

Financing adult learning database

Name of the instrument - Local language	Koolitustoetus tööandjatele
Name of the instrument - English translation	Training grant for employers
Scheme ID	280
Country	 Estonia
Reporting year	2020
Type of instrument	Grant for companies
Sub-type of instrument	Support for direct costs and wage costs
Type of entry	Single instrument
Short description	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).
Short description of the related instruments	Not applicable

Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable
Relevance	Key instrument
Legal basis	Tööhõiveprogramm 2017-2020 (directive) under Labour Market Services and Benefits Act §4 (1) (2006)
Objective(s) and target(s)	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)
Year of implementation	2017
Year of latest amendment	2018
Operation/management	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.
Eligible group(s)	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.
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	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.
Source of financing and	Contributions to the Unemployment Insurance Fund

collection mechanism	(employees and employers contribute), National budget allocation (minor contribution)
Financing formula and allocation mechanisms	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.
Eligible costs	- 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
Volumes of funding	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
Beneficiaries/take up	Individuals trained:2017: 51 2018: 680 2019: 1 872
Organisation responsible for monitoring/evaluation	Estonian Unemployment Insurance Fund
Monitoring/evaluation reports available	Not available
Most relevant webpage - in English	https://www.tootukassa.ee/eng/content/prevention-unemployment/training-...
Most relevant webpage - local language	https://www.tootukassa.ee/koolitustoetus-tooandjatele
Recent changes	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
Sources	Unemployment Insurance Fund https://www.tootukassa.ee/en/ State Gazette of Estonia https://www.riigiteataja.ee/akt/104052018013

