STANDARD SUMMARY PROJECT FICHE

1. **Basic Information**
   1.1 Désirée Number: ES0006-1
   1.2 Title: SUPPORT TO THE BALANCED DEVELOPMENT OF THE LABOUR MARKET SERVICES
   1.3 Sector: Social
   Twinning code: EE00/IB/OT-02
   1.4 Location: Estonia

2. **Objectives**

   2.1 Wider Objective:
   To improve and increase the flexibility of the national labour market measures in order to start preparing for participation in the European Employment Strategy (EES).

   2.2 Immediate Objectives:
   2.2.1 To improve efficiency and flexibility of public employment services through the provision of labour market services to employers and job seekers
   2.2.2 To strengthen administrative capacity of public employment service (PES) with a view of later participation in the European Employment Strategy and EURES.

   2.3 Accession Partnership and NPAA priority
   AP: Employment and Social Affairs “Prepare a national employment strategy with a view to later participation in the European Employment Strategy including through the launch of a joint employment review.”

   NPAA: Employment and Social Policy:
   Employment (ch.6.1.2)
   "According to the Employment and Training Development Plan (approved by Government on 15 October 1999) the priorities for 2000-2003 are following: /…/"
   - to expand the opportunities for in-service training and re-training and to enhance its quality;
   - to integrate persons in risk groups to the labour market and to provide them access to education;
   - to ensure equal opportunities in the labour market;
   - to organise and raise the efficiency of support systems of employment and training."

   Social dialogue (ch.6.1.3)
   "According to the agreement made by the Government and social partners, setting up the regional tripartite employment councils at county level was
started in autumn 1999. These tripartite employment councils are aimed at increasing the efficiency of state employment offices in finding integrated solutions to regional socio-economical problems. Forming tripartite employment councils is one of the measures to use more local initiative."

Free Movement of Persons (ch. 3.2.4)
"For implementing Regulation No. 1612/68/EEC on the free movement for workers within the Community and pursuant to the Decision 93/569/EC on the European Employment Service (EURES) for implementing the said Regulation:
– In 2001 labour market institutions which will specialise in job mediation, exchanging information with EU Member States and the Commission and which will provide services to the citizens of EU Member States in Estonia, will be appointed by a regulation of the Minister of Social Affairs.
– In 2001-2003 the Labour Market Board will continue development and Implementation of the software of employment offices’ information system. In 2002 the Labour Market Board will join the Estonian database on job seekers and vacant jobs with the European Job Mediation System (EURES). A communication channel will be set up to exchange information between the Estonian database on job seekers and vacant jobs and the central database of EURES."

National Development Plan (NDP) 4.4.1. Objectives and strategy)
"According to the Employment and Training chapter in order to organise and raise the efficiency of support systems of employment and training the emphasis shall be placed on the development of the following support systems and measures:
The organisation of the activities of labour market institutions and increase of their efficiency is a vital pre-requisite for attaining the planned objectives. In developing support institutions the following measures shall be taken:
– Clear distribution of duties between policy-making and executive institutions;
– Enhancement of the quality and range of services provided by state employment offices
– Implementation of a tripartite principle in planning the work of state employment offices
– Strengthening of co-operation with organisations that are involved in labour market issues
– Public awareness raising campaign"

Employment Policy Review with Estonia, (Joint Assessment Paper)
– Important factor is the aim to move to more individual approach e.g. making individual employment plans, interviews during the unemployment period depending on the length of unemployment spell etc;
– To enhance the effectiveness of active labour market policies better targeting of the measures to disadvantaged groups in the labour market is necessary;
– In order to guarantee the successful implementation of labour market policies it is vital to improve the quality of services provided by PES and to tighten the co-operation between PES and employers.
3. Description

3.1 Background and justification:

Short summary of the problem:
In relation to the new legislation (new Social Protection of the Unemployed Act and Labour Market Services Act), the number of PES clients will increase and there is not sufficient capacity to provide labour market services for all the clients on sufficient level and quality, and to implement the acquis of free movement for workers. The capacity of PES has to be developed accordingly.

Labour market services
Active labour market measures are the main priority of the Estonian labour market policy. To increase the number of persons benefiting from active measures a new “Labour Market Services” act and “Social protection of the Unemployed” act have been drafted and are currently in the parliament procedure. The respective acts are expected to come into force in the second half of the year 2000.

Currently only persons who are registered unemployed are eligible to unemployment benefit and following labour market services:
- employment training and stipends;
- employment subsidies
  - subsidy to start a business
  - subsidy for employer to employ persons who are less competitive in the labour market);
- community placements.

