

EUROPEAN STRUCTURAL AND INVESTMENT FUNDS¹



ESTONIA

With a budget of EUR 454 billion for 2014-2020, the European Structural and Investment Funds (ESI Funds) are the European Union's main investment policy tool. The ESI Funds combine five Funds: European Regional Development Fund (ERDF); European Social Fund (ESF); Cohesion Fund (CF); European Agricultural Fund for Rural Development (EAFRD); and the European Maritime and Fisheries Fund (EMFF).

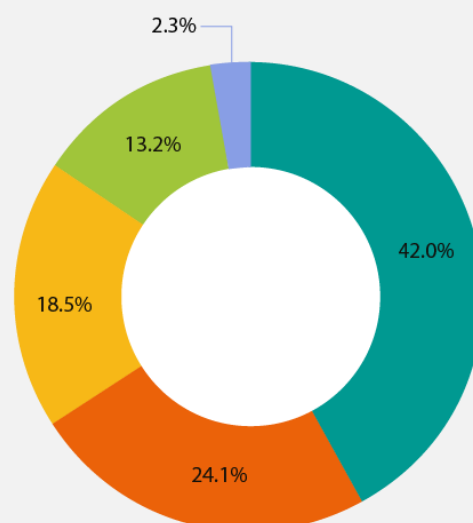
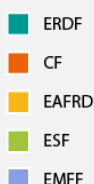


Categories of regions for the ERDF, ESF and EAFRD 2014-2020
 ■ Less developed regions (GDP/head < 75% of EU-27 average)

Through three national and regional programmes, Estonia has been allocated **EUR 4.46 billion** from ESI Funds over the period 2014-2020. With a national contribution of EUR 1.54 billion, Estonia has a total budget of EUR 6 billion to be invested in various areas, such as creating **growth** and **jobs** through competitive SMEs, **innovation** and **research**, the **low-carbon economy** as well as promoting sustainable and **quality employment** and **education**.

ESI FUNDS BUDGET FOR ESTONIA (2014-2020)

- EUR 1.87 billion through the ERDF
- EUR 1.07 billion through the CF
- EUR 823 million through the EAFRD
- EUR 587 million through the ESF
- EUR 101 million through the EMFF



¹ Data included in this factsheet have been extracted from the ESIF Open Data platform which is accessible online at <https://cohesiondata.ec.europa.eu/>. Data on target achievements are based on officially agreed common indicators or, for the ESF, programme specific indicators (reference date for data: November 2015).

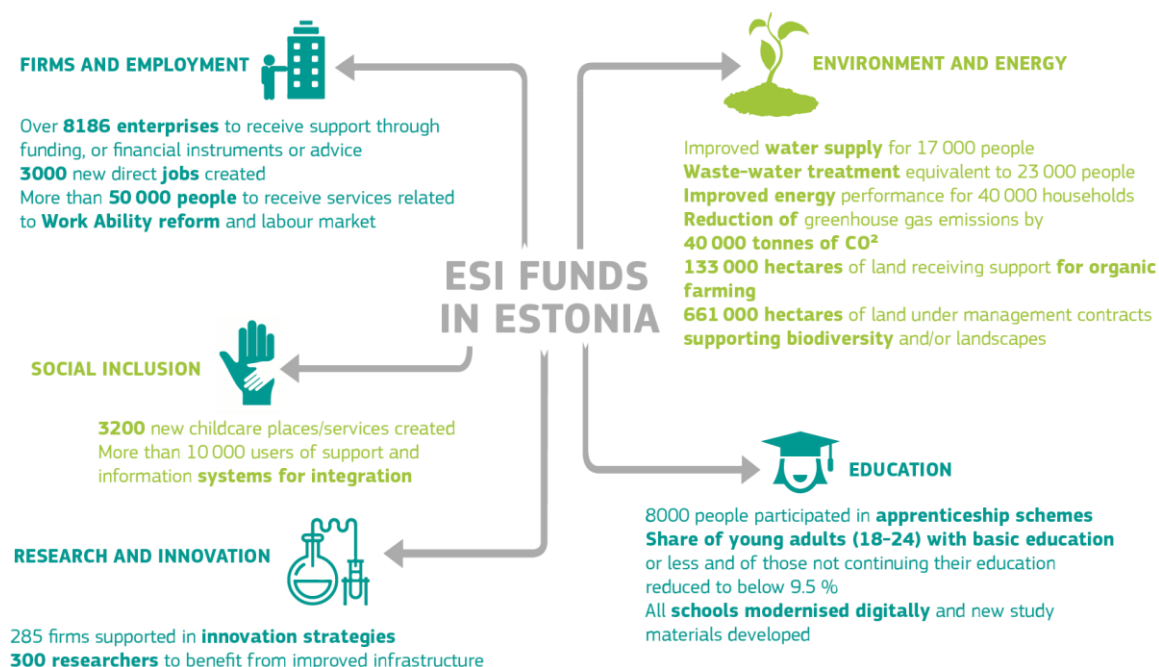
MAIN PRIORITIES

ESI FUNDS IN ESTONIA WILL:

- Increase private-sector expenditure on **research and development** in line with Estonia's smart specialisation framework.
- Boost the **competitiveness of SMEs** and increase the number of exporting businesses.
- Boost the **digital economy** by increasing access to broadband with speeds of at least 100 Mb/s.
- Modernise **schools** and develop modern study materials.
- Reduce and prevent health-related exits from the labour market via the implementation of the '**Work Ability**' reform.
- Bring people with **care responsibility** in the family into the labour market.
- Increase the number of people following **vocational training** and offer **career advice** sessions to young people and others of working age.
- Promote **social inclusion**, to reduce the number of children on the waiting list for childcare and nursery places and to support **youth work services**.
- Optimise **health care** and **primary care** services and strengthen disease prevention initiatives. Support **administrative capacity** building, improve the quality of policy-making to raise satisfaction levels with the quality of public services.
- Support **transport** by developing the TEN-T network and environment-friendly and low-carbon transport systems.
- Invest in the **low-carbon economy**, protection of the **environment** and adaptation to **climate change**.
- Make the Estonian **fisheries** and **aquaculture** sector more sustainable by improving marine ecosystems and aquatic biodiversity and reducing unwanted catches.

