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**ESTONIAN NATIONAL PROGRAMME FOR THE EUROPEAN YEAR 2010 FOR
COMBATING POVERTY AND SOCIAL EXCLUSION**

Tallinn 2009

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1. National context: challenges to be met

1.1. Challenges and the national strategy on social protection and social inclusion

Estonia's rapid economic growth of recent years was followed in 2008 by a sudden and increasing recession. Estonian economy decreased by 3.6% in 2008 and the predicted decreases in 2009 and 2010 are 8.5% and 2.5%, respectively. It is hoped that economic growth will resume in 2011 and will accelerate further in 2012.¹ From the end of 2008, recession has been accompanied by a rapid growth of unemployment rate. In the first quarter of 2009, the unemployment rate rose to the highest level of the past eight years, 11.4%. According to forecasts, the unemployment rate will increase to 12.2% in 2009, to 15.6% in 2010 and will start to decrease in 2011, with the predicted level for that year at 11.1%.²

In 2007, 19.5% of the Estonian population lived in relative poverty.³ The relative poverty threshold in 2007 was at EEK 4,340. There was a five-fold income inequality between the poorest and richest fifth of the population, which meant that Estonia retained its place in the top ten European countries with highest inequality rates. The richest households in Estonia are households without children where all members of employable age are employed – only 4% of such households live in relative poverty. The poorest households are households with children where no members are employed – 87% of such households live in relative poverty. The main risk groups threatened by poverty are unemployed persons, disabled persons, elderly persons and families where one or both income-earning members have lost their jobs. According to estimates,⁴ the number of subsistent benefit applicants is steadily increasing.

It is difficult in the current socio-economic climate to focus on providing support to persons who have just recently experienced a crisis, incl. new risk groups in the labour market, such as young people and long-term unemployed with higher education. It is important to support the independence and psychosocial balance of persons who have been excluded, while offering them opportunities for entering or returning to the labour market and informing them of their rights and available resources. It is also important to provide services to halt the development of a personal crisis, which would result in a decreased ability for independent coping and an increased need for long-term support, potential loss of dwelling and employment, and reduced development opportunities for children due to unemployment of the parents.

The Estonian National Report on Strategies for Social Protection and Social Inclusion 2008-2010⁵ has identified expansion of services as the main task to support employment opportunities. The range of employment services will be expanded in 2008-2010. For instance, counselling services, specialised training, work practice, coaching for working life,

¹Source: 2009 spring economic forecast of the Ministry of Finance (available on the web site of the Ministry of Finance at www.fin.ee).

²Source: 2009 spring economic forecast of the Ministry of Finance. The Bank of Estonia predicts an unemployment rate of 9.5 % in 2009 and 13.3 in 2010 (source: Flash report on the Estonian economy in light of the deepening global crisis. Bank of Estonia, 05.02.2009)

³Source: Statistics Estonia

⁴The official statistical data of the Ministry of Social Affairs reflect the results of the first quarter of 2009; the estimate is based on current payments.

⁵The Estonian National Report on Strategies for Social Protection and Social Inclusion 2008-2010 is available on the social inclusion web site of the Ministry of Social Affairs at www.sm.ee/kaasatus.

support in obtaining necessary aids for employment and other services will be offered to disabled and elderly persons. If required, preparatory services for entry into the labour market (e.g., social rehabilitation, psychological counselling) will be offered. Participation of parents in the labour market will be supported through nursing services and employment services. In addition, prevention of child poverty is supported by the promotion of parent education, family reconciliation service and other support services for families (e.g., debt counselling, support person and support family services). The opportunities of children, young people, disabled and elderly persons for participation in education and lifelong learning will be supported through the development of vocational education and e-learning systems. Employment and independent coping are supported through various social welfare services, such as rehabilitation service, personal assistant service, support person service, adaptation of premises and equipment for disabled and elderly persons, domestic service, etc.