Registered job seekers are eligible only for job mediation and information on labour market services.

One of the preconditions for registering as unemployed is the requirement that the person must have been working 180 days during the last 12 months.
The new law of the Social Protection of the Unemployed redefines the definition of unemployed: the condition of previous work record is abolished. Therefore more persons can register as unemployed and are eligible to labour market services. The condition of previous work record applies now only in case of unemployment benefit. Another important change is that the time limit for being registered as unemployed (earlier 180 days) is abolished. Only the payment of unemployment benefit will be in general limited up to 270 days. That makes also persons currently registered as job seekers including long-term unemployed eligible to labour market services. As a result of these amendments the number of the persons eligible for labour market services can potentially double.

Furthermore, to widen the range of labour market services, the Labour Market Services Act introduces vocational counselling as a new service. Although the new legislation is not in force yet, the activities to provide vocational counselling have begun in some of the local employment offices.

As the number of PES clients will increase and the new service of vocational counselling will be launched, 22 additional workplaces (see also the Annex 9) will be set up in PES during 2000-2001. The new staff (together with existing staff) needs to be trained in order
to provide labour market services for all the clients on sufficient level and quality and use new IT systems (EU job mediation, statistics, information system, language training). The capacity is not sufficient to implement the acquis of free movement for workers. Therefore the capacity of PES has to be developed significantly.

Effectiveness of PES activities can guarantee accessibility of labour market services to a large number of job seekers and employers. The main factors supporting achievement of this objective are: improvement of providing labour market services, taking into account the needs of different client groups, competent staff of PES and well-functioning labour market information system.

In 5 South-Estonian counties and also in Ida-Virumaa the career counselling services for young people has been set up. The start-up has been co-financed by the Ministry of Education. The projects (Phare 2000 S-E) “Economic and Human Resources Development of South Estonia” and “Economic and Human Resources Development of Ida-Virumaa” have been initiated. In the frames of these projects the information on initial and continuing education courses will be collected in the regions and catalogues on initial and continuing training courses will be published. This information will be provided to PES as well.

The target client groups of the Phare 2000 S-E projects and “Support to the Balanced Development of the Labour Market Services” in the field of vocational and career counselling are different:
For the Phare 2000 S-E projects the target client group are young people (basic and upper-secondary school/gymnasium graduated), as for this current project the target client groups are, according to “Labour Market Services” act and “Social protection of the Unemployed” act, unemployed and job seekers.

The representatives of the MoSA are included in the steering committees and appropriate workgroups of the Phare 2000 S-E projects in order to share the information, achieve the synergy in the results and to avoid overlapping in activities.

Based on the experiences obtained from the above mentioned social and economic cohesion projects the development of comprehensive system of career counselling will be finalised in Co-operation with the Ministry of Education and Ministry of Social Affairs.

Free movement of workers (EURES)
In the respect of implementing the acquis of free movement of workers, the preparations to start job mediation service between Estonia and EU countries have been launched; 7 new workplaces for advisers in EU matters will be established in 2001 in PES. Accomplishment of that service require special training for new staff, including the language training (terminology concerning labour market and free movement issues) and computer skills necessary to use EURES.

Information technology
PES information system
The need for upgrading of the PES information system is as following:
  - The changes in the labour market concerned legislation (“Labour Market Services” act and “Social protection of the Unemployed” act,) due to which the number of PES clients will considerably increase.
- The amount of data and information will increase with connection of the future participation in EURES (including also more sources and types of data).

Due to the increasing amount of data and its changing content there is a need to upgrade the hardware and software, namely the central database server and work station computers and the communication channels need to be upgraded in following reasons:

- The modern powerful computers will raise the system functionality
- The old Tulip computers with 486 processor currently in use do not enable to install and to use newer software programs (e.g. Office ’97; Win 98 etc.) than Win 95.
- The central database server and the local area network (LAN) servers with the higher work speed and bigger memory will gather the higher speed in increased amount of information in data processing and information dissemination with the communication channels (e.g. LAN servers data processing speed raises from 10Mbit/sec to 100Mbit/sec)
- The need for upgrading the hardware emerges also from the soft-and hardware life cycle (upgrading) policy of the IT companies. (The Progress Software Corporation Product Life Cycle Update (products of which are in use in PES) foresees that the computers, its spare parts and service components currently in the production will be finished by 2003)

(See also: Annex 7: Indicative List of Equipment; and Annex 9: NPAA Ch. 3.2.4 Free Movement of Persons, Administrative capacity 2001-2003)

Following preparations to complete the integrated information system are currently in progress:

- The Labour Market Board continues to implement and develop software for the employment offices’ information system (incl. setting up and maintaining a national database on vacant jobs, job seekers and employment services). Additional work needs to be done in relation to the new legislation: the draft of the Employment Services Act provides for setting up databases on employment services and job seekers.
- The statistical database and analysis system (StatisticsIS) containing the operative transaction history is designed and constructed, testing is planned in 2000.
- Information distribution and self-service system (SelveIS) is partly designed, from and to which data from operative system can be transferred. The system needs modifications and additions.