TARGETS

All funds are designed to support Estonia's **socio-economic development**. The expected results (**targets**) give an overall view of where Estonia should be on key parameters by 2020.



HOW WILL ESTONIA ACHIEVE THE EXPECTED RESULTS?

Estonia will work towards the efficient spending of the EU Funds, based on a multidimensional approach.

FULFILLING PRECONDITIONS FOR THE EFFECTIVE AND EFFICIENT USE OF ESI FUNDS

To ensure that ESI Funds are used efficiently and focus on results, the Commission has set some preconditions when allocating ESI Funds to the Member States.

The main purpose of these conditions, also called 'ex-ante conditionalities', is to help all Member States and their regions to tackle issues that past experience has shown to be particularly relevant to the efficient implementation of the Funds. These principles could be linked, for example, to the implementation of EU legislation, the financing of strategic EU projects, or administrative evaluation and institutional capacity.

These *ex-ante* conditionalities cover most investment areas: improvements to regional research and innovation (R&I) strategies as well as strategic plans linked to environmental protection, energy resources, transport, socio-economic inclusion, health services, education and training.

ENCOURAGING THE USE OF FINANCIAL INSTRUMENTS AND TERRITORIAL TOOLS

Estonia will increase allocations to financial instruments to support approximately 2400 firms. Loan, guarantee and equity instruments are to be used to support SMEs. According to the *ex-ante* assessment, there is no scope for ESIF-funded financial instruments in the area of research and innovation, energy efficiency and environmental infrastructure.

SIMPLIFICATION FOR BENEFICIARIES

A number of laws and guidelines have been amended to reduce the administrative burden for beneficiaries. Data exchange with applicants and beneficiaries will be made fully electronic, expenses will be reimbursed on the basis of simplified cost options where possible, and there is also the possibility of combining grants and financial instruments.

SUCCESS STORIES: EXAMPLES OF PROJECTS USING ESI FUNDS (2007-2013)

A MULTIFUNCTIONAL SHIP TO TACKLE MARINE POLLUTION IN ESTONIA

Estonia has procured a multifunctional ship to deal with incidents of marine pollution in Estonian waters and other parts of the Baltic Sea. Under normal conditions, the ship is capable of removing the source of marine pollution within 48 hours. Under the care of the Estonian Police and Border Guard Board, it also monitors and supervises the marine environment, helping to prevent potential disasters.

Estonian ports and others in the Gulf of Finland and the Baltic Sea are heavily involved in the transshipping of oil and oil products, making them particularly vulnerable to the occurrence of major oil spills. The ship was successfully launched in April 2011 to address the risk of oil spills. It is equipped with 2000 metres of marine barriers and will be able to tackle 0.6 km² of marine pollution in a 12-hour period. In the event of an alert, the ship will be ready to leave from the harbour to the marine pollution area within two hours, be at the pollution area within six hours and start remediation works within 12 hours. This means that under normal conditions the marine pollution should be removed within 48 hours.

Total budget: EUR 33 100 000

EU budget contribution to the project from ERDF: EUR 29 800 000

More information: <http://europa.eu/!Xw96kv>

TARTU AND TARTUMAA EMPLOYMENT CENTRE

A long absence from the labour market (over 18 months), whether for a long-term unemployed or a person caring for a child or a family member may mean that a special effort is needed to go back to work. The ESF enabled the NGO to work with risk groups to build their confidence, to take a proactive role in finding employment and to act independently. People received training, counselling and help from support people. The innovative 'work clubs' provided a supportive environment to prepare the risk groups for active job searching.

The first operation was able to help 319 unemployed, and the second one 221: 173 people were eventually employed and 61 enrolled in studies. The projects also created a functioning support network involving different actors from the public, private and NGO sectors.

Total budget: EUR 543 422

EU budget contribution to the project (two subsequent operations) from ESF: EUR 504 714

More information: <http://bit.ly/1T1xF7b>

SUPPORTING ORJAKU PORT

This project involved upgrading the Orjaku quay and putting in place the necessary infrastructure for services such as water and electricity. The final phase of this project involved the development of facilities for fishers and leisure users (fishers' rooms, storage rooms for gear, refrigeration equipment and facilities for catch storage).

Total budget: EUR 536 980

EU budget contribution to the project from EFF: EUR 355 536

(During the 2007-2013 period, the EMFF was known as European Fisheries Fund or EFF)

More information: <https://webgate.ec.europa.eu/fpfis/cms/farnet/>

FIND OUT MORE ABOUT ESI FUNDS IN ESTONIA

- ESI Funds: <http://ec.europa.eu/esif>
- ESI Funds Open Data Platform: <https://cohesiondata.ec.europa.eu/countries/EE>
- ERDF & CF: http://ec.europa.eu/regional_policy/en/atlas/estonia
- ESF: <http://ec.europa.eu/esf/main.jsp?catId=389&langId=en>
- EAFRD: http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/index_en.htm
- EMFF: http://ec.europa.eu/fisheries/cfp/emff/country-files/index_en.htm
- The EU Representation in Estonia: http://ec.europa.eu/estonia/index_et.htm
- EU projects: http://ec.europa.eu/budget/euprojects/search-projects/list_en
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