The Estonian National Strategy for Social Protection and Social Inclusion emphasises that policymakers and implementers need to have an overview of the multiple aspects of the field of social protection and social inclusion, engage in cooperation between sectors, focus on solving problems in a personal and integrated manner and learn from mutual experiences and practices in order to achieve the goals of social protection and inclusion. The information obtained from studies and analyses helps to develop knowledge-based policies and to make the best decisions for the target group.

1.2. The administrative structure in place

Pursuant to a Government of the Republic decision of 19 March 2009, the Ministry of Social Affairs is charged with the task of developing the National Programme for the European Year 2010 for combating poverty and social exclusion and coordinating the implementation of the programme.

The Social Welfare Department of the Ministry of Social Affairs is responsible for the implementation of the actions of the European Year. The responsibilities of the Social Welfare Department in the context of the European Year, in cooperation with partners, include development and implementation of the strategy for the European Year, organisation of the opening and closing event of the year, publication of press articles on rights and obligations, and issuing calls for project proposals (for further details, see Chapter 3 "Consultation with civil society and stakeholders"). In cooperation with Statistics Estonia and the National Institute for Health Development, the Social Welfare Department will publish an analytical article collection on poverty and a special issue of the journal "Sotsiaaltöö" (*Social Work*) on social inclusion.

The tasks of the intermediate body in the context of the European Year are performed by the Foreign Funding Service of the Finance and Property Management Department, which is also the responsible agency in the framework of the European Economic Area and Norwegian Financial Mechanisms and the applicant for assistance in the framework of the Estonian-Swiss cooperation programme and, consequently, has previous experience with the implementation of international projects and programmes.

The Minister of Social Affairs will appoint with his directive the Project Manager of the European Year for combating poverty and social exclusion and other implementers, as well as a committee for evaluation of project proposals.

2. National priorities and communication strategy

Discussions between civil society organisations and various government agencies have helped to identify common issues to be focused on during the European Year. These issues conform to the principles of the European Year: raising awareness, shared responsibility and participation, cohesion and commitment.

The principal aim of the actions planned for the European Year 2010 is to improve the integration of society. It is important to establish an effective social dialogue on alleviation of poverty, and on social protection and social inclusion. Discussions on the quality of life and values will continue. There is intent to raise the awareness of the people of their rights and obligations, to develop cooperation between organisations, to strengthen the existing networks for the promotion of social protection and inclusion, and to create new networks. An important aspect will be the promotion of success stories and good practices. Further objectives include strengthening of cooperation between government agencies in the application of legislation and development of strategies and social programmes. Presentation of studies and analyses in a collection of articles on poverty will provide an input for policymakers who develop and implement new measures.

The main keywords of the European Year in Estonia include: human being, humane and knowledge-based policymaking, social work, support for voluntary initiatives and sharing of good practices.

2.1. Actions of the European Year 2010

The actions of the European Year in Estonia belong to three major categories – information activities (for details, see section 2.2 “Communication strategy”), national actions and support for partners through a call for project proposals. The following sections present a description of the planned activities for the European Year.

1) *National actions*

The opening event of the European Year will be used to present the calendar of activities for the year and the best project proposals that were awarded contracts. In addition, participants will be invited to participate in the discussion between researchers and practitioners on values, opportunities for improving the quality of life, personal responsibility and cooperation. This one-day workshop will bring together researchers and representatives of the national and local governments and the third sector.

An analytical collection of articles on poverty will be published in cooperation between social and economic researches, Statistics Estonia and the Ministry of Social Affairs. The collection will examine the trends of poverty in Estonian society and population groups, taking into account any social and economic developments and assessing the impact of social protection measures (allocations, services). The theoretical part of the collection will establish a conceptual framework on poverty, on the measurement of poverty and on the links to various factors of social development, including the system of social protection. This will be followed by an overview of poverty trends in Estonian society after restoration of independence through the general stages of social and economic development, based on existing data, forecasts and expert assessments. There will be examinations of the reflections of poverty in different population groups, distribution of income, inequality and poverty, material deprivation and subjective assessment of living in poverty, and the combined effect of the various factors that affect poverty. A novel area of study will be an analysis of differences between immigrant and native populations in addition to comparisons between ethnic groups. The collection will provide a brief overview of the principles of

poverty alleviation and it will assess the efficiency of social security and social welfare measures in Estonia. The analyses will be concluded with a critical and reflective expert opinion on the opportunities for poverty reduction in Estonia. The collection will be completed by February 2010 and it will be presented at the opening event of the European Year.

