AND INSTALLATIONS

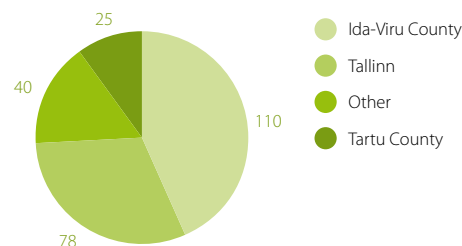
In respect of gas, the main focus in 2011 was on the supervision of use and operation. Supervision included inspection of the appropriate use and construction of gas installations and the performance of gas works as well as the assessment of conformity of gas installations to safety and technical requirements. In respect of the performers of gas works and constructors of gas installations, inspections were performed regarding the competence of personnel, the validity of professional certificates, and the existence of relevant registration in the register of economic activities.

60 procedures were initiated in 2011, 50 of which regarding the gas installations of the wooden houses in the centre of Tallinn (gas pipelines in the hallways). Special attention was drawn to the requirement according to which gas installations that are older than 15 years must have undergone technical inspection, which is due every 4 years. Procedures were ended regarding 27 gas installations located in buildings, as these installations were declared as conforming to requirements. In many cases, a gas installation underwent technical inspection only after a query by the Technical Surveillance Authority showing that owners often fail to fulfil their obligations properly, and that safety in using gas installations is therefore insufficiently ensured.

In determining the circumstances related to gas accidents and failures, the Technical Surveillance Authority cooperates with the Rescue Board, who communicates information regarding gas-related incidents. In 2011, there were 253 gas-related calls, 30% of which involved liquefied gas cylinders, the rest of the cases involved central gas or other reasons.

In 2011, there was one accident regarding gas installations with more serious consequences – wrongful activity upon changing a liquefied gas cylinder caused a fire, which destroyed the house and other property.

Gas-related emergency notifications across regions in 2011



The main problems identified during the supervision of gas installations subject to registration were absence of a supervisor or inadequate documentation. Shortcomings detected in the course of market supervision were absence of the CE conformity marking and of the declaration of conformity.

Gas stoves and water heaters used in homes

Problems continuously arise regarding gas stoves and water heaters used in homes. In many cases, safety requirements are taken too lightly or ignored altogether in ordering and performing gas works. Problems generally occur when gas works are ordered from an enterprise that does not have the necessary skills or a corresponding licence.

Prior to ordering gas works, the registration of the performer of the gas works at the register of economic activities should be checked. It is also important that a gas appliance be installed in such a manner that the maintenance, inspection and access to the control device would not be hindered. This requirement is especially important in relatively old buildings where gas installations may have become out-dated and gas pipelines and gas volume meters may have been covered with tiles in the process of later alterations.

A technical inspection must be ordered for a gas appliance, the use of which has exceeded its prescribed lifetime of 15 years and the appliance may only be used if it is in good technical condition. Devices that are more than 15 years old shall undergo technical inspection every four years.

In installing new gas installations, the project shall be ordered from a competent enterprise. A project in conformity with the requirements must include an explanatory memorandum, plans and drawings, an axonometric scheme, location of smoke flues on the facade of the building and information on the pressure test carried out. When replacing an existing gas installation with a newer one, a new project is not required if the power of the gas device and the associated utility systems do not change. However, when pipes are relocated during the installation process of the new device, or a more powerful gas device is used, a new project is necessary.

We carried out a market supervision campaign for gas grills

The campaign aimed to map the dangers related to gas grills and the use thereof as well as to map the manufacturers, importers and resellers of the gas grills offered in retail. Within the campaign, 29 stores across Estonia were inspected and various shortcomings were detected in gas grills on sale in 18 of them. Altogether, 69 gas grills were inspected.

The most common flaws were the absence of user-oriented residual risk warnings in Estonian (e.g. “outdoor use only”, “details may be hot”, “check the closing of the gas tap”), which occurred in 55% of the inspected gas grills, and the absence of user and maintenance instructions in Estonian, which occurred in 34% of the inspected gas grills. Problems also include

the placement of existing warnings in unnoticeable locations, and the absence of the CE conformity marking and manufacturer's mark. Technical shortcomings or faults that would be outright dangerous were not identified.

The main reason for nonconformity of gas grills may be that resellers fail to check the products on sale and the completeness thereof with sufficient thoroughness. It often remains unchecked whether the manuals accompanying the device have been translated into Estonian.

Safety campaign for electrical and gaseous fuel appliances

In 2011, the Technical Surveillance Authority held a safety campaign for electrical and gaseous fuel appliances called "Don't touch it yourself! Let the specialist regularly check your gas and power system!" The purpose of the campaign was to remind and explain to home owners that in order to ensure safety, a heating appliance, including a gaseous fuel appliance, must be regularly checked by a specialist, properly maintained and used. Accidents and emergencies with heating appliances often arise from a failure to fulfil the inspection and maintenance requirements, negligence, ignorance or a wish to economize on maintenance and repair costs. With the campaign, the Technical Surveillance Authority wished to make people aware that an electrical or heating appliance can only be inspected, repaired, installed and maintained by specialists with relevant competence. The campaign was targeted at home owners across Estonia, the campaign message was spread through TV, radio, print and outdoor media.

HANDLING DANGEROUS CHEMICALS

The Technical Surveillance Authority performs supervision over the maintenance of records on chemicals, over the requirements belonging to the object of inspection of activity licences, and over liability insurance requirements.

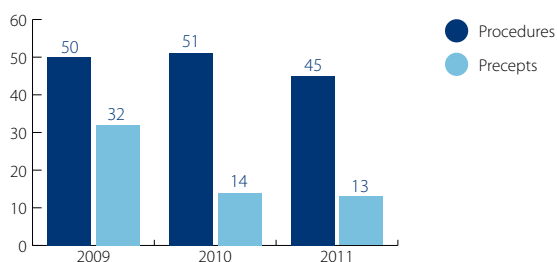
As of 2011, amendments to the Chemicals Act entered into force. The amendments introduced the requirement of an activity licence, and specified the details of liability insurance of enterprises liable to be affected by a major accident. The Technical Surveillance Authority became the leading supervisory agency in the field of handling dangerous chemicals, including the coordination of documents and issuing activity licences.

In 2011, the database of the Technical Surveillance Authority included 26 undertakings with category A danger of a major accident, 22 undertakings with category B danger of a major accident, and 128 dangerous undertakings.

In 2011, 45 supervision procedures were initiated, 13 precepts and 1 warning were made, and 32 supervision reports prepared. Out of the undertakings inspected, 28 were liable to be affected by a major accident (17 of category A and 11 of category B), 5 undertakings were inspected for the first time.

35 activity licences were issued for enterprises liable to be affected by a major accident, 2 of which turned into dangerous undertakings in 2011.

Supervision in the dangerous chemicals sector in 2009–2011



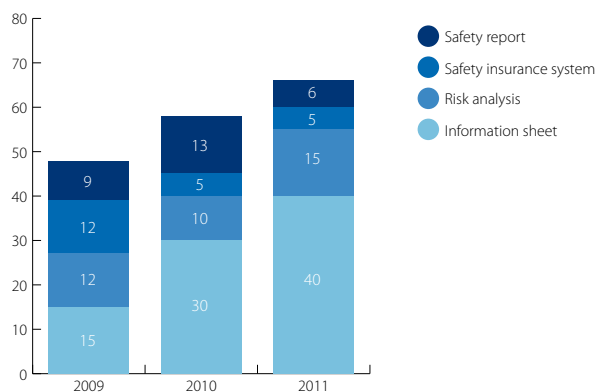
In 2011, the Technical Surveillance Authority received 40 information sheets, 15 risk analyses, 5 descriptions of safety insurance systems and 6 safety reports. 8 risk analyses were not approved, 4 of which underwent amendments and additions during the year and were resubmitted for approval. In addition, a range of documents were reviewed prior to their formal submission, and undertakings received recommendations for bringing the documents into compliance with the requirements.

Representatives of undertakings do not always participate actively in the preparation of the documents sent for approval, but sign the ordered documents without reading them. Documents are thus often sent for approval that describe the undertaking inaccurately and include incorrect data.

The qualifications of the persons performing risk analyses continue to be deficient, where descriptions and study materials are presented instead of analyses. In calculating danger zones, the parameters established in the regulation are not used. The danger zones are determined via a "conservative" approach on the basis of the U.S. motorway accident manual. In many cases, the possible reasons for accidents and factors triggering accidents in a specific undertaking remain unidentified.

Safety insurance systems give a relatively realistic picture of what goes on in an undertaking. These descriptions include a decreasing amount of vision; there are, instead, situations where it has appeared during the on-the-spot check that the undertaking has a working safety insurance system, but the compilers of the system descriptions have been unable to properly formalize it in writing.

Documents submitted to the Technical Surveillance Authority in 2009–2011



Upon checking the information sheets, problems often arose regarding the correct address of a plant due to the changed address database by the Estonian Post in 2010.

In 2011, amendments to the regulation of the category entered into force – discrepancies were eliminated between Annexes 1 and 2 of the regulation, and changes were made to the minimum danger norms on which the category is based. By this change, retail petrol stations and smaller boiler houses will no longer be considered dangerous undertakings.

In 2011, amendments to the Government of the Republic Regulation entered into force – requirements for the documentation to be submitted by undertakings were specified, and the criteria for determining danger zones on the basis of risk analysis were made more concrete.

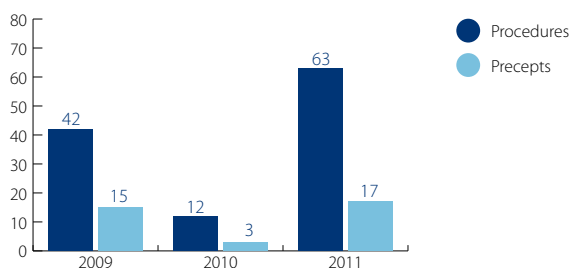
In 2011, the 25th CCA and 26th CCA (Committee of Competent Authorities) meetings and seminars took place in Budapest and Warsaw. The main topic of discussion in the Budapest seminar was undertakings dealing with hazardous waste. This issue became topical after the so-called red mud accident in Hungary in October 2010, which took place in MAL Ltd., an undertaking manufacturing aluminium.

The topic of the Warsaw seminar was cost-effectiveness in the prevention of major accidents. The seminar gave an overview of a study-survey on pipelines and their safety, and discussed whether to include pipeline-related issues into the SEVESO directive, or to develop a separate directive. The classification of dangerous chemicals was also addressed in the light of the SEVESO directive.

PYROTECHNICS AND EXPLOSIVE SUBSTANCES

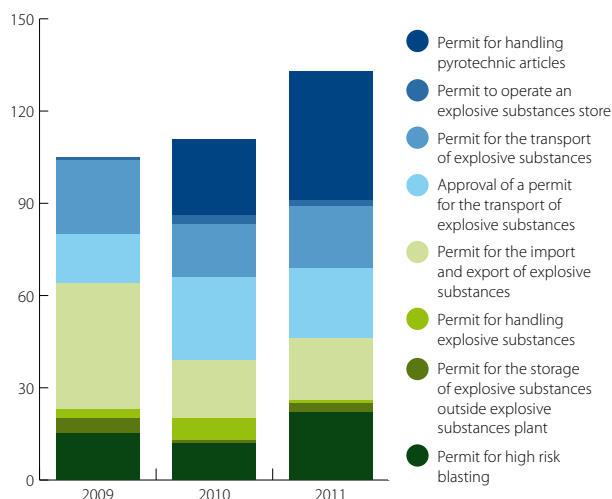
During supervision in the explosive substances sector, 63 procedures were initiated and 17 precepts made in 2011. 12 blasting performances and the conformity thereof with requirements were inspected, resulting in the formulation of 10 reports and the initiation of 2 misdemeanour procedures. Altogether, 3 misdemeanour procedures were initiated in the sector, one of which will continue in 2012.

Supervision in the pyrotechnics and explosive substances sector in 2009–2011



At the end of the year, 34 market supervisory procedures of pyrotechnical products were carried out resulting in 13 precepts. The greatest violation was selling pyrotechnical products without having a relevant activity licence. Other problems included violation of the restriction of self-service sales, disposal of pyrotechnical products lacking a permit for use or markings, and the sales of category 3 pyrotechnical products in a temporary sales point, the retail of which is forbidden.

Permits issued in the pyrotechnics and explosive substances sector in 2009–2011



In 2011, 2 competency examinations were conducted with 3 participants. 5 certificates of competency were issued, 4 of them were renewals.

In cooperation with the Estonian Qualifications Authority (Kutsekoda), the new qualification standards of blaster and senior blaster were developed in 2011, which serve as basis for issuing qualification certificates by the Estonian Mining Enterprises Association (EMTEL). The Technical Surveillance Authority no longer issues certificates of competency for blasters and senior blasters, but participates in the work of the assessment and

qualification committees of EMTEL, the provider of the qualification. The assessment committee assesses the knowledge of the persons taking the qualification examinations, and the received results are confirmed by the qualification committee.

In 2011, the meetings of several international working groups were attended. Meetings for the working groups of Council Directives 2007/23/EC "on the placing on the market of pyrotechnic articles", and 93/15/EEC "on the harmonization of the provisions relating to the placing on the market and supervision of explosives for civil uses" took place in Brussels.