The database of the vocational schools and their study curricula was designed in 1999 in the Ministry of Education. The database is being used by vocational counsellors working in employment offices, advisory centres, regional training centres and schools. This database and the PES database will be cross-used in the future.

Readiness to join European Social Fund (ESF)
In order to ensure the administrative readiness to join the ESF, which is considered to be the main tool for implementing the European Employment Strategy and to provide the action programmes, within the Phare Consensus III program the following results have to be achieved:
- Appropriate legislation drafted
- ESF implementation scheme(s) designed
- Principles for ESF-type activities defined (coherence with strategic goals, sustainability, methods to assess and indicators worked out equal opportunities)
- Monitoring and evaluation procedures established
- Guidelines for applicants made.

In the frames of this project the overall ESF procedures and project implementation mechanisms will be introduced to the PES staff, as in the most of the EU countries use PES's resources in the ESF programming focal points.

Tripartite employment councils

In August 1999 the Government of Estonia, the Estonian Confederation of Employers & Industry and Association of Estonian Trade Unions signed the agreement on setting up the tripartite employment councils. Currently the councils are being formed at state employment offices and have representatives from county government, local authorities, employment offices and employers and employees organisation's. These tripartite employment councils are aimed at increasing the efficiency of employment offices in finding integrated solutions to regional socio-economical problems. The duties of these councils are (depending on the regional situation in employment) to advise the employment offices on determining the share of financial recourses dedicated to various active employment measures and organising employment training for the unemployed. In order to fulfil the duties, the members of the tripartite employment councils have to be trained in labour market issues and on experiences that the other countries have obtained from such a co-operation.

3.2. Linked activities:

3.2.1 Phare funded activities:
ES 9503.002B (NLMB)
Technical Assistance to the National Labour Market Board (NLMB) in Estonia

Results:
1. The manuals for organizing group consultations, information services and services for employers were prepared to be included in PES Handbook;
2. A report in co-operation with the EU expert about the present situation in data collection and analyzing and proposals how data flows could be improved and better used for policy development;
3. In the final report the following recommendations were made regarding the development of the PES in Estonia:
   • The information system of PES needs to be further developed in order to better organize the work in employment offices and make available different kind of information to various target groups.
   • Active labour market measures should be better targeted to different groups on labour market.
   • Better contacts with regional and local authorities, employers and employee’s organizations should be established.
   • Vocational counseling should be introduced in all employment offices.
ES 985029.00 Support for the Ministry's Department of Labour and the National Labour Market Board in a pre-accession context, 280 000 ECU
Project Leader: Mrs Angela Taylor, Birks Sinclair & Associates Ltd., United Kingdom

Tasks:
1. Gain a better understanding of EU labour market best practice
2. Review the effectiveness of the past 5 years of Estonia active employment measures and refine those policies
3. Train DoL and NLMB staff in policy development skills
4. Assist DoL and NLMB staff in developing a strategy to raise awareness of employment issues

Results:
1. Number of recommendations on how the effectiveness of active labour market measures might be increased.
2. Number of examples of EU best practice was identified for consideration by NLMB.
3. An investment utilising reimbursable funds from Phare project and the NLMB own resources in Statistical Analyse System (SAS).

Phare 1997 project “Vocational Training” (Ministry of Education)
Results:
1. three pilot regional employment-training centres were set up.

Based on the experience the development of the training centres will continue in other counties together with social partners, educational institutions, employment services regional and local authorities.

3.2.2 Linked activities being undertaken by other parties (i.e. by national government and private projects and by foreign government or IFI projects)
Cross- Estonian employers questionnaire “Personnel Problems of the Companies”
The aim of the project was to understand better the demand in the regional labour markets, to inform the companies about PES activities; to find out the needs of the enterprises in order to develop labour market services; to develop the co-ordination and information exchange between PES and employers and to enhance the image of PES.

