


## Financing adult learning database

<b>Name of the instrument - Local language</b>	Koolitustoetus tööandjatele
<b>Name of the instrument - English translation</b>	Training grant for employers
<b>Scheme ID</b>	280
<b>Country</b>	 Estonia
<b>Reporting year</b>	2020
<b>Type of instrument</b>	Grant for companies
<b>Sub-type of instrument</b>	Support for direct costs and wage costs
<b>Type of entry</b>	Single instrument

<b>Short description</b>	<p>All companies can apply for a financial grant providing co-funding to the training of employees. The training grant for employers can be used for the following activities: 1) to recruit and train employees for the specified/prioritised professions; 2) to (re)train employees due to changing circumstances (e.g. restructuring of the company, adoption of new technologies, updated qualification requirements); and/or 3) to help employees develop Estonian language skills. An employer can design a training plan for each employee consisting of multiple training with a total duration of at least 80 academic hours and up to one year. In general, up to 50% of training costs are compensated but no more than EUR 1 250 per employee. For employees over 50 years old, with no vocational education and/or no sufficient Estonian language skills or significant health problems, up to 80% of costs is compensated (no more than EUR 2 000). If an employee was hired through the Unemployment Insurance Fund where s/he was previously registered as unemployed, up to 100% of training costs are compensated (no more than EUR 2 500). It is financed out of the unemployment insurance contributions (which are compulsory and shared between employees and employers in Estonia). This support measure is part of the larger Work and Study 2017-2020 programme, which supports training activities in priority sectors that were identified in sector-specific labour studies (OSKA reports) conducted by the Estonian Qualification Authority (Kutsekoda).</p>
<b>Short description of the related instruments</b>	Not applicable

<b>Level of operation</b>	National
<b>Name of a part of the country</b>	Not applicable
<b>Name of the region (for regional instruments)</b>	Not applicable
<b>Name of the sector (for sectoral instruments)</b>	Not applicable
<b>Relevance</b>	Key instrument
<b>Legal basis</b>	Tööhõiveprogramm 2017-2020 (directive) under Labour Market Services and Benefits Act §4 (1) (2006)
<b>Objective(s) and target(s)</b>	The instrument is part of the larger 'Work and Study' Programme 2017-2020. According to the respective act (Tööhõiveprogramm 2017-2020, 2016), the overall objectives of the programme are the following: 'to alleviate labor shortages, prevent unemployment and shorten the duration of unemployment, and assist persons whose employment is difficult due to long-term unemployment or other obstacles.' (§2)
<b>Year of implementation</b>	2017
<b>Year of latest amendment</b>	2018
<b>Operation/management</b>	This instrument is managed by the Unemployment Insurance Fund and is funded from the Unemployment Insurance contributions. Annual budget allocations are stipulated in the founding legal act (Tööhõiveprogramm 2017-2020, 2016) and changes are made in consultation with the Ministry of Social Affairs and the Ministry of Finance. Social partners (trade unions, employer associations/federations) are not involved.
<b>Eligible group(s)</b>	Employers can apply for a training grant from the Unemployment Insurance Fund to - recruit new employees - train employees upon changing circumstances - train a worker who has been previously registered as unemployed for 12 consecutive months within one year of the start of employment - develop employees' Estonian language proficiency. The training grant can be granted to legal persons governed by private law, sole proprietors who operate as employers and local government authorities.
<b>Group(s) with preferential treatment</b>	No preferential treatment
<b>Education and training eligible</b>	Work-related training and education, including for the purpose of recruiting new employees, retrain existing employees, upgrade the qualifications of existing employees, including local language (Estonian) skills.
<b>Source of financing and</b>	Contributions to the Unemployment Insurance Fund

<b>collection mechanism</b>	(employees and employers contribute), National budget allocation (minor contribution)
<b>Financing formula and allocation mechanisms</b>	In general, up to 50% of training costs are compensated but no more than EUR 1 250 per employee. For employees over 50 years old, with no vocational education and/or no sufficient Estonian language skills or significant health problems, up to 80% of costs are compensated (no more than EUR 2 000). If an employee was hired through the Unemployment Insurance Fund where s/he was previously registered as unemployed, up to 100% of training costs are compensated (no more than EUR 2 500). The amount of funding is transferred (reimbursed) directly to educational institutions. The requirements to receive compensation are the following: regular attendance of participants in the courses and a certificate obtained at the end of the training. The employer must also provide a statement of expenses. There are no restrictions on re-using the scheme. The de minimis regulation applies.
<b>Eligible costs</b>	- training costs - transport costs related to participation in the training and - wage costs in the rate of minimum hourly wage for the time the employee participates in the training
<b>Volumes of funding</b>	Overall volumes of funding available:2017: EUR 1 166 4082018: EUR 438 1632019: EUR 1 505 5942020: EUR 1 547 292Volumes of funding actually disbursed:2017: EUR 23 0232018: EUR 198 8612019: EUR 1 546 247
<b>Beneficiaries/take up</b>	Individuals trained:2017: 51 2018: 680 2019: 1 872
<b>Organisation responsible for monitoring/evaluation</b>	Estonian Unemployment Insurance Fund
<b>Monitoring/evaluation reports available</b>	Not available
<b>Most relevant webpage - in English</b>	<a href="https://www.tootukassa.ee/eng/content/prevention-unemployment/training-...">https://www.tootukassa.ee/eng/content/prevention-unemployment/training-...</a>
<b>Most relevant webpage - local language</b>	<a href="https://www.tootukassa.ee/koolitustoetus-tooandjatele">https://www.tootukassa.ee/koolitustoetus-tooandjatele</a>
<b>Recent changes</b>	01-06-2018. Employers can apply for the grant in order to increase Estonian language proficiency of their employees. Low integration of persons who do not speak Estonian (non-Estonians make 30% of population)  Recent changes in response to COVID-19  No changes
<b>Sources</b>	Unemployment Insurance Fund <a href="https://www.tootukassa.ee/en/">https://www.tootukassa.ee/en/</a>  State Gazette of Estonia <a href="https://www.riigiteataja.ee/akt/104052018013">https://www.riigiteataja.ee/akt/104052018013</a>