In November 2011, the Technical Surveillance Authority summoned the enterprises possessing the permits for the handling of pyrotechnical products in order to discuss the sales point requirements, maintenance of records and category 3 sales shortly before the turn of the year as the most active sales period. The requirements regarding sales points, sales, and products were also communicated to the shopping centres where the temporary sales points would be set up before the turn of the year.

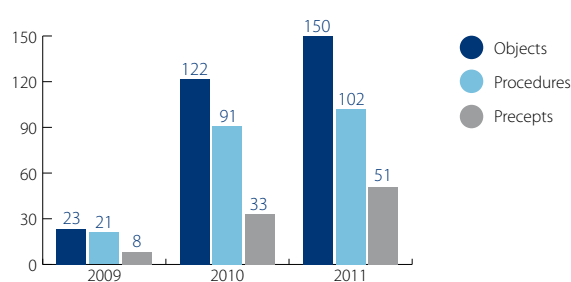
In 2011, the Technical Surveillance Authority issued an information folder called "Recommendations for making fireworks", which includes suggestions for safe fireworks and for purchasing proper pyrotechnical products.

MINING AND QUARRYING

As at 2011, approximately 890 deposits are listed in the environmental register in Estonia; 350 miners, designers and secondary utilizers of a working are registered in the register of economic activities. In recent years, the number of valid extraction permits is around 500.

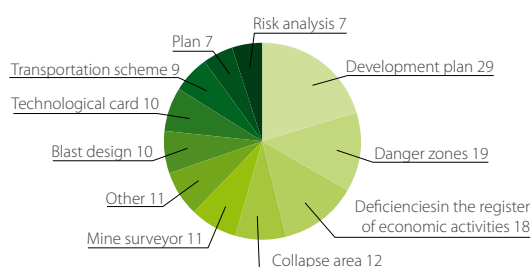
In the mining and quarrying sector, 102 supervisory procedures were initiated in 2011, 51 precepts were made and 4 misdemeanour procedures initiated.

Supervision in the mining and quarrying sector in 2009–2011



The main shortcomings were related to documentation (precepts were most often issued for the absence of a development plan, mine surveying documentation, blast design, and the technological card), accuracy of the data in the register of economic activities, and the marking and delimiting of the collapse area and danger zones.

Violations in the mining and quarrying sector in 2011



In 2011, the Technical Surveillance Authority participated in 5 termination committees and 1 maintenance committee.

At the beginning of the year, letters were sent to 6 undertakings whose maintenance projects have passed through the Commission of Estonian Mineral Resources reminding them that pursuant to the Mining Act, a committee must be assembled in order to terminate activities in a quarry.

In addition, reminders were sent to 22 miners whose registration of economic activity was unconfirmed. All problematic registrations have by now been corrected or deleted. Documents received from the issuers of extraction permits (86) and geological exploration permits (35) were also mapped.

In the summer of 2011, the Technical Surveillance Authority carried out a surveillance campaign of Estonian peat deposits, the objective of which was to inspect compliance with safety requirements in the deposits and to improve cooperation with mining enterprises. Campaign results show that the safety situation in peat deposits has improved compared to recent years, and that the awareness of the undertakings engaging in mining regarding the requirements regulating the sector has increased. Within the campaign, eleven peat production areas were inspected across Estonia (the peat production areas of Peetla, Salla, Simuna, Piilaso, AS Elva E.P.T, Parika, Määrastu, Lavassaare, Elbu and Nurme, and the fuel peat production area of Sangla), where mining is performed by nine undertakings. The sample of the campaign was compiled from peat deposits of various importance, size and production volume. Whereas peat extraction involves fire hazard as a risk factor, the Rescue Board was included in the campaign for an additional inspection of compliance with the fire safety requirements. In all peat production areas, inspections addressed the general safety situation, presence of the required documentation and competent specialists in charge, and the compliance of extraction works with requirements. In five undertakings out of nine, no violations were detected; four undertakings received precepts on the removal of various shortcomings. If in 2010 the violations were mainly related to mandatory documentation, in 2011 shortcomings were most often identified in the general condition of the production areas, e.g. not all the fire water supply points within the peat production area were correctly marked and maintained nor were all machines equipped with basic fire extinguishing equipment. The Technical Surveillance Authority carries out supervision of peat deposits every year in the peat production season.

In August 2011, a mine rescue training exercise took place in the mine Estonia initiated by Eesti Energia Mining, where an improvised fire was eliminated in underground conditions. The training involved using actual equipment and polishing cooperation. The purpose of the training was to improve cooperation between the parties related to mine rescue and to enhance practical skills for the most operative solution of actual incidents.

In 2011, 4 competency examinations were conducted in the mining and quarrying sector with 16 participants. Altogether, 10 certificates of competency were issued to specialists in charge of mining and 1 certificate to a specialist designing mining projects. During the year, 18 certificates of competency of specialists in charge and 3 certificates of design specialists were renewed.

The Estonian Qualifications Authority chose MTÜ Estonian Mining Association as the winner of the competition to provide the qualification of mining engineer, and gave them 1 year for the development of the qualification standard of a mining technician and the correction of price calculations and the procedure for qualification provision. In the second half of the year, several working group meetings took place at the Estonian Qualifications Association, where it was decided that the qualification standard of a mining technician regulates a person who may work as a

specialist in charge in a sand or gravel quarry belonging to a more dangerous category.

In collaboration with the Ministry of the Interior, amendments were made to the Government of the Republic Regulation "Requirements for the organization of rescue work performed in underground constructions and the procedure for cooperation with rescue service agencies in underground construction", which entered into force in June 2011.

Together with the Ministry of the Environment, amending of the regulation "Procedure for mine survey operations" was discussed, and pursuant to the decision of the Ministry of Economic Affairs and Communications, comprehensive amendments of the regulation were undertaken. During the year, several working group meetings took place, which were attended in addition to the Technical Surveillance Authority and the Ministry of Economic Affairs and Communications also by engineering offices, and by enterprises appointed by the Estonian Mining Enterprises Associations. In addition, there were discussions with environmental agencies.

In 2011, the Technical Surveillance Authority participated in an international conference on mining supervisory agencies in Krakow, Poland. The conference was attended by representatives of mining supervisory organisations from 13 countries. The conference introduced the legislation and experiences of different countries in the maintenance of extracted areas, and the principles and effectiveness of the identification and mapping of extraction waste.

In December 2011, the Technical Surveillance Authority organized an information day for miners aiming to raise the awareness of enterprises regarding various requirements and to have a common discussion on themes topical in this field. The information day was attended by mining enterprises as well as professional associations and boards, and representatives of the Mining Institute of the Tallinn Technical University. Prominent themes included the insurance of safety (safety requirements in quarries, occupational accidents), and environmental themes (use of mineral resources as a resource, the maintenance of quarries). The most vivid discussion was evoked by excessive mining and the possibility of mining exactly in the limits of an extracting permit area. The requirements for quarry maintenance were also discussed (e.g. the procedure and timeline for issuing maintenance conditions).



Information day for miners

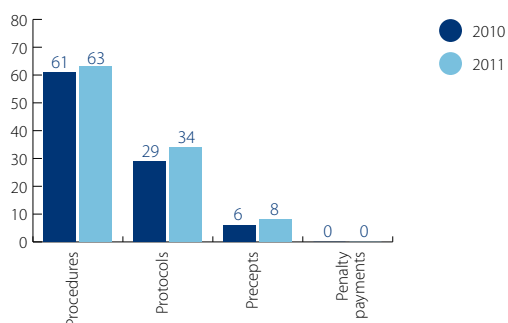
In 2011, the Technical Surveillance Authority completed the information material "Mining in quarries" introducing the requirements established for mining in quarries, acquisition of mining rights, mandatory documentation of miners, state supervision, etc. The information material was distributed to enterprises during supervision, to the participants of mining events, engineering offices, the Estonian Mining Enterprises Association, and to other cooperation partners.

SUPERVISION OF RAILWAY SAFETY

The main keywords in the supervision of railway safety in 2011 were reviewing and updating the grounds of supervision activities. Planning became mostly risk-based and the details for input information were significantly specified. The work plan of safety supervision was finalized in view of the main dangers mapped in emergency risk analyses. Supervision activities focused on the inspection of the railway infrastructure in public use and the rail transport carried out thereon, paying special attention to the functioning of the self-regulation mechanisms of railway undertakings.

In 2011, railway safety supervision included 63 procedures, most of which comprised several different objects simultaneously. 34 protocols were issued and 8 precepts made. The shortcomings identified mostly involved the maintenance of railway facilities and violation of the requirements of the codes of conduct established by undertakings.

Supervision of railway safety in 2011



The management of railway traffic on the public railway was inspected on 24 occasions. Altogether, the relevant supervisory operations were performed in 31 different railway stations and stopping points of public railway infrastructure managers. In addition, the activity of the traffic managers of railway infrastructure managers in traffic management centres was inspected on 2 occasions, the activity of the providers of passenger transportation services in passenger trains on 4 occasions, and the compliance of the activities related to freight traffic with the established norms were assessed on different levels on a total of 8 occasions. The safety of railway rolling stock and conformity to technical norms was inspected on 6 occasions in different undertakings.

In 2011, the sample of objects inspected within the state supervision of railway construction was mainly based on facilities with widespread public usability like passenger platforms, pedestrian crossings and non-motorized traffic underpasses. The main identified shortcomings in the construction of these facilities were poor delimiting of an object and inadequate notification and direction of people during construction works. The Technical Surveillance Authority turned special attention to this problem and achieved considerable improvements in a short time – notifying people became clearer, and the detour routes more easily usable.

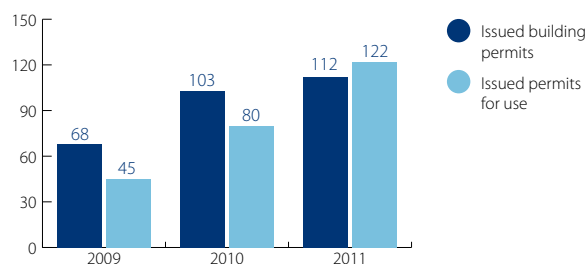
Outside passenger facilities, the implementation of state supervision of railway construction focused on the activities related to the setting up of the Koidula railway frontier station. Insofar as the construction of this station included a prevalent part of the railway facilities spectre, it constituted a very voluminous task. More attention was also paid to the Türi-Viljandi railway section, insofar as it involved the simultaneous renovation of rail tracks, passenger platforms, road facilities and railway crossings.



Koidula station before opening

The increase in construction volume brought about the issuing of a record amount of building permits and permits for use in 2011 (112 building permits and 122 permits for use). In comparison with 2009, the number of issued permits for use has more than doubled, and a moderate growth can also be estimated for the coming period.

Issued permits for use and building permits in 2009–2011



Compared to 2010, application for various approvals for activities in the railway protection zones (mainly to perform excavation works) also showed a marked increase. This was brought on by active cooperation between the Technical Surveillance Authority and railway infrastructure managers that was inspired by the serious incidents regarding activities in railway protection zones in recent years. Despite the fact that the obligation to apply for a permit for activities in the protection zone is established in the Railways Act, the performers of works have thus far adhered to it insufficiently. In 2012, the Technical Surveillance Authority therefore concentrates on additional notification of the performers of the respective activities, and on inspection of conformity to the requirement.

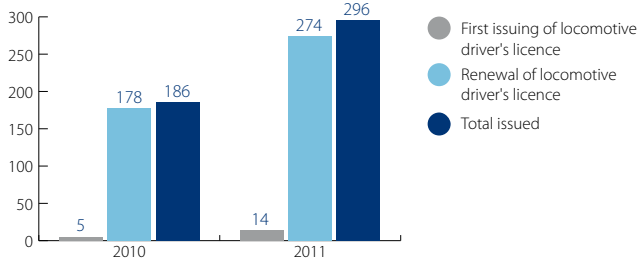
At the beginning of 2011, the Technical Surveillance Authority completed a labour-intensive supervisory procedure on determining the reasons for a collision of trains near Aegviidu on 23 December 2010. The procedure proved that the railway infrastructure and the railway rolling stock were technically in order, and that the accident was caused by malevolent action of a person. Determining the reasons of this incident gave an important input to the safety supervision activities of the Technical Surveillance Authority in the long term and the conclusions reached were also used for the supplementation of the legislation of the railway sector.

Authorization of locomotive drivers

The examination of locomotive drivers, started in 2010 at the Estonian Road Administration has yielded positive results. The examination of applicants for locomotive driver's licences has become significantly faster, meaning in turn

that the time for fulfilling the prerequisites for operating in this profession is shorter. An important progress in passing the locomotive driver examination is the fact that an applicant for a locomotive driver's licence may take the theory examination necessary for obtaining the locomotive driver's licence in a Road Administration traffic register office nearest to their residence.

Issuing of locomotive driver's licences in 2010–2011



In 2011, the steps taken by passenger transport undertakings in 2008 were continued for the introduction of one-man operation in passenger trains. Another transport operator received approval from the Technical Surveillance Authority for the one-man operation of a passenger train, which also means that the majority of passenger train traffic will in the near future be performed by one-man operation. Among other things, this entails a new approach in the training of drivers insofar as the previous solution, where becoming a locomotive driver exclusively presumed previous work experience as an assistant locomotive driver, needs reviewing. In the coming period, the Technical Surveillance Authority is assessing the modernity of the in-service training established by transport undertakings in the changing environment.