In addition to the collection of articles on poverty, knowledge-based policymaking will be further supported by the publication of a database of studies on poverty on the web site of the Ministry of Social Affairs. The database will include information on studies of poverty, social exclusion, social protection and inclusion, as well as human rights in Estonia. The database will provide a single reference point for studies in economics, law, social work, sociology and political science. The database will be published on the social inclusion web site of the Ministry of Social Affairs at www.sm.ee/kaasatus and it will be accessible to everyone.

The closing event of the year will review the actions undertaken during the European Year, assessing the effectiveness of actions. There will also be a discussion on the continuation of the work for developing and implementing policies and raising awareness on combating poverty and promoting social inclusion. All partners of the European Year and other interested persons will be invited to the closing event.

During the year, the Ministry of Social Affairs intends to strengthen cooperation with experts and researchers, as well as with representatives of government agencies, local governments and the third sector. For that purpose, there will be discussion workshops on poverty and on the possibilities for poverty alleviation, and on the issues of promotion of social inclusion. An important source of discussion topics is the collection of ideas and proposals registered during the nationwide brainstorming session "Let's Do It! My Estonia" in May 2009 (see www.minueesti.ee). There are also plans to involve university students, schoolteachers and upper secondary school students in the discussion workshops in addition to researchers and experts and the representatives of government agencies, local governments and the third sector. The practice of proposing relevant topics for Bachelor's and Master's theses to the universities will continue as well.

2) Support for partners, call for project proposals

A call for project proposals will be issued, with a submission period from September to October of 2009. The call for project proposals will enable partners to carry out smaller-scale actions during the year to provide assistance to persons living in poverty and to alleviate their situation, to distribute information on their situation and opportunities, to prevent poverty, to share good practices and develop cooperation between parties. Support will be allocated to joint actions, discussion groups, workshops, training and publication of guidelines and information materials. There is a wide scope for potential project actions. Eligible project actions were selected in the light of the consideration that employment measures and social welfare measures that support access to employment are funded from the European Social Fund programmes. Furthermore, many social projects are financed by the Gambling Tax Board and by several other funds.

The following project actions will be supported in the framework of the European Year:

- Networking initiatives:
 - networking initiatives, promotion of community work and cooperation projects, incl. support for cooperation networks that have the potential to continue after the European Year;
 - distribution of information on cooperation opportunities;
 - voluntary assistance and integration of generations (e.g., cooperation between elderly persons, finding support persons for the elderly, joint activities for persons of different generations, etc.).

- Training and counselling, publication of information materials:
 - initiation and organisation of regional and local idea workshops to develop a region or a community (e.g., using the ideas registered at the brainstorming session “Let’s Do It! My Estonia”);
 - debt counselling and budget planning, incl. preventive counselling, information on the risks associated with SMS loans, clarification of the need for debt counselling service;
 - counselling for new risk groups in the labour market;
 - publication of information materials (incl. in both Estonian and Russian languages) on the rights and opportunities for receiving assistance from the state, local governments and the third sector;
 - identification of links between poverty, financial coping and health; raising the awareness of social workers, schoolteachers and others on the relations between public health and health behaviour and poverty and social exclusion;
 - provision of support for single parents in getting the other parent to support the children, informing the social workers at the local governments on the opportunities to assist single parents;
 - promoting employment of disabled persons, provision of information on the opportunities for creating jobs, raising the awareness of local government officials on the employment opportunities for disabled persons;
 - implementation of other training and information projects on prevention and alleviation of poverty and promotion of social inclusion.
- Creation of jobs:
 - information materials and workshops on entrepreneurship for persons who have lost their job;
 - discussions, training courses and workshops on generation of ideas and development of values to encourage unemployed persons to start their own businesses and to cope independently.
- Exchange of good practices:
 - organisation of workshops and information exchange events where government agencies, schools, local governments and non-profit organisations can present their practices and experiences with social work.