3.3 Results:

2.3.1 The descriptions for offering labour market services targeted to different risk groups have been worked out and the PES staff has been trained to use them.
2.3.2 The descriptions have been prepared about the procedures of preparing individual employment plans for the unemployed and the PES staff has been trained to use them.
2.3.3 The descriptions for organising vocational guidance are prepared and staff is trained to implement vocational guidance in all employment offices.
2.3.4 Skills of the staff of the state employment services are upgraded in soft skills such as negotiating, interviewing, counselling, motivating, stress management, time management, project management, team work, etc.

2.3.5 The training materials are prepared and the trainers are trained and able to train other staff of the PES.

2.3.6 Staff in selected employment offices is trained to organise job mediation with other countries, Estonia is able from the date of EU accession to implement the acquis in the field of free movement for workers.

2.3.7 The representatives of employers, employees and trainers are informed about the free movement for workers.

2.3.8 PES staff has been trained in the procedures of ESF.

2.3.9 The role of the tripartite employment councils in the labour market issues is increased and the roles clearly defined, members of tripartite employment councils are trained.

2.3.10 Central Database and Application hard- and software are purchased and installed, telecommunications equipment, local area network computers have been purchased and software has been upgraded.

2.3.11 Software for all-Estonian PES information system is implemented.

3.4 Activities:

3.4.1 To develop an evaluation and monitoring system for labour market measures. The aim of the system will be the continuous monitoring of the impact of the labour market policy in order to rise the effectiveness of these measures and enable better targeting and design of the labour market measures. (short term expertise 4 months) Profile of the advisor(s): relevant qualifications and skills to analyse the labour market situation and efficiency of active labour market measures, and to be able to make relevant review.

3.4.2 To work out and implement standards and descriptions for labour market services and train the staff to use them (one of the tasks of the PAA).

3.4.3 To advise the PES staff in implementing new services for different groups of unemployed, increasing the overall quality of the services taking especially into consideration the need for individual approach towards each unemployed person, rising public awareness about services offered by PES.

To introduce the ESF principles and implementation mechanisms to the PES staff.

After the trainings and seminars the study tours to at least 2 EU countries are foreseen, because on one hand this learning method is the quickest to fix the knowledge and skills obtained during the trainings and seminars and on the other hand to develop the understanding of how the services are provided in the member states (“how things work in real life”).

The aim of the study tours is to give to the participants an overview on how labour market services are organised in order to gain the EU experience and best practice. The project participants will after the study tours to give presentations to other colleagues, in order to share the experience.
The study tour group will consist of 7 participants from the Labour Market Department of MoSA, Labour Market Board and employment offices who are responsible for implementation of following tasks:

1) The role of PES in planning the national labour market policy
2) Organisation of work in PES
3) Job mediation with other countries (EURES)
4) The system of vocational counselling: in general and in PES
5) Co-operation with social partners including the work of tripartite employment councils
6) The role of PES in administering and implementing ESF (see also Annex 8).

The study tours will be the part of twinning and all the travelling costs will be met by the NLMB

3.4.4 To improve the work of tripartite employment councils in all 15 counties and City of Tallinn in order to plan active labour market measures according to the labour market situation in regions. (short term expert 4 months)
Profile of the advisor: EU experience on tripartite relations, relevant knowledge and skills (especially strategic planning and policy-making skills; communication skills, excellent English)

3.4.5 To upgrade the skills of public employment service personnel in information technology, language and “soft skills” such as negotiating, interviewing, counselling, motivating, stress management, time management, project management, team work etc skills.

3.4.6 Design, construction and piloting PES information system (all-Estonian on-line information system), information distribution and self-service system, Statistics and analyses system (TA 4 months; profile of the advisor: relevant technical skills and knowledge; experience in the field of designing the PES information system and EURES). See Annex 7.

3.4.7 Completion and upgrading of the technical environment (equipment and software) for deployment of the all-Estonian on-line information system.

4 Institutional Framework

According to MoSA Statutes the Ministry shall include the drafting and implementation of plans to resolve state social issues, the management of public health protection and medical care, employment, the labour market and working environment, social security, social insurance and social welfare, and the preparation of corresponding draft legislation.

In organising employment, labour market and working environment, the Ministry of Social Affairs shall:
1) regulate employment relationships in co-operation with labour market partners;
2) guide the development of the qualification system of employees and organise its implementation in co-operation with the Ministry of Education;
3) organise the provision of employment services and social protection of the unemployed;
4) assist in creating a safe and healthy working environment, co-ordinate public supervision over the enforcement of the requirements provided by legislation in the field of employment, occupational safety and occupational health;

5) organise the activities of the Estonian council of the International Labour Organisation, prepare the ILO Conventions for ratification and denouncement and submit reports on the observance of the conventions.

**Labour Department** shall co