Passenger platforms

With regard to the ending of the lifetime of the existing passenger facilities and to the adoption of new passenger trains in the near future, railway infrastructure managers have lately been reconstructing passenger platforms with increasing activity. Consequently, the number of permit procedures regarding passenger platforms has significantly increased in the Technical Surveillance Authority. If in 2008 and 2009, construction supervisory operations were performed with 7 new passenger platforms, in 2010 the number of new platforms was already 31 and 55 permits for use were issued.



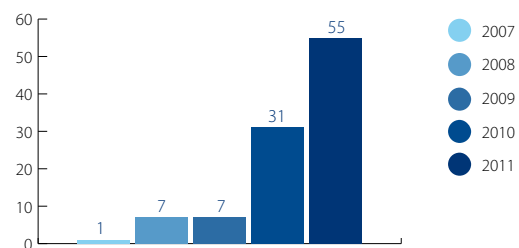
Orava passenger platform in Põlva County, opened in 2011

Besides issuing building permits and permits for use, the role of the Technical Surveillance Authority has also included advising the local governments and railway infrastructure managers in respect of the

placement and technical solutions of passenger platforms. In order to reduce the confusion arising from construction-time changes in traffic management, we have actively used the safety portal www.ohutus.ee to inform people of the changed conditions and give instructions for safe behaviour. We have also prioritized informing the passengers of changes in the situation. In the construction of new passenger platforms, special attention has been turned to the safety and convenience of passengers and to the availability of the passenger train service. Access roads have been improved and new pedestrian crossings built. All passenger platforms are equipped with stairs and ramps – thus significantly improving access to the platform by persons with reduced mobility. All railway stops have been designed so that safety zones would be clearly marked and separated for the passengers, delimited with a yellow line. For persons with reduced vision, special touchable surfaces have been placed in order to perceive the safety zone. In addition, possibilities have been created for equipping the passenger platforms with ticket machines and electronic information boards.

A uniform approach in platform construction ensures the simpler, safer and more convenient usage thereof for passengers in different locations.

New passenger platforms that received a permit for use in 2007–2011



Railway crossings

There are 300 level crossings in public use in Estonia and shortcomings were detected in around half of them during supervision in 2011. At the same time, the number of shortcomings is decreasing when compared to previous years. The more common shortcomings included holes in road surface, inadequate visibility of traffic signalling lights in level crossings equipped with lamp lights due to the technical qualities of electric filament lamps, and absent or defected traffic signs and additional panels on roads managed by local governments. In the case of smaller non-public railway infrastructure managers, the main problem is the visibility of the level crossings for vehicle drivers – absence of marker posts and/or scrub growing in the visibility triangles. In the level crossings situated on non-public railways, another problem is sometimes the poor condition of the surface of roads/streets.

In 2011, several articles of legislation were developed or entered into force, the implementation of which should reduce recurrent shortcomings and increase the general safety level of level crossings in the short and middle term. The new redaction of the Annex on railway crossings pertaining to the Rules for Technical Use of Railway, entered into force in July, establishes among other things that by 2018, all automatic traffic light signalization systems must be equipped with LED lights, which have significantly greater luminous intensity than lamp lights, and feature remote surveillance devices for the purpose of providing a constant overview of the level crossing. As at 2011, around half of the existing 160 automatic traffic light signalling systems meet the requirements that enter into force in 2018.

In 2011, several level crossings were closed. It is worth mentioning that two very dangerous level crossings located at Männiku, Harju County were closed and replaced with a new crossing complying with contemporary safety requirements. The Technical Surveillance Authority inspected the conformity of the location and equipment of the level crossing planned at Männiku to the existing safety requirements, approved the design conditions and issued building permits and permits for use.

The Technical Surveillance Authority gave a pre-reconstruction assessment on the safety level of the Türi-Viljandi railway section, especially considering the risks of third parties on railway level crossings. Insofar as the realization of this project entails a significant increase in the speed of passenger trains, it was justified to close one rarely used and remote crossing. In cooperation with the railway infrastructure manager, it was concluded that additional safety devices need to be supplied for three more crossings besides the existing ones.

In 2011, following the respective precept by the Technical Surveillance Authority, traffic light signalization and a barrier were placed to the Klooga-Ranna level crossing on the Tallinn-Paldiski road, which had thus far experienced frequent traffic accidents.

In 2011, a total of 8 public level crossings were closed for traffic, whereas the owners of the railway infrastructure previously created alternative traffic options for the users of the said crossings. It can be presumed that closing of level crossings in the same volume is not foreseen in the near future.



Klooga-Ranna level crossing

In order to increase pedestrian safety in crossing the railway, underpasses were constructed in 2011 at the Ülemiste and Lagedi train stations, where rail traffic is dense. In 2012, two underpasses will also be built near the Lilleküla railway stop enabling the elimination of the existing dangerous pedestrian level crossing. The Technical Surveillance Authority approved the design

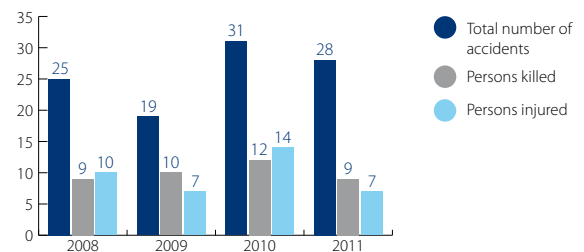
conditions for all the above-mentioned facilities, assessed the suitability of the solutions and issued building permits and permits for use.

Safety indicators

Pursuant to the safety directives of the European Union, additions were made to the Railways Act valid in Estonia, and amendments were made to the procedure for notification of railway accidents. A regulation was prepared on the basis of input by the Technical Surveillance Authority, establishing a specified division of railway traffic accidents and railway incidents, safety indicators and the procedure for notification thereof to the Technical Surveillance Authority and the European Railway Agency. Simultaneously with the harmonization of the safety indicators valid in the EU and the national accident division, the railway accident module was also adopted.

All railway accidents, incidents and collisions occurring in Estonia are entered in the module. The module enables significantly better processing and analysis of accident-related data in the future, thus also the adoption of necessary safety improvement measures more operatively than before as well as the preparation of statistical reports in a given format both for the European Railway Agency and for Statistics Estonia.

Railway accidents in 2008-2011

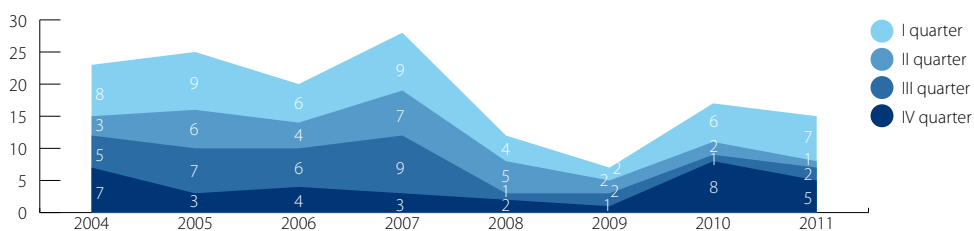


Accidents in 2011

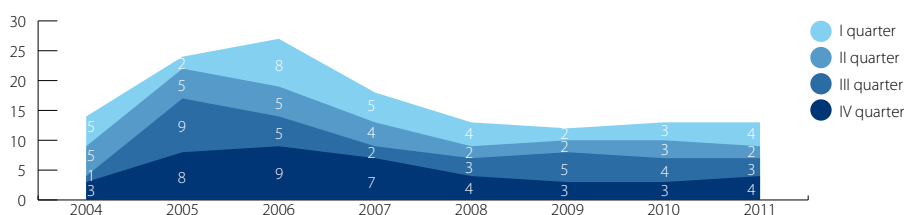
A total of 28 railway accidents were registered in 2011. The number of incidents of a collision between motor vehicles and railway rolling stock were 15, with 3 people injured but no fatalities. Running down people on the rail tracks occurred on 13 occasions, in which 9 people were killed and 4 injured.

Compared to 2010, the number of collisions has decreased. Out of the 15 collisions in 2011, 12 occurred in the winter period in the I and IV quarters. Accidents occurred both on regulated and unregulated level crossings. Most importantly, there were no fatalities and the number of people injured decreased by 7.

Collisions between railway rolling stock and road vehicles on level crossings quarterly in 2004–2011



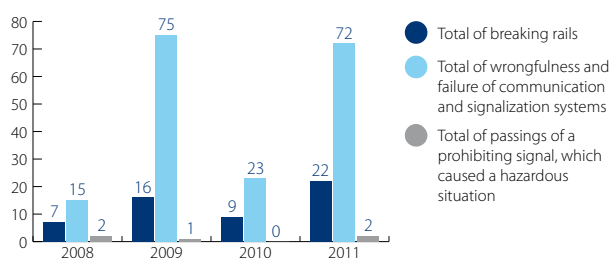
Collisions between railway rolling stock and people quarterly in 2004–2011



The number of collisions between railway rolling stock and people remained the same as in 2010. The number of accidents occurring due to inattentiveness and negligence is still large. As a measure for reducing collisions into people, the Technical Surveillance Authority suggests mapping the unauthorized crossings produced by people on railway ground area, and consequently seeking optimal solutions that consider the needs of road users.

The year 2011 also stood out with an increased number of railway incidents. Such cases, which are related to the failure of railway infrastructure and the devices located thereon, the failure of the railway rolling stock and parts thereof, were mainly caused by extreme weather conditions (autumn storms, thunder, excessive snow). Passing a railway traffic light signal prohibiting passing, which can be considered an incident with the most serious potential consequences, occurred rarely. This proves that new risks have not been added to the railway system compared with earlier times.

Incidents on railways in 2008–2011



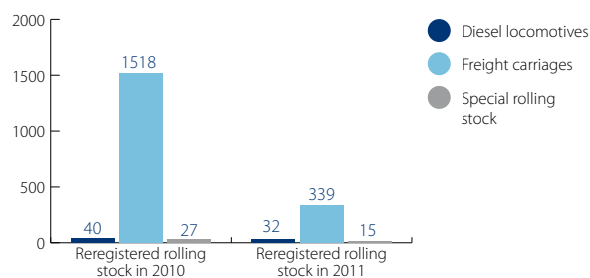
Railway rolling stock

In 2011, the owners of rolling stock intensely continued the registering of new rolling stock in the national railway traffic register, also the reregistering of previously registered rolling stock. In 2011, the e-module function of the railway traffic register was introduced for the simplification and acceleration of register operations in order to enable an optimal distribution of burden between the interested party and the Technical Surveillance Authority.

Railway rolling stock registered in the railway traffic register in 2011 and comparison of data with 2010

| Type | Freight rolling stock | |
|---|-----------------------|-------------------|
| | Locomotives | Freight carriages |
| Subtype | Diesel locomotives | Freight carriages |
| Registered units as at 31 December 2011 | 303 | 18,995 |
| First registered in 2011 | 1 | 1,764 |
| Registered units as at 31 December 2010 | 318 | 17,358 |
| Change in registered units +/- 2010 in comparison with 2011 | -15 | 1,637 |

Railway rolling stock reregistered in the railway traffic register in 2010 and 2011 related to change of owner



In 2011, the number of activities related to the authorization of a new vehicle type was greater than before. Compared to the previous years, when new rolling stock types were not acknowledged, the year 2011 stood out with initiating 2 new authorization procedures, completing a procedure commenced in 2009 and continuing intensely with the authorization of new passenger trains commenced in 2010.

In relation to the aging of the existing rolling stock and an increasing interest in rail transport services, mutual acknowledgement of rolling stock or authorization of new types is foreseen in the near future. Insofar as this constitutes an extremely voluminous procedure (parallel validity of EU and national law), the Technical Surveillance Authority has expanded the respective competences and is paying additional attention to this in the future.



(INCREASING RELIABILITY)

We supervise the conformity to requirements of electronic communications network terminal and radio equipment, construction products, electrical and electronic equipment, gas appliances, machinery, pressure equipment, measuring instruments and measuring activity, pre-packages, electronic communications services, digital signature services, line facilities, radio interferences, electromagnetic compatibility, and energy efficiency and energy performance labels.

In respect of **radio equipment, electrical devices and machinery**, we check the compliance of the documentation (CE markings and user manuals) and the performed procedures (conformity assessment), that is supplemented, in the case of certain radio equipment, by checking the notification about the limitations on use to avoid radio interference and the corresponding marking.

As to the conformity of **construction products** to requirements, we check the presence of markings and the necessary documentation, as well as the absence of substances hazardous to health.

Concerning **energy efficiency**, we check the presence of the energy performance label on certain types of household appliances and heating devices as well as the presence of energy performance labels on buildings and the process of issuing these.

In respect of **legal metrology**, we check the introduction of measuring instruments on the market, their entry into service and use, also whether the requirements for proved traceability of measurement results are met. We also monitor the activities of the conformity assessment agencies and verification laboratories for measuring instruments, carry out legal metrological expert

analyses and issue national type-approval certificates for measuring instruments.

In respect of **communication services**, our task is to inform and consult the end user in the matters of the requirements set for the services, enabling the comparison between different service providers and the supervision of the conformity of the provision of communication services. We also check the conformity of the operations in the protected zone of line facilities and number portability functioning. As a full member of the European Telecommunications Standards Institute (ETSI), we are also responsible for the transposition of standards in the field of telecommunications in Estonia.