In addition to the call for project proposals, there will be cooperation with volunteer organisations in the field of social work and education. It is important to find possibilities for motivating all parties to alleviate the situation of persons living in poverty, to support them and to focus on the prevention of poverty.

2.2. Communication strategy

The European Year will be implemented in cooperation with public broadcasting channels and printed press. There will be press conferences and the events of the European Year will be covered by various media channels and web portals. In addition, there will be close cooperation with the European Commission Representation in Estonia to provide information on the events organised by the Commission (such as competition for journalists, information events for journalists, focus week reviews, summaries of opening and closing conferences, etc.).

All projects implemented during the year will be supplemented by a communication scheme and an action plan for communication. The implementers of projects will submit information on the projects to the media (e.g., local newspapers, brief news in major daily newspapers, news portals, radio and television); there will also be photographs and, if possible, video recordings of the events.

Information concerning the European Year will be published in major daily newspapers and county newspapers. A newspaper supplemental will be published to inform people of their rights and opportunities for obtaining help in case of coping problems. There will also be information updates on the activities of the European Year. Researchers, practitioners and experts will be invited to discuss and write articles on theoretical and practical opportunities for poverty alleviation and promotion of social inclusion. Opinion articles, based on the discussions at the round-table workshop on poverty in the beginning of 2009, will be published in major daily newspapers.

A special issue of the journal "Sotsiaaltöö" ("Social Work") will be published in the framework of the European Year. The special issue will focus on the role of social and voluntary work in alleviation of poverty and promotion of social inclusion. Other issues to be examined include human rights, the nature of poverty in the context of social work, a practical outlook of a social worker on the opportunities for poverty alleviation, and examples of good practice in the work of local governments, NGOs and businesses. There will also be a presentation of the social policy and actions of the European Union in combating poverty. The special issue of the journal will include a transcript of the round-table discussion on the extent of state support to individuals. Finally, the journal will include information on the European and Estonian actions of the European Year, review the social work congress that will be held in November 2009 (for details, see section 3.2 "Outcome of consultation and follow-up"), and publish an article presenting the analytical collection of articles, which will be published in connection with the European Year.

The main source of information about the initiatives of the European Year will be the web site on social inclusion, which has already been made accessible by the Ministry of Social Affairs, at www.sm.ee/kaasatus. The web site will publish information on the activities of the European Year, the calls for project proposals, the implementers of projects, the events, the main outcomes, etc. In addition, the web site will include information on poverty and social protection and inclusion, such as brief explanations of current issues and concepts, the positions of the Government of the Republic, the speeches of the Minister, the opinions expressed in the Committee on Social Protection, the documents on social protection and inclusion (Joint Memorandum on Social Inclusion, national reports), a description of the socio-economic situation, the main trends, studies and analyses (incl. the new database of poverty studies), social inclusion in Europe, and examples of good practice from Estonia and other countries. As the promotion of social protection and inclusion is one of the tasks of the Ministry of Social Affairs, the development and updating of the web page on social inclusion will continue after the end of the European Year.

The logo of the European Year will be published on the front page of the web site of the Ministry of Social Affairs at www.sm.ee. The logo of the European Year will also be published on the web sites of the partner organisations of the Ministry of Social Affairs. Furthermore, the logos of the Ministry of Social Affairs and of the European Year will be displayed on all publications associated with the European Year.