CONSTRUCTION PRODUCTS

In 2011, the Estonian Technical Surveillance Authority conducted 15 procedures, initiated 1 misdemeanour procedure and issued 2 precepts in the course of market supervision of construction products. The main shortcomings were the absence of necessary documentation or its inadequacy and the failure to attest conformity.

In the first half of 2011, we completed the market supervision campaign of precast concrete products started in 2010, in the course of which we inspected the products of the ten largest producers in Estonia. The objective of the campaign was to obtain an overview of the conformity of the precast concrete products produced and marketed with the applicable requirements.

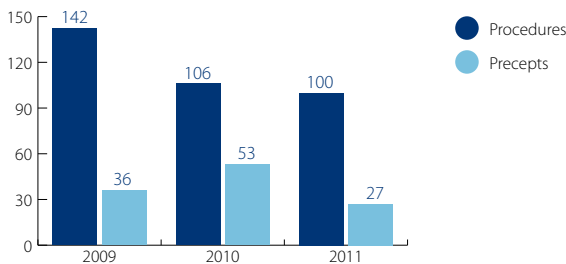
The majority of the producers inspected had brought their products into conformity with the requirements arising from legislation, a precept to

eliminate shortcomings was issued to three undertakings. In two cases, the producers had failed to attest the conformity of certain categories of precast products of their entire production. As a result of the precepts issued, the conformity of the inspected precast concrete products was attested as required and only in one case the producer discontinued the production of the products in that particular product group.

ELECTRICAL DEVICES

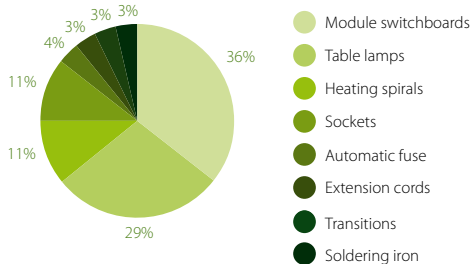
In 2011, 100 procedures were conducted and 27 precepts were issued within the framework of the market supervision of electrical devices. The number of procedures has remained on the same level compared to last year, while the number of shortcomings has decreased.

Market supervision of electrical devices in 2009–2011



Special attention was paid to the supervision of the conformity of various lighting fittings and distribution cabinets.

Precepts issued by product groups in 2011



In the case of non-conforming electrical devices, the pan-European ICSMS and Rapex databases were checked. In Estonia, no products entered in these databases were found and no notices were submitted to them by the Estonian Technical Surveillance Authority in 2011.

In 2011, close cooperation with the Tax and Customs Board continued, around 208 messages received from the Estonian Tax and Customs Board concerning potentially non-conforming electrical appliances discovered at the border were dealt with. The total number of messages has decreased, yet the number of messages received concerning major lots of goods has increased, while the messages received concerning individual devices from the post office customs has significantly decreased. The greatest number of messages from the Tax and Customs Board were received concerning various types of household electronics and storage units. The most common shortcomings of these products were the lack of a CE-marking and the lack of the producer's or the model's identification number. In the case of most of the products, the requirements for electromagnetic compatibility were not met, and there were non-conformities with the requirements for low-voltage electrical equipment. When necessary, compliance of the equipment with the requirements in directives RoHS 2002/95 (dangerous substances) and EuP 2009/125 (eco design), including the existence of relevant declarations was inspected.

In 2011, international cooperation with other European market supervision authorities was continued. The Technical Surveillance Authority participated in the meeting of the administrative cooperation (ADCO) group of the low-voltage electrical equipment directive, held in Brussels, discussing the guidelines for the application of the directive to LED lamps as well as plugs and socket outlets, market supervision activities and procedures regarding hot surfaces of household appliances and water pumps of pools, standardisation concerning sun bed installations, water pumps of pools and LED lamps as well as technical issues regarding night-time lighting, converters and spa installations. The administrative cooperation group of the low-voltage electrical equipment directive is an independent working group guided and organised by the member states. The purpose of this working group is cooperation and exchange of information between the market supervision authorities of different countries.

In 2011, the Technical Surveillance Authority participated in the EDD ADCO workgroup meetings in Brussels discussing the implementation of the directive and market supervision issues. Projects in progress and those being drafted were also introduced. The EDD administrative cooperation group is an independent working group guided and organised by member states. The purpose of this working group is cooperation and exchange of information between the market supervision authorities of different countries.

Market supervision of the requirements for the content of dangerous substances in electrical and electronic equipment

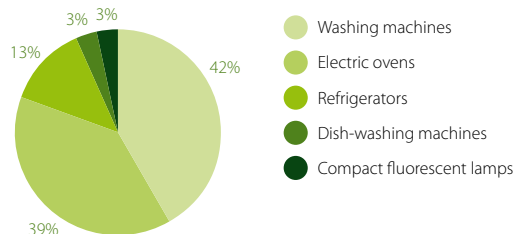
In 2011, ten procedures were conducted to inspect the conformity with the requirements of the content of dangerous substances in electrical and electronic equipment. Ten undertakings and ten different products were inspected; no shortcomings were identified. Seven of the inspected products were household electronic equipment (TV set, monitor, MP players, storage units), 2 household appliances (microwave oven, water dispenser) and 1 lighting installation (LED lamp).

Energy efficiency of electrical devices

Market supervision of energy efficiency of electrical appliances is carried out by the Technical Surveillance Authority throughout Estonia. In 2011, 62 procedures were conducted and 10 precepts were issued. The relation of the procedures and the precepts made has remained at the same 20–25% level throughout the past years.

Mainly white household appliances (refrigerators, washing machines, electrical ovens) and electrical lamps were inspected. The main shortcoming found was the lack of the required energy-performance label.

Product groups lacking in energy efficiency



Gradually, the new energy efficiency requirements arising from the Ecodesign Directive 2009/125/EC have entered and are entering into force.

The purpose of the requirements is to reduce the energy consumption of the European Union by about 20% by the year 2020, using more energy-efficient electrical devices. The regulation on non-directional household lamps

(244/2009) also imposes requirements, among others, on the conventional incandescent lamps used in households. In 2007, the estimated electricity consumption of household lamps in the European Union was 112 TWh. This way, the consumption would increase to 135 TWh by 2020. The measures implemented by the regulation, however, enable consumers to reduce their electricity consumption by the year 2020 to the estimated 39 TWh. In order to economise energy consumption, conventional incandescent lamps will gradually drop out of use. As of September 2009, incandescent lamps with a nominal power of over 100 W cannot be imported from third countries to the European Union market or produced, and in 2011, the same ban was extended to cover also incandescent lamps of over 75 W. By 2012, the ban will extend to all incandescent lamps.

The requirements will be developed taking into account the particular features of equipment groups. For example, television sets, devices with a standby-mode and external power supplies will have certain limit values of energy consumption that they are allowed to use when switched off/on standby. The limit value of the energy efficiency index to refrigeration equipment is laid down in accordance with their category.

The new eco design requirements will be implemented in stages by different deadlines. For example, eco design requirements are applied to television sets in four stages, in the years 2010 to 2012, but for refrigeration equipment, in five stages until 2015.

The requirements are not implemented on devices already used and sold on the EU market in retail or wholesale. The requirements will only be implemented for devices imported from third countries or manufactured in the EU after the deadlines of the different stages.

Energy performance labels for TV sets

As of December 2011, the energy performance labels will be compulsory for TV sets in the European Union countries. The purpose is to consume electrical energy more efficiently, thereby reducing greenhouse gas emissions. In addition to saving the environment, the energy performance labels of TV sets offer consumers an opportunity to assess the maintenance cost of the equipment and motivate the manufacturers to develop more efficient solutions.

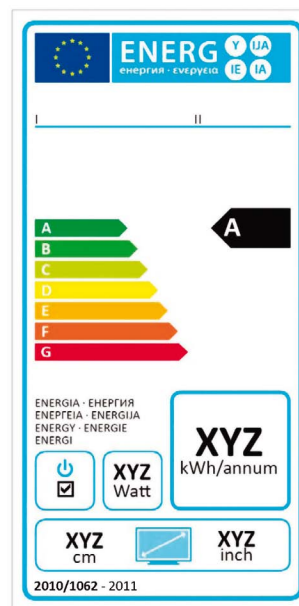
The energy performance label provides the capacity of an on-mode TV set (W), the annual electricity consumption of the device (kWh/a), the diagonal diameter of the visible part of the monitor in centimetres and inches, and in case the energy consumption of the device in off-mode is below 0.01 W, also the ecolabel.

The energy efficiency class of equipment is provided as alphabetical ranges on the label, starting from the letter A+ and ending with the letter F. The energy efficiency class will drop in the alphabetic order. The energy class of a particular model is indicated as an arrow pointing towards the relevant level.

TV sets that exceed the requirements for energy class A are additionally marked + (e.g. A+). Class A+++ is considered as a technological limit. Usual LCD TV sets belong to an energy class C or D.

For example, a TV set of class A consumes approximately 50 kWh per year, an equivalent TV set of class C approximately 100 kWh and the consumption in class D is approximately 130 kWh. Each class upwards from class A decreases energy consumption by about 30%.

As from August 2010, the ecodesign requirements have also been applied to the standby-mode of TV sets, according to which the energy consumption in standby-mode may not exceed 0.5 W and 1 W, depending on whether the device displays the mode information or not.



Energy performance labels for TV sets

COMMUNICATION DEVICES

In 2011, the updating of the regulation of the European Communities continued to develop a more effective mechanism for the conformity of devices with the requirements as well as to simplify and clarify the provisions of directive 1999/5/EC. The Technical Surveillance Authority actively participated in the auditing process of the directive, expressed its opinion on the amendments and commented on the full text of the new directive. In February, the European Commission started revising the directive and amendments to the regulation on communication devices can be already expected in the years to come.

The regulation on the conditions for using radio frequencies and technical requirements for radio equipment exempted from a frequency authorisation was supplemented and updated. A regulation that entered into force in October 2011 for the first time set out the requirements for the use of low power active medical implants in a new frequency band of 2483.5–2500.0 MHz. The devices are meant for the remote monitoring of patients' state of health in medical institutions. The conditions of transmitting videos in the frequency band of 863–870 MHz were specified, which allows for transmitting a digital video signal by short range devices; transmission of a video signal in this frequency range was not allowed previously. Requirements were added for using data communications devices between a vehicle and an infrastructure belonging to the road information system in a frequency band of 76–77 GHz. Of industrial devices, requirements were established for the level probing radar (LPR) used for liquids or granules in a radio frequency band.

The regulation on the conditions for using radio equipment used under frequency authorisation was supplemented and updated. The draft was prepared through the information system of drafts at the end of December and the European Commission was notified of its preparation. Compared to the applicable regulation, requirements were added for professional and personal radio communication systems, meteor communications radio equipment, high voltage paging and surveillance systems, GSM-R network devices of the railway mobile networks, etc.

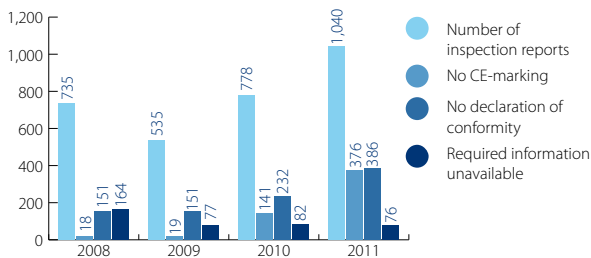
Based on the Commission decision, harmonised requirements were prepared for the network devices of terrestrial electronic communication

systems in frequency bands 900 MHz and 1800 MHz in order to allow for using the LTE and WiMAX systems in these frequency bands in addition to GSM and UMTS devices.

In 2011, the Technical Surveillance Authority conducted 1917 conformity checks of equipment. Shortcomings were found in 1350 instances, 845 devices were banned from entering the country and 286 devices were removed from shops.

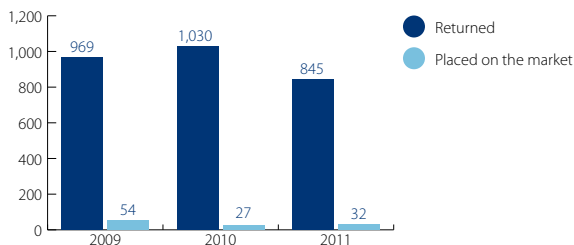
1040 inspection reports were compiled during the inspection of shops (including online shops). 505 different shortcomings were identified, while there were products with several shortcomings.

Supervision of stores in 2008–2011



During the product safety inspection, the Tax and Customs Board submitted 877 inquiries to the Technical Surveillance Authority concerning devices in the case of which there was reason to doubt their conformity with the requirements. Of the inspected devices, 96% did not conform to the requirements and they were banned from entering the country. The majority of the inspected devices consisted of mobile phones, GPS receivers, radio controlled toys, wireless computer equipment, baby monitors, dog fences and training equipment as well as low voltage radio transmitters.

Product safety inspection in cooperation with the Tax and Customs Board in 2009–2011



In 2011, in the course of the procedure for notifying the intention to place on the market radio equipment using frequency bands whose use is not harmonised in Europe, 784 notifications were sent to Estonia, while all of them were submitted through the common notification system OSN of the European Commission. When processing the notifications, the requirements for using radio frequency bands applicable in Estonia were explained to 43 producers and producers' representatives, of which in 34 cases it was notified that it was impossible to use the equipment in Estonia.

The working group addressing the issues of market supervision of directive 1999/5/EC (ADCOR&TTE) completed a report in 2011 providing recommendations for harmonising the market supervision measures. The main requirements relate to the single inspection form and the mapping of measures applied.

As regards standardisation, voting of the EN drafts of the European standards of the ETSI (European Telecommunications Standards Institute) was organised in 2011 and 50 new ETSI standards were adopted as Estonian standards.

During the ETSI Public Enquiry procedures of harmonised standards, the Estonian title was added, which is required for publication of the list of

harmonised standards under directive 1999/5/EC in the Official Journal of the European Union.

A lot of radio, communications and electronic equipment ordered from online shops do not conform to requirements

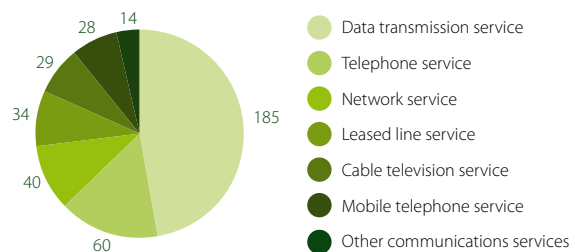
The non-conformity of equipment ordered from online shops and forums outside the European Union with requirements continues to be a problem. All postal items arriving from outside the European Union must be submitted for customs inspection. A part of the customs inspection is the inspection of the conformity of the goods with requirements to identify whether the goods conform to the requirements established in the European Union or not. If it appears during the customs inspection that the device contained in the consignment does not have the required marking and labelling, the Tax and Customs Board will not release it into free circulation and will notify the Technical Surveillance Authority of such a device. If the product does not have an EC mark or it has been attached carelessly, this may mean that the product is dangerous and the producer does not know the requirements imposed on the product. The radio equipment not suitable for the frequency bands used in Estonia cause disturbances in other devices, and their own use is disturbed as well. Equipment not conforming to requirements is not allowed into Estonia and it is either destroyed or returned to the sender.

In 2011, the most numerous non-conformities with the requirements were detected in the case of mobile phones like Apple iPhone, GPS navigation systems, MP3 players with FM transmitters to be used in cars. Compared to 2010, the non-conformities of tablet computers and dog fences have also increased. The main violation was the lack of a CE-marking corresponding to the European requirements, the declaration of conformity and the identification of the manufacturer, which generally indicated that the technical requirements were unfulfilled.

COMMUNICATIONS SERVICES

The key word of 2011 concerning the entry into or departure from communications market was stability. 12 business operators presented a notification on commencing business to the Technical Surveillance Authority, 3 operators extended their activities and 14 undertakings ended the provision of communications services. By the end of the year, there were 230 registered communications undertakings.

Distribution of registered communications services in 2011



In the field of communications services, the Technical Surveillance Authority conducted 320 procedures in 2011. 78 inspection reports were prepared, most of which were inspections of conformity with the technical requirements imposed on communications networks. Three precepts for bringing the networks or the services into conformity with the requirements were prepared.

The supervision in 2011 was mainly related to the compliance with the international GSM mobile communication coordination agreements by communications undertakings, preservation of communications data, vital services and the quality of the communications services.

Triumph of mobile Internet continues

In the summer of 2011, the Technical Surveillance Authority conducted measurements of mobile Internet data transfer rates, measuring the services offered by EMT, Elisa and Tele2 in a total of 103 locations all over Estonia. The measurements did not give an overview of the coverage of the communications services offered by EMT, Elisa and Tele2 in per cents but indicated the availability and speed of services in particular measuring points.

The results of the measurements showed that the mobile Internet covered almost all the measuring points but the data communication speed in various locations and by various service providers is rather different. The average total download speed was 2611 kbit/s for EMT, 2974 kbit/s for Elisa and 2092 kbit/s for Tele2. The average total upload speed was 692 kbit/s for EMT, 556 kbit/s for Elisa and 468 kbit/s for Tele2. There was no service by EMT in one and no service by Elisa and Tele2 in six measuring points. The download speed of over 1000 kbit/s was achieved in 90% of the measuring points in the network of EMT, while the relevant indicator was 65% for Elisa and 80% for Tele2.

The year also saw the rapid development of the 4th generation (4G) mobile Internet, which allows for data communications speeds of up to 80–100 Mbit/s by air.

Participation in inspection of broadband EstWin networks

In the second half of 2011, the Technical Surveillance Authority participated in the inspection of the fibre optical networks of the first part of the broadband network EstWin developed by the Estonian Broadband Development Foundation ELASA – on 13 sections all in all. The fibre optical network of EstWin will connect rural areas with a transmission speed of at least 100 Mbit/s. It is a major project and the European Union Structural Funds, the Estonian State and communications undertakings are involved in it, financing the construction of the distribution network and the provision of necessary equipment. The coverage of Estonia by the super fast Internet that reaches all the settlements is planned to be completed by 2015.



EstWin fiber optic cables

Protection of consumers' interests

One of the main goals of the supervision activities of the Technical Surveillance Authority is to improve the reliability of communications services. We continue cooperation with the Consumer Protection Board to ensure the protection of consumers' interests concerning the quality of the service obtained. The cooperation with the Consumer Protection Board this year was marked by the key words of fixed-term contracts and 'free' mobile phones, very aggressive customer campaigns by mobile operators and ambiguous advertising of Internet coverage and data transmission speeds. To address these topics, several meetings were organised with communications undertakings, where good solutions were developed to increase customer awareness.

Vital services, security and integrity of communications networks

The Technical Surveillance Authority has been authorised to organise the provision of vital services in the area of communications. The most important step taken in the area of vital services in 2011 was the review of the continuity of operations plans and risk analyses prepared by communications undertakings.

At the beginning of the year, a summary report was prepared for the Ministry of Economic Affairs and Communications about the state of organising vital services, which showed that the main factors affecting the continuity of a service were power cuts or failures of critical network devices.

There are 21 communications undertakings in Estonia, who are considered as the providers of vital services and who are obliged to notify the Technical Surveillance Authority of an incident significantly disturbing the continuity of the vital service or the immediate threat of such an incident.

In May 2011, the amendments to the Electronic Communications Act entered into force, according to which a communications undertaking is required to notify the Technical Surveillance Authority of all incidents endangering the ensuring of security and integrity of the communications services, which to a significant extent affect the functioning of the communications services or network. If necessary, the Technical Surveillance Authority shall notify the cases to foreign supervision authorities and the European Network and Information Security Agency (ENISA).

The year 2011 saw the launch of a single notification system for receiving information about incidents endangering vital services and the security of the network as well as determining potential threats by e-mail (intsident@tja.ee). To facilitate the performance of the obligations by the providers of services imposed on them by the Electronic Communications and Emergency Act, we developed a procedure and guidelines for notification that the communications undertakings have started to observe.

Certification services and digital signature

In 2011, activities related to the drafting of the regulation required for implementing the project "Development of the authentication and authorisation solutions for EU citizens based on strong certifications", commenced in 2009, continued. We participated in the preparation of several relevant draft Acts (Digital Signatures Act, statutes of the register of certificates, procedure for auditing the information systems of service providers, bases of and procedure for the assessment of the quality of certificates issued by the provider of a certification service) and in the operations of various working groups.

Entries were made in the register of certificates to amend data four times, six new certificates were added to the register and three expired certificates

were archived, while the trusted list of Estonian certifications services maintained by the Technical Surveillance Authority was updated.

The register of certificates was reorganised and a new visual identity, structure and logo were ordered for the completed register.

Line facilities

In relation to damage caused to line facilities and causing emergencies for line facilities, the Technical Surveillance Authority settled 28 misdemeanour notifications in 2011.

The misdemeanour notifications submitted showed that the majority of line facilities were damaged when a person acting in the protective zone of a line facility held a relevant permit and the line facility was damaged in a situation in which the other utility networks were constructed in the protective zone of the line facility in parallel with the line facility. There were often situations in which the activities of the owner in actually locating the line facility in the soil were inadequate.

Compared to 2010, the number of misdemeanour notifications submitted concerning damage caused to optical communications cables decreased.

LEGAL METROLOGY

During 2011, the Technical Surveillance Authority issued 21 national type-approval certificates for measuring devices, including eight amendments. 22 notifications declaring compliance with the requirements were issued to containers used in customs and excise measurements and the piping connected to them. 83 measuring instruments were declared verified.

In the course of supervision of the verification activities of verification laboratories, two procedures were conducted revealing minor shortcomings in the timely submission of documents.

In 2011, the Technical Surveillance Authority conducted public competitions for granting the sole right to manufacture verification marks, verification stickers and verification stamps. The sole right to manufacture verification marks was granted to Vaba Maa AS for the next five years for manufacturing verification stickers and to HUMAL Elektroonika OÜ for manufacturing verification stamps.

In 2011, 33 procedures were initiated in the handling of pre-packages, of which three were initiated based on a consumer complaint. The main shortcoming was that the procedure for handling pre-packages and the inspection results were unavailable and the improper compliance with the verification obligation of measuring instruments; in one case, the undertaking used an e-label on its products without an authorisation.

In 2011, the Technical Surveillance Authority commenced 101 procedures regarding the use of measuring devices and 6 procedures regarding placing measuring devices on the market. The main problem is the violation of the period of validity of the verification or the use of a measuring device that does not conform to the verification requirements.

No complaints were made or discovered on deliberate measuring deceptions. Shortcomings were identified in compulsory documents concerning the placing on the market of new measuring devices. Misdemeanour procedures were commenced against the user of measuring devices twice.

In 2011, the Technical Surveillance Authority participated in the working meetings of various working groups of the European Cooperation in Legal

Metrology (WELMEC). The working groups engage in harmonising the market supervision of measuring devices, issues concerning pre-packages and consumption metres in the European Union.

Availability of conformity assessment service

Three notified agencies have been registered in Estonia, which have the right to provide conformity assessment services and can assess the conformity of automatic weighing facilities and non-automatic weighing instruments as well as heat and water metres. No conformity assessment services are available in Estonia for other measuring devices, such as gas metres, electrical energy metres, measuring systems for continuous and dynamic measurement of quantities of liquids, taximeters, material measures, dimensional measuring instruments, exhaust gas analysers, which puts the Estonian manufacturers of measuring instruments in a more difficult position compared to the other member states. The unavailability of local services is especially critical with regard to the measuring systems for continuous and dynamic measurement of quantities of liquids, as a result of which the manufacturing and introduction into use of several new devices has been cancelled.

Supervision campaign of metal collection points

In 2011, we organised a supervision campaign of metal collection points, inspecting a total of 28 collection points all over Estonia. The main goal of the campaign was to verify the conformity of the activities of the collection points and the scales used in them with the requirements.

Of the 28 collection points inspected, no shortcomings were identified only in 4 points, while various derogations from the requirements were identified in the remaining 24. The main violation (in about half of the cases) was the violation of the period of validity of the verification of vehicle scales and platform scales. The absence of the required marking (e.g. type-approval mark) as well as the use of unverifiable scales and those unsuited for weighing the particular quantity also served as common violations.

The unawareness of the undertakings of the requirements imposed on the scales and economisation on the investments needed for observing the requirements can be considered as the causes of the violations.



(LIMITED RESOURCES)

We plan and coordinate radio frequencies, electronic communications numbering and railway capacity, and organise and monitor the use thereof. In addition, we fulfil the role of the final beneficiary in the allocation process of the European Union structural funds for railway development.

We **distribute the public railway capacity** in accordance with the needs of undertakings and available resources and **determine the fees for use of railway infrastructure**.

Being the final beneficiary of European Union structural support, we perform **financial control over fundable railway sector projects**. We also monitor the implementation of projects in accordance with the financing decisions and the conformity of work and expenditure to the money allocation conditions.

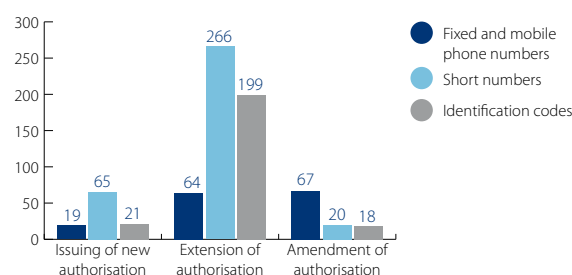
With respect to the use of **radio frequencies**, we engage in long-term planning, which will be established in the Estonian radio frequency allocation plan so that the frequency resources necessary for the development of technology would be available. We also issue authorisations for the use of radio frequencies, check compliance with the conditions thereof and carry out general supervision over the use of radio frequencies.

With respect to **numbering**, we ensure the management of the numbering plan so that undertakings have a sufficient resource of numbers to provide their services with. We also check compliance with the number usage requirements.

NUMBERING

In 2011, the use of numbering increased, mostly with regard to mobile phone numbers where 0.9 million numbers were booked. Foreign companies, such as communication undertakings from Malta, Romania, the Czech Republic and other countries also demonstrated a large interest in obtaining the rights to use numeration. 2011. 105 number authorisations were issued, 529 were extended and 105 amended, with a total of 672 procedures performed in 2011. The total sum of state fee for the operations performed in relation to numbering authorisation was EUR 3,054,029, which is 20% more than in 2010.