2.3. Gender mainstreaming

The gender aspect will be considered in the planning and implementation of all activities. In addition, the gender aspect will be considered in the analyses of the article collection on poverty. The structure of the Ministry of Social Affairs includes the Gender Equality Department, which is able to provide opinions and assessments as required.

2.4. Accessibility of the actions

The information connected to the implementation of the European Year will be published on the web site of the Ministry of Social Affairs at www.sm.ee. In addition, the information will be distributed through the partner organisations for social protection and inclusion, as well as the web site and mailing lists of the Network of Estonian Non-profit Organisations. The actions of the year will also be covered in the specialised social work journal "Sotsiaaltöö".

Co-financing by applicants is not required in the case of small projects in the framework of the European Year. An information meeting will be organised at the Ministry of Social Affairs to provide information on the call for project proposals.

3. **Consultation with civil society and stakeholders**

3.1. Stakeholders involved in the consultation

It is important in the development and implementation of policies to include the public in the process of decision-making in an open, transparent and flexible manner. The Estonian action plan for the European Year was based on the Good Practice of Involvement adopted by the Government of the Republic.⁶ As is the case with all action plans, the planning of the actions of the European Year will be based on the principle that involvement is most efficient when all stakeholders are satisfied with the level of involvement available to them – those who do not wish to participate actively will be able to receive information and they can be consulted from time to time, while those who want to be active can do so as well.

Continuity of involvement and information is an important element in the development of policies for combating poverty and promoting social protection and inclusion. This element will be acknowledged by organising discussion meetings between the representatives of the government, local governments, the third sector and researchers. The information activities and programme development for the European Year began in January 2009, with a panel discussion on poverty. The panel included social and economic researchers, representatives of national and local governments, entrepreneurs and the third sector, who discussed the role of values in society; the structural factors of poverty; the role of economic environment as a cause of poverty; the relative importance of the lack of income, skills and opportunities in causing poverty; the role of mentality and lifestyle as a cause of poverty; the social skills that would be required to avoid or to overcome poverty; the question whether a policy on poverty should focus on reducing the risks of poverty, on helping people to overcome poverty, on reducing the impact of poverty, or on improving the living and working conditions; and the role of health and health behaviour in preventing and alleviating poverty.

The principal conclusion of the panel discussion was that poverty is not only an issue of money and economy, but civil society can also play an important role in alleviation of poverty and facilitation of coping by shaping the mentality, attitudes, values, diligence and other personal characteristics of people. The important keywords in the field of prevention and alleviation of poverty include teamwork, solidarity and counselling, but one should be careful in difficult financial situations to avoid creating any false optimism, which could in effect damage the ability to cope. From the viewpoint of the government, it is important to engage simultaneously in increasing the wealth and in preventing and alleviating poverty.

The ideas expressed at the panel discussion were used in internal brainstorming sessions in the Ministry of Social Affairs to select the best proposals for the implementation of the European Year in Estonia. The proposals were discussed and a final selection of actions was

⁶ The Good Practice of Involvement is available on the web site of the Government of the Republic at www.valitsus.ee.

made in the Ministry of Social Affairs, in May 2009, at a round-table meeting between the representatives of national and local governments and the organisations of the third sector. The round-table meeting included experts from the Ministry of Social Affairs, the Ministry of Education and Research, and from non-profit organisations. The following partners made the most active contributions to the development of the action plan for the European Year: Estonian Social Work Association, Estonian Chamber of Disabled People, Estonian Association of Pensioners' Societies, Estonian Union of Child Welfare, Association of Estonian Cities, Association of Municipalities of Estonia, Editorial Panel of the journal "Sotsiaaltöö", NGO "Caritas", Tallinn Children's Safe Centre, Tallinn Welfare Centre, Tallinn Social Work Centre, Estonian Institute of Human Rights, World Health Organization Representation in Estonia. Information on round-table meetings and discussions was distributed through various mailing lists and through the Network of Estonian Non-profit Organisations.