Operations of numbering authorisations in 2011



| Type of numeration | Total number, pc | Booked, pc | Free, pc | Percentage of free resource, % |
|--|------------------|------------|-----------|--------------------------------|
| Phone numbers | 3,100,000 | 936,119 | 1,827,183 | 59 |
| Mobile phone numbers | 8,640,000 | 6,259,142 | 2,131,259 | 24,6 |
| 800 – service numbers (free for consumers) | 1,018,000 | 1,564 | 1,016,400 | 99,8 |
| 900 – service numbers (free for consumers) | 10,000 | 215 | 9,747 | 97,5 |
| 901 – service numbers (data transmission service numbers) | 10,000 | 9 | 9,991 | 99,9 |
| E-fax numbers | 1,000,000 | 4,000 | 992,075 | 99,2 |
| Personal numbers (for providing communications service determined by a client) | 235,000 | 35,301 | 166,000 | 70,6 |
| Mass-calling service numbers | 75,000 | 0 | 75,000 | 100 |
| Short numbers, including: | | | | |
| 3-digit | 42 | 7 | 35 | 83 |
| 4-digit | 395 | 172 | 223 | 56 |
| 5-digit | 658 | 144 | 514 | 78 |
| 6-digit | 5 | 3 | 2 | 40 |

Supervision of the use of numeration

The use of numeration by owners of numbering authorisations has improved from year to year due to the continuous supervision by the Technical Surveillance Authority. While 14 communication undertakings failed to renew their numbering authorisations in a timely manner and used unauthorised numeration in 2009, their number dropped to 8 in 2010 and to 2 in 2011. The electronic management system of numbering authorisations of the Technical Surveillance Authority has also helped to reduce the number of numbering authorisations not renewed in a timely manner as the system notifies owners of numbering authorisations of expiry of validity of their authorisation and the need to renew thereof.

An emerging issue is non-compliance by communication undertakings with the requirements of the intended purpose of numbers. There were events where communication undertakings handed their number over to foreign clients who in turn used their numbers as service numbers with high call termination charges. Such an activity has contributed to a deception scheme that spread in 2011 and during which a large quantity of calls were generated from networks of foreign communication undertakings at the direction of Estonian numbers, thus resulting in large bills to callers or a loss for a communication undertaking that initiates a call. In cooperation with Estonian communication undertakings, the Technical Surveillance Authority commenced the necessary operations to ensure lawful use of Estonian numbers.

misdeemeanour procedures were initiated. The Technical Surveillance Authority has set a goal to increase supervision over the conditions concerning the use of numbers in 2012.

Number portability

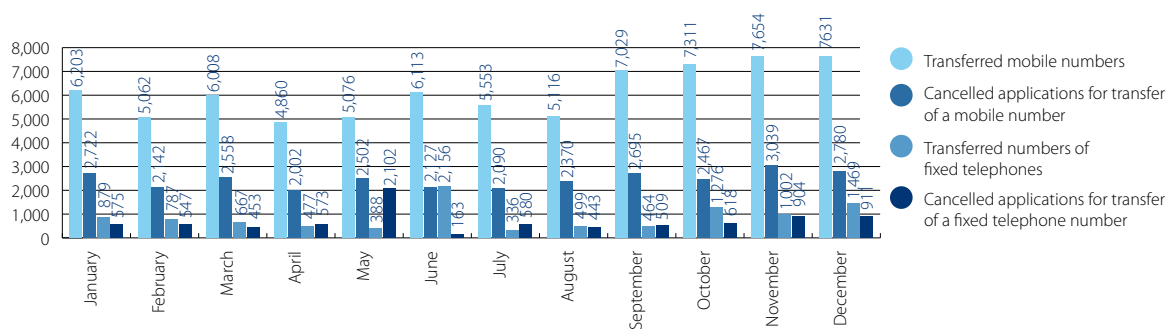
The Technical Surveillance Authority is responsible for the functioning of number portability without disturbances, solves problems arising during that process and maintains a register of the operations made under number portability.

In 2011, some changes occurred in the process of number portability, the most important ones of which are:

- In addition to mobile and fixed telephone numbers, service numbers starting with "40", "70", "800" and "900" can be transferred from one network to another.
- The time for transferring a number from one network to another shortened by 2 days (within 6 working days instead of the average 8 working days).
- If the client wishes so, it can itself determine the date for transferring a number from one network to another (at a minimum within 3 working days and at a maximum within 20 working days) and the new receiving communication company is required to take that into account.
- The process of number portability cannot be interrupted nor can the applications be withdrawn after the date for transfer of the number has been approved by the communication undertaking that has provided the service until then.
- A client may electronically observe the different stages of the process of number portability with the help of web-based number enquiry (<https://nba.tja.ee/numbriparing.aspx>) and obtain information on the process from the communication undertaking.

During 2011, a total of 84,016,2010 numbers were transferred from one network to another (in 2010, it was 874,2009, and in 2008, the number was 57,951), which is an average of 7000 numbers transferred in a month. While there was a rise in the transfer of mobile phone numbers, the transfer activity of fixed phone numbers dropped – only 12% of the numbers transferred from one network to another.

Number portability of 2011 by months

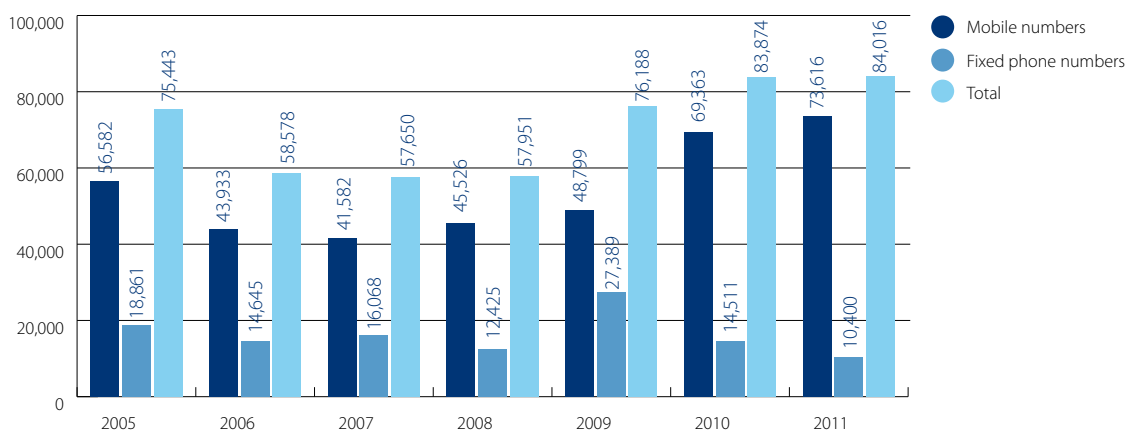


Similarly to previous years, a relatively high proportion of number porting applications were cancelled in 2011, altogether 37,872 applications, which is 31% of the total number of applications. The main reason for cancellation was voluntary relinquishment of number transfers by customers.

Changes in the regulation concerning number portability and intense competition also resulted in a few violations of the requirements for the process of number portability, where the communication undertaking cancelled the process on incorrect bases.

Number portability functions properly in Estonia. Transferral of a number from one network to another has become more convenient and less time-consuming for consumers from year to year. Although granting the customers the right to preserve their number upon change of a communication service provider has helped to reduce service prices and has intensified competition in the mobile communication market, it may be said that changing the communications service provider has been relatively stable throughout the years and rather infrequent.

Number portability by years



Since 2011, we publish statistical data of number portability by communication companies

In order to ensure the independent and uniform publication of data related to number portability and to avoid manipulation with data, the Technical Surveillance Authority also publishes the monthly statistical data of number portability by undertakings since 2011. The published data concern only changes in the number of customers resulting from number portability, not the number of joined customers or customers who have terminated the connection contract.

RADIO FREQUENCY MANAGEMENT

Frequency authorisations for providing communication services as well as digital television services were issued by way of public competition

Competition for 2500-2960 MHz frequency authorisations ended

Public competition for allocating the terrestrial frequency authorisations for the provision of electronic communication services in the frequency band of 2500-2690 MHz ended in January 2011. The competition may

be considered successful – in total, eleven offers were made for the six frequency authorisations submitted in the competition. Offers were made to all of the different frequency authorisation categories and all of the frequency authorisations offered were issued. The winners of the competition were AS EMT (3 frequency authorisations), Tele2 Sverige Aktiebolag, Elisa Oyj and Elion Eteevõtted AS.

The undertakings that participated in the competition assumed an obligation to establish thousands of 4G base stations in Estonia in the next six years, which should bring a considerable improvement to mobile data communication speeds in the near future.

Winners of the public competition organised for providing digital television services in frequency band of 470–790 MHz were determined

In November 2011, AS Starman was declared the winner of a public competition for allocation of frequency authorisations for provision of digital broadcasting of TV broadcasts and programmes in the frequency band of 470-790 MHz. Two offers by two companies – AS Starman and AS Levira – were submitted in the competition.

The object of the competition was a frequency authorisation that grants the right to broadcast television broadcasts and programmes via three multiplexes.

In the allocated frequency band, several television channels were released due to the closing of the analogue television on 1 July 2010. By giving the freed frequency resource into use, preconditions are created for purposeful and effective use of the frequency resource, also the development of media services is promoted, consumers' options of choice are expanded for the use of different services of digital broadcast, and possibilities are created for increasing the number of television channels offered and transmitting high-resolution (HD) image.

Winners of the public competition organised for issuing frequency authorisations in the frequency band of 1800 MHz were determined

In December 2011, winners of the public competition organised for issuing frequency authorisations for provision of electronic communication services in the frequency band of 1800 MHz were determined. Three offers by three companies were submitted in the competition, the winners were EMT AS, Tele2 Eesti AS and Elisa Eesti AS. The objects of the competition were three frequency authorisations, granting a right to use radio frequencies for building and developing national electronic communication networks.

Winners of the competition undertake to put the frequencies allocated by the authorisation into use in at least 30 base stations all over Estonia by December 2012 at the latest.

We initiated a public discussion on the theme "Organisation of a competition for finding communication undertakings to provide mobile broadband services in the frequency band 790-862 MHz"

The Technical Surveillance Authority and the Ministry of Economic Affairs and Communications started preparations for organising a public competition for finding communication undertakings to provide mobile broadband services in the frequency band 790-862 MHz. During preparation, the practice of different countries in organising and preparing competitions, including EU's regulatory and advisory documents, are analysed.

Opportunities opening up for Estonia to provide mobile communication services in the frequency band 790-862 MHz

In August 2011, the Technical Surveillance Authority signed an agreement during the negotiations held between Russia and the Baltic States in Moscow with regard to the conditions for using and coordinating mobile communication in the frequency band 790-862 MHz.

This agreement makes it possible to include Estonia at the World Radio Communication Conference among the countries that may provide mobile communication service in the frequency band 790-862 MHz. Until now, it was not possible as historically the aircraft radio navigation in Russia is located in the same frequency band and strict restrictions have been imposed on neighbours to protect it.

The agreement reduced the restrictions applicable until now to a significant extent, the most important restriction now is the additional requirement of coordination in respect of base stations that are located closer than 10-20 km to the state border. Owing to the agreement, it will be possible to provide high-quality mobile services in the frequency band of 790-862 MHz throughout the territory of Estonia, whereat Russia's different frequency use does not influence the development of the service in Estonia.

The frequency band 790-862 MHz is very attractive for mobile data

communication because of its good transmission characteristics, which enable to ensure high-quality mobile data communication on large territories and in interior spaces at low costs. That frequency band is a part of the so-called digital dividend that was released upon closing analogue television and will be taken into use for mobile data connection throughout Europe.



Negotiations in Moscow

Estonian and Finnish communication administrations concluded coordination agreements

At the end of 2011, the Estonian and Finnish communication administrations held negotiations at the Technical Surveillance Authority, as a result of which three coordination agreements were concluded. New agreements were signed for using frequency bands 800 MHz and 1800 MHz, and the agreement for using the frequency band 900 MHz was supplemented.

The objective of coordination agreements is to create all possibilities for using broadband systems, while precluding radio disturbances in border areas as well as to accelerate coordination processes.

European maritime communication topics were discussed at the Technical Surveillance Authority

In September 2011, a meeting of the maritime communications working group of the European frequency management working group was held at the Technical Surveillance Authority, where the topics discussed included maritime rescue, examination of deck officers, regulation of the use of maritime communication frequencies and preparation of the World Radiocommunication Conference. Altogether, 27 experts from 15 countries participated in the meeting. In addition to the Technical Surveillance Authority, the Rescue and Coordination Centre of the Police and Border Guard Administration, the Maritime Administration and the State Infocommunication Foundation also participated from Estonia.

The working group of European Electronic Communications Committee analysed the interaction of radio systems in Tallinn

In October 2011, the Working Group Spectrum Engineering (WGSE) of the European Electronic Communications Committee held a meeting in Tallinn, where the participants included representatives of communication administrations from 25 countries as well as observers from communication undertakings, the European Communication Office and other communication organisations. In that working group, Estonia is represented by the Technical Surveillance Authority. The working group is mainly responsible for analysing the interaction of different radio communication systems and preparing the

technical conditions in order to ensure efficient use of frequency bands as a limited resource and the smooth operation of communication networks.



WGSE meeting in Tallinn

The work of the WGSE working group and Estonia's participation in it is very important. All communication administrations throughout Europe use the solutions prepared in that working group upon entering into coordination agreements, issuing radio authorisations and organising public competitions.

Radio amateur communications

In 2011, three notices of disturbances were received from radio amateurs, the reasons of disturbances were identified and solutions for their elimination were found.

In 2011, the Technical Surveillance Authority issued temporary work permits for two radio amateurs to work in the new frequency band 500 kHz. The final decision on the use of that frequency band will be made at the World Radiocommunication Conference to be held in 2012.

In 2011, the Technical Surveillance Authority participated in the summer days of the Estonian Radio Amateurs Union where, among other things, the functioning of mobile VHF/UHF direction finders was introduced to nearly two hundred amateurs.

Radio frequency supervision

The largest supervision project in 2011 was supervision over the frequency band of multiplexes 2 and 3 of digital television. In Estonia, the ZUUMtv service is transmitted through those multiplexes. Altogether 222 field strength measurements of DVB-T MUX2 and MUX3 signal were carried out at 97 locations all over Estonia. During the campaign, there was cooperation with the warehouse owner AS Levira. Mainly the border points of the propagation area were verified and an attempt was made to determine the actual borders of the propagation area. The test measurements showed that the required 90% coverage of the state territory was not guaranteed. Levira has been notified of the problems and, in cooperation with Levira, they will take measures to ensure the fulfilment of the 90% requirement.

In 2011, multiplexes 4, 6 and 7 were also required to broadcast, therefore the Technical Surveillance Authority commenced supervision over compliance with those requirements as well.

For the introduction of LTE, different measurements were carried out in cooperation with operators. The impact of Russia's radars as well as Latvia's digital television on the mobile data connection network planned in the area of 800 MHz was assessed. As the close neighbours will not allocate

that frequency range for LTE in the near future, it is important to find a solution together so that people in South Estonia could also use the possibilities of fast wireless data connection.

In 2011, regular supervision over FM broadcasting transmitters continued with both stationary and portable monitoring. Serious violations were not identified and single cases of exceeding the band width or RDS code were promptly resolved in cooperation with radio stations. Efficiency of measurements is demonstrated by the fact that no disturbances caused by FM broadcasting transmitters have occurred in the air traffic frequencies.

Processing of frequency authorisations in 2011

| | |
|--|-------|
| New authorisations | 428 |
| Renewed authorisations | 3,424 |
| Changing the data or conditions of valid authorisations | 472 |
| Refusal to grant or extend authorisations | 9 |
| Authorisations cancelled at the wish of the authorisation holder | 50 |
| Authorisations for amateur radio station | 127 |
| Harmonised qualification certificate of radio amateur | 5 |
| Coordination of frequencies for neighbouring countries | 495 |
| Coordination of frequencies for Estonia | 497 |
| Notification | 85 |

RAILWAY INFRASTRUCTURE

Railway infrastructure user fees

Compared to the previous year, the operating expenses of both public railway infrastructure managers, on the basis of which the estimated railway infrastructure user fees are calculated, decreased. The total expenses, however, increased by 2% year-on-year.

The reason for a decrease in the operating expenses lies in the increased interest of railway infrastructure managers to manage their infrastructure with as optimal expenses as possible, and the grants allocated by the EU structural funds are ever more involved in the investments. The operating costs have decreased largely due to the proposals by the Technical Surveillance Authority with regard to changing and upgrading the method for the calculation of the railway infrastructure user fee and continuous control over expenses that are not related to railway management (mostly expressed in unused resources).

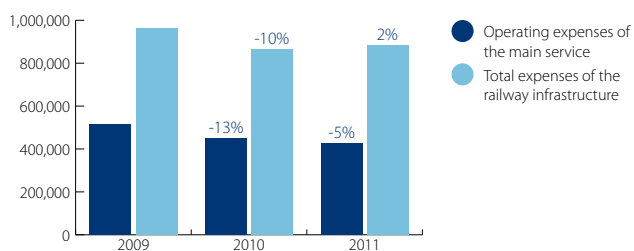
The increase in total expenses arises from economic reasons. During discussions over the user fees in 2011, the consumer prices were forecast to increase by 3%, which was added to the operating costs of the railway infrastructure manager. Upon determining the user fee for the previous period, the Technical Surveillance Authority considered the respective figure to be 0, as consumer prices were not expected to increase significantly. The growth in total expenses also resulted from the increased norm of reasonable operating profit of railway infrastructure managers, which is calculated on the formula of the weighted average capital cost specified in the methodology, where a significant input is made by the current events in the world economy.

In the traffic schedule period commenced in 2011, the minimum limits established in the methodology were determined to be the unit prices of the forecast user fee of the railway infrastructure of AS EVR Infra as the goods conveyors had applied for a significantly higher capacity

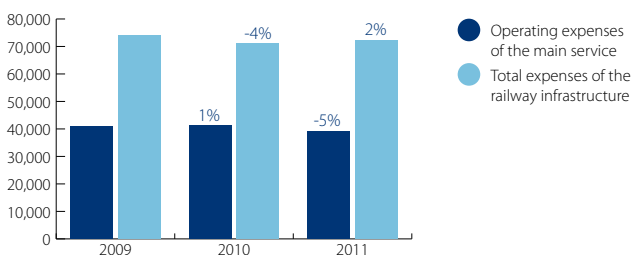
than demonstrated by the use of railway infrastructure. When the actual use of the capacity was identified, the Technical Surveillance Authority changed the unit price of the base services of the estimated user fee for the infrastructure of AS EVR Infra to a more precise figure. To adjust the unit prices of the estimated user fee, the user fee is determined on a monthly basis according to the actual use of capacity and it is directly based on the freight capacities of railway transport undertakings and serves as a basis for the infrastructure managers to submit invoices to railway undertakings.

2011 was the first year when no legal complaints were received from railway infrastructure managers and railway transport companies with regard to the conducting of the procedure related to the determination of the user fee for railway infrastructure.

Change in railway infrastructure expenses of AS EVR Infra over three years



Change in railway infrastructure expenses of Edelaraudtee Infrastruktuuri AS over three years

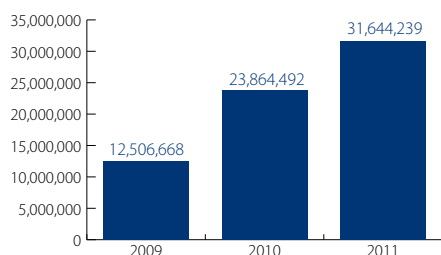


Railway projects

The development of railway infrastructure with the support of the EU structural assistance and the related increase in the quality level of the service provided to passengers continued at an accelerating pace. During the year, 55 new waiting platforms for passengers were completed and large reconstruction works in the railway lines of Tallinn-Tapa as well as Türi-Viljandi were completed, as a result of which the traffic speed of passenger trains in those sections increased to 120 km/h. The significantly increased number of disbursements by the Technical Surveillance Authority compared to previous years, among other things, also gives an indication of a rise in intensity in using foreign aid. Compared to 2009, the amount of disbursements has increased almost three times.

Disbursements in the period 2009- 2011

Source: Structural Funds Central System

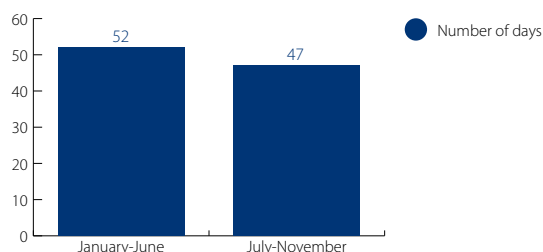


At the end of 2001, the reconstruction of contact lines of electric trains commenced in west Harju County, the reconstruction of rail tracks in the lines of Tallinn-Paldiski and Keila-Vasalemma will commence in 2012. Those two projects additionally contribute the EU assistance in the amount of nearly EUR 27.6 million to the development of railway infrastructure.

In cooperation with the Latvian and Lithuanian colleagues, the project preparing the possible construction of the Rail Baltica – a railway line from Tallinn to the border of Lithuania-Poland with a rail width of 1435 mm (European standard rail width) continued with the support of the EUTEN-T assistance fund. Under the Rail Baltica project, UK consultancy company AECOM completed the project feasibility analysis in 2011, where it was concluded that the construction of a new railway line is cost beneficial. The analysis also proposed the most suitable line option, which in Estonia means that the line will run along the direction of Tallinn-Pärnu. The analysis was supported by the EU TEN-T fund in the extent of 50%. Based on the results of the feasibility study, the governments of Estonia, Latvia and Lithuania have adopted resolutions for further development of Rail Baltica. The work done in 2011 is a basis for very extensive development activities, where the Technical Surveillance Authority has an active role to play.

A significant development in coordinating the structural assistance is the improved everyday communication between the Technical Surveillance Authority and the assistance recipients. The regular information day has become traditional where the parties related to the implementation of projects speak about their achievements during the year and also about shortcomings. Due to active communication, the quality of submitted documents clearly improved during the year and it has also influenced the processing period of disbursement applications. The results achieved in 2011 are a good indicator that the Technical Surveillance Authority acts hand in hand with the assistance recipients in order to continuously promote cooperation.

Processing period of disbursement applications before and after the interim analysis performed in June 2011



The activity supporting the development of railway infrastructure through using the EU structural funds has been successful. The planned projects have been implemented largely according to the prescribed time schedules and the quality of railway transport can be validly expected to increase in the near future through renovation of the infrastructure and passenger trains. The supervision system concerning the use of structural assistance has proved to be successful; any problems have been resolved already at the onset in cooperation with the Technical Surveillance Authority and the assistance recipients. As a result of all this, no reclamation for structural assistance has been made in the railway sector until now; foreign assistance has been used in accordance with the rules.

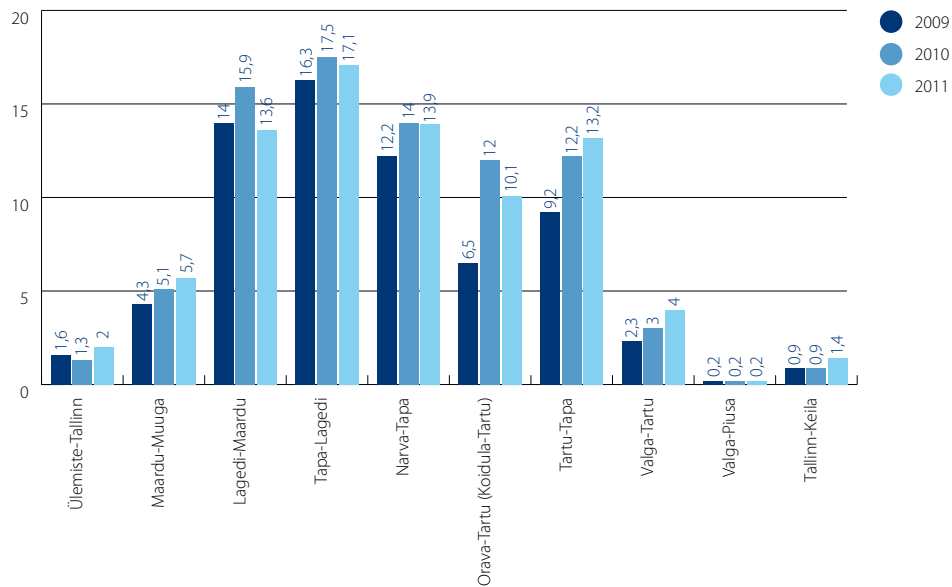
Railway infrastructure capacity

The use of railway infrastructure capacity by sections and the number of companies applying for capacity has not changed year-on-year, but the number of applications for allocation of capacity presented

on an ongoing basis has significantly increased. Despite the general economic stabilisation, companies are still not ready to take risks and therefore they apply for capacity more frequently, in smaller volume and for a shorter period. This has resulted in an increase in the number

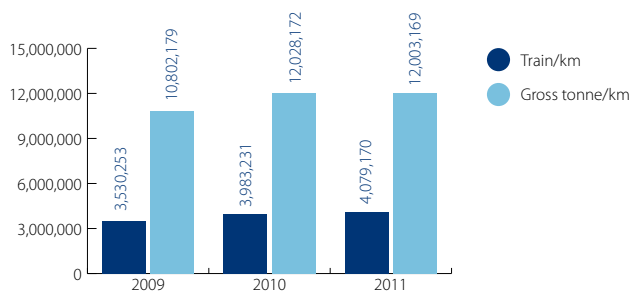
of corresponding procedures. Seasonal nature has also affected the increase in the number of on-going applications – transport of certain goods groups is intensifying and there is thus an increased need to apply for additional unallocated capacity for a short period.

Capacity used by freight undertakings on average per day in the infrastructure of AS EVR Infra in the period 2009-2011



The freight volumes of freight undertakings have not steeply fluctuated up or down over the three years. Neither have there been any significant changes in the transported goods groups. A certain increase in the flow of goods, which commenced in 2009, has stabilised by now.