3.2. Outcome of consultation and follow-up

The messages and main directions of the action plan for the European Year were identified at the round-table meeting on poverty in the beginning of 2009 (see section 3.1 "Stakeholders involved in the consultation").

The organisation of relevant round-table meetings and workshops will continue after the European Year to improve control over implementation of the actions for the promotion of social protection and inclusion. The round-table meetings and workshops will involve the representatives of the national and local governments and the non-profit sector. All organisations that participated actively in the development of the national reports and programmes on social protection and inclusion and in the development of the action plan for the European Year, as well as any interested new organisations, will be invited to attend the round-table meetings and workshops. All participating organisations will be invited to comply with the process of developing strategies and development plans in their field to achieve integration of the policy of social inclusion in relevant policy areas and at all levels of government.

For instance, the Estonian Social Work Congress in November 2009 will be dedicated to the issues of the European Year. The objective of the congress is to bring together persons and organisations that understand the value of social work and draw the attention of the public to the issues of social welfare. In this year, the main theme of the congress will be social inclusion, with specific examination of issues, such as social capital, cooperation, networking, volunteering, and social cohesion. The congress will adopt key messages on the promotion of social inclusion in Estonia, which will be communicated to the Minister of Social Affairs, the associations of Estonian cities and municipalities, and the political parties represented in the parliament. The congress will be organised by the Tallinn Social Work Centre in cooperation with the Estonian Social Work Association, the Ministry of Social Affairs, the University of Tartu, the Tallinn University, and the city governments of Tallinn and Tartu.

The representatives of local governments and of the third sector umbrella organisations (e.g., the Network of Estonian Non-profit Organisations, the Association of Municipalities of Estonia, the Association of Estonian Cities) participate in the work of the European Year Steering Committee and the committee for evaluation of project proposals.

4. Arrangements for implementation

4.1. Calls for proposals and award criteria

The organisation of the call for project proposals for the European Year will be based on the Procedure for Entry into Contracts and Monitoring the Performance of Contracts, the Procedure for Organisation of Public Procurements, and the Procedure for Processing Allocations for a Specific Purpose, which have been approved by directives of the Minister of Social Affairs. The scope of all projects in the context of the European Year will be smaller than would be required to qualify them as public procurements.

Special rules of procedure will be developed for the management of funds of the European Year. The rules of procedure will be adopted by a directive of the Minister. The rules of procedure will regulate the processes and activities within the Ministry of Social Affairs. The purpose of regulation of work processes is to ensure efficient, legal and purposeful use of the funds of the European Year, transparency and traceability of transactions, and a clear division of functions and responsibilities between the parties to transactions. The rules of procedure will establish requirements for entry into and amendment of contracts, supervision and monitoring, reporting of violations and recovery of support, and the procedure of payments and objections.

Any materials pertaining to the organisation of the European Year for combating poverty and social exclusion, including calls for proposals, recipients of project awards, etc., will be published on the web site of the Ministry of Social Affairs at www.sm.ee. The call for tenders will include information on eligible actions, the procedure of application, the requirements for applicants and applications, and the selection criteria used in the evaluation of applications. A special evaluation committee of independent experts will be established by a directive of the Minister to select the best projects of the European Year. The application selection criteria include the impact of project actions on the achievement of the goals of the European Year, relevance, feasibility, economic efficiency, impact on target groups, and sustainability.

Pursuant to the Procedure for Entry into Contracts and Monitoring the Performance of Contracts, any financial resources should be used in an economical and transparent manner. The goals of contracts should be achievable at a reasonable cost. If there is competition between proposals, the best ratio of cost and competition should be identified by comparing the proposals. Persons who are, or could be, interested in submitting a proposal for entry into contract should be treated equally and all restrictions and criteria applied to the persons should be proportional, relevant and justified. The procedure of entry into and performance of contracts should be transparent and traceable, ensuring fair competition and avoiding any conflicts of interests in the conclusion of contracts.