Freight volumes of freight undertakings in the infrastructure of AS EVR Infra in the period 2009-2011





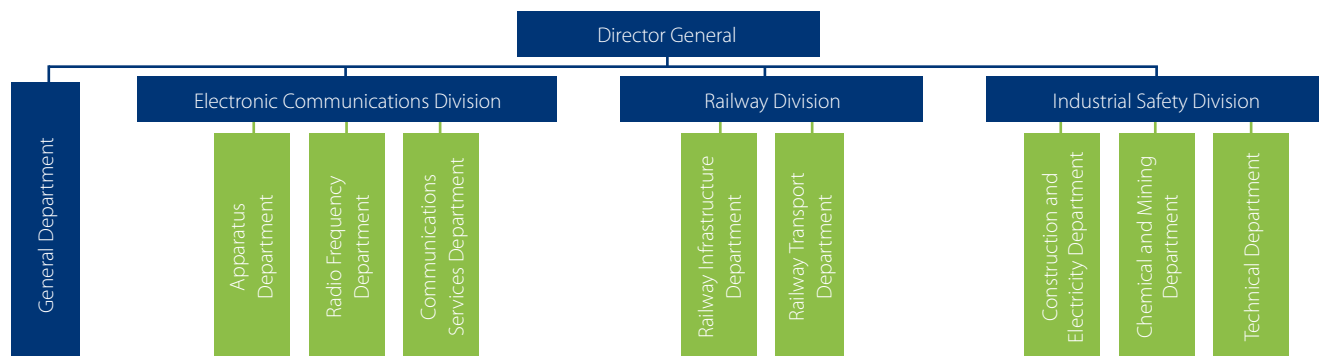
(OVERVIEW OF THE ORGANISATION, DEVELOPMENT ACTIVITIES, OFFICIALS AND BUDGET)

The structure of the Technical Surveillance Authority comprises three divisions: Electronic Communications Division, Railway Division and Industrial Safety Division. The divisions are in turn divided into departments based on the activities and their work is supported by the general department. At the beginning of 2011, a structural change was applied in the Electronic Communication Division. As a result of reorganisation, the radio frequency surveillance and frequency management departments were joined, the name of the new department was the Frequency Management Department. The

reorganisation resulted from the need to optimize the work processes related to frequency management, to increase the efficiency of state regulation and to enhance cooperation of officials engaged in frequency management.

The structure of the Technical Surveillance Authority is set up with the aim to increase synergy, raise efficiency of supervision processes and harmonise the management levels.

Structure of the Technical Surveillance Authority

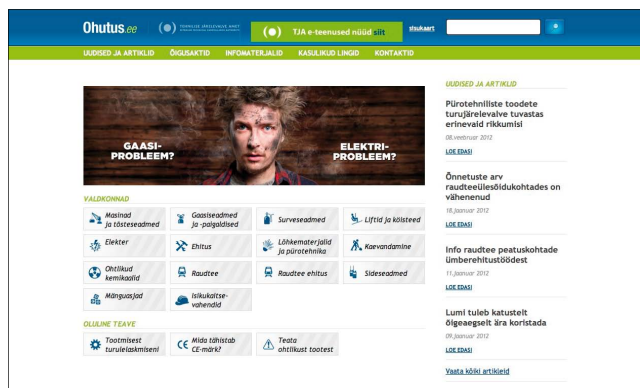


In 2011, we supplemented the development plan of the Technical Surveillance Authority for the period 2010–2013, based on the analyses of the activities during the last years and plans for the following years. The objectives, measures needed for the achievement of the objectives, and the indicators for evaluating the achievement of these objectives

were renewed. For the development of the organisation, three main objectives were set again with measures and indicators: increasing the ease of the use of public services, creating a productive work environment, and developing the professional skills of officials while ensuring their competitive remuneration.

To increase the ease of use of public services for customers and cooperation partners, the Technical Surveillance Authority continued the development of electronic solutions and information systems for its procedures in 2011. The main developments included the preparation and launch of the safety portal (www.ohutus.ee) and the environment of e-services (<http://emoodul.tja.ee/web/>).

We created the safety portal with the purpose of supplying companies and people operating in different areas with comprehensive safety-related information and thereby raise awareness. The safety portal delivers news and notices related to safety, information concerning the regulation in the given field, the procedures and documents necessary for operating in accordance with the requirements as well as the competence requirements for specialists, obligations of companies, operational safety of equipment, etc.



The objective of the e-environment is to provide a compact and convenient electronic communication channel where both individuals and companies can have a full real-time overview of the registry data related to their activities or the equipment owned by them, and the processing of applications. In the e-service environment, it is possible to make miscellaneous procedural operations in the area of railway, industrial safety and electronic communication, which previously had to be made on paper through regular mail or e-mail. The project for the preparation of the e-service environment was financed by the European Regional Development Fund.



In 2011, the development of the JVIS database on the devices and installations of the Technical Surveillance Authority continued, the most significant improvement was the supplementation of the accidents module of the database. The circumstances related to accidents can now be more systematically preserved in the accidents module according to the needs of the given field, which in turn allows for more detailed analysis of cases. The processing of data and their linking to installations, procedures and persons has become simpler. In 2011, the development of the JVIS database on the devices and installations of the Technical Surveillance Authority continued, the most significant improvement was the supplementation of the accidents module of the database. The circumstances related to accidents can now be more systematically preserved

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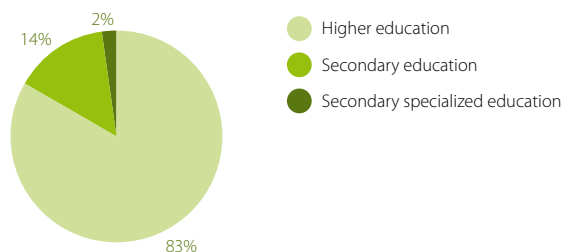
At the end of 2011, we carried out a survey among our customers, cooperation partners and the public. The objective of the survey was, on the one hand, to get an evaluation for the activities of the Technical Surveillance Authority as a regulatory and supervision agency. On the other hand, we were interested as to whether and to which extent we are known by the public. The survey included 500 randomly selected companies related to all three divisions of the Technical Surveillance Authority, to whom different questions were posed about the necessity of the work, procedures and work organisation. The results of the survey were largely positive, the reputation of the Technical Surveillance Authority was positive in most categories – the activities and works of the authority were considered useful, and the procedures and cooperation was estimated to be good. The residents (the sample included 508 randomly selected persons) were asked questions about the general awareness of the work and fields of activities of the authority. The general awareness of the Technical Surveillance Authority remained a little lower than expected, but the work of the authority was considered to be very necessary.

OFFICIALS

At the end of 2011, 90 officials were working at the Technical Surveillance Authority. Within the year, 7 new officials were hired and 9 officials left.

With regard to the division according to the educational level, the number of officials with higher education was 75 making up 83% of the entire staff in 2011. The general educational level of the officials is sufficient for the performance of the work tasks but due to the specific nature of their work, the officials need additional legal training.

Division of officials by education in 2011



In the division of officials by their public service length, the service length of 1-15 years is almost equally represented. Such division may be considered good, because mostly younger officials, with the length of service of 1-5 years, are supported by officials with longer experience.

To develop the knowledge and skills of officials, training was carried out in the amount of EUR 18,972. Of the training carried out in 2011, the major part was related to the training related to the main activities of the authority. To increase efficiency and quality of the work of officials, training concerning administrative and misdemeanour proceedings and the Law of Property Act was organised.

With the support of the European Social Fund, specialists acquired new experiences in the UK and Poland where they examined mining technologies, machines and safety measures, and collected ideas for enhancing the Estonian supervision system.

In addition, the Technical Surveillance Authority organised training for developing the organisation and continued foreign-language courses. The officials themselves covered 70% of the costs related to foreign language learning.

RECEIPT OF STATE FEES TO THE STATE BUDGET

In 2011, the state received state fees in the amount of EUR 5,098,867 for the procedures performed by the Technical Surveillance Authority.

Division of the state fee by procedures in 2011

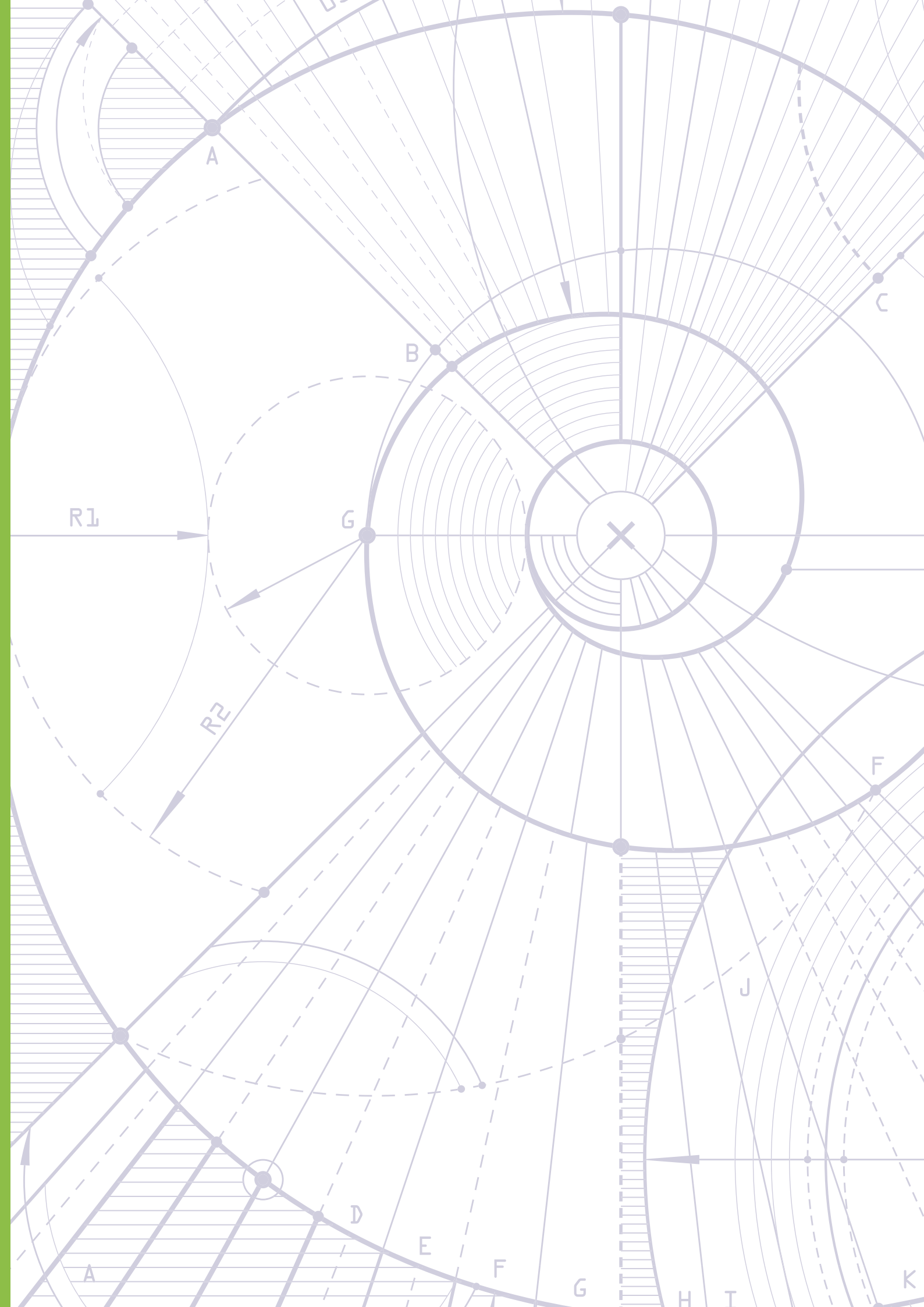
| Procedure | State fee |
|--|-----------|
| Procedures performed under the Mining Act | 633 |
| Issuing, amendment and extension of type-approval certificates | 671 |
| Procedures performed under the Explosive Substances Act | 8,820 |
| Entries into the Railway or Rail Vehicles Register and issuing building permits and authorisations for use | 150,111 |
| Issuing, amendment and extension of safety certificates | 1,930 |
| Procedures performed under the Digital Signatures Act | 19 |
| Procedures related to frequencies performed under the Electronic Communications Act | 1,880,666 |
| Procedures related to numbering performed under the Electronic Communications Act | 3,054,029 |
| Issuing building permits or authorisations for structures that are built in a public water body and that do not have a permanent connection to the shore | 1,988 |
| Total | 5,098,867 |

BUDGET

The Technical Surveillance Authority's operational expenditure budget for 2011, together with the expenditure transferred from 2010, was EUR 2,397,710.

| Expenditure description | Budget of 2011* |
|---|------------------|
| Security system of Sõle 23a | 16,200 |
| Membership fees | 4,090 |
| Total personnel expenditure | 1,953,893 |
| Remuneration | 1,430,946 |
| Fringe benefits | 12,000 |
| Taxes related to staff costs | 510,947 |
| Total management costs | 443,817 |
| Administration costs | 116,281 |
| Research and development | 17,865 |
| Travel costs | 79,606 |
| Training costs | 19,128 |
| Management costs for registered immovables, buildings and rooms | 89,848 |
| Management costs for facilities | 19,941 |
| Operation and maintenance costs of vehicles | 71,237 |
| Information and communications technology costs | 6,546 |
| Management costs for inventory | 9,884 |
| Management costs for machinery and equipment of various work applications | 9,366 |
| Medical and hygiene costs | 3,195 |
| Special clothing and uniforms | 720 |
| Other management costs | 200 |
| State fee expenditures | 2,109 |

* Expenditure with funds to be transferred.



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