4.2. Timetable

The actions of the European Year will be carried out from September 2009 to the end of 2010. Implementation of the European Year will be based on the timetable established in the strategic framework document concerning the implementation of the European Year for combating poverty and social exclusion. The indicative timetable of actions financed from the Estonian budget of the European Year is as follows:

2009	
September	Announcement of the call for project proposals
November	End of the proposal submission period; selection of projects
2010	
February	Opening event of the year; publication of the analytical article collection on

	poverty
March	Start of implementation of projects
September	Publication of the database of studies on poverty on the web site of the Ministry of Social Affairs at www.sm.ee/kaasatus
October	Special issue of the journal "Sotsiaaltöö"
December	Concluding conference
	End of implementation of projects
Throughout the year	Information activities, newspaper supplemental materials and press articles

5. Budget

Estonia will spend a total of EEK 1 million on the implementation of the European Year, including EEK 500,000 from the European Commission and EEK 500,000 as co-financing from the budget of the Ministry of Social Affairs.

The envisaged distribution of the budget of the European Year is as follows:

Opening and closing events, discussion workshops	EEK 80,000
Analytical article collection on poverty	EEK 100,000
Database of studies on poverty	EEK 25,000
Special issue of the journal "Sotsiaaltöö"	EEK 80,000
Newspaper supplemental materials and articles	EEK 100,000
Call for project proposals	EEK 615,000

A detailed budget of the European Year, incl. the budgets of individual projects, will be submitted together with the national application for co-financing in December 2009.

6. Monitoring and evaluation mechanisms

Implementation of the European Year for Combating Poverty and Social Exclusion in the Ministry of Social Affairs will be the responsibility of the Social Welfare Department and the External Funds Division of the Finance and Property Management Department. The Social Welfare Department will carry out principal activities while the External Funds Division of the Finance and Property Management Department will process invoices and prepare financial reports.

The Minister of Social Affairs has approved procedures of the Ministry for conclusion of contracts and for monitoring the performance of contracts, for organisation of public procurements, and for processing of allocations intended for a specific purpose. According to this procedure, any orders of services or any purchases of things should be carried out in a manner, which ensures as efficient and as economical use of financial resources as possible. The project beneficiaries are obliged to submit the internal and final reports.

Auditing of the European Year for Combating Poverty and Social Exclusion in the Ministry of Social Affairs will be the responsibility of the Internal Audit Department of the Ministry of Social Affairs, which reports directly to the Minister. Pursuant to the Internal Audit Statutes of the Ministry of Social Affairs (Regulation no. 38 of the Minister of Social Affairs, of 28 February 2003), the Internal Audit Department is independent in establishing the objects, extent and goals of any audits.

The Internal Audit Department is a structural unit of the Ministry of Social Affairs, which is responsible for the organisation of internal audits. The Internal Audit Department operates pursuant to the legislation of the Republic of Estonia, including the statutes of the Ministry

and of the Department, the internal procedure rules and the records management procedure, as well as the Standards and Code of Ethics issued by the Institute of Internal Auditors (IIA) and the rules of procedure of the Internal Audit Department. If appropriate, the Internal Audit Department also relies on the guidelines developed by the Estonian Ministry of Finance.

The recipients of project support in the Ministry of Social Affairs report to the Secretary General, while the Internal Audit Department reports directly to the Minister. Pursuant to the Internal Audit Statutes of the Ministry of Social Affairs (Regulation no. 38 of the Minister of Social Affairs, of 28 February 2003), the Internal Audit Department is independent in establishing the objects, extent and goals of any audits.

Audits are based on the annual work schedule of the Internal Audit Department, which is compiled on the basis of specific methods of sampling. In addition, the auditors are required to sign a declaration of independence, confirming their independence in relation to the audits in question. Independence is further guaranteed through legislation and job descriptions. The auditors apply comprehensive and justified procedures to ascertain with confidence, whether there are any irregularities or unlawful uses of resources. The audits are carried out by experienced auditors who also gain additional competencies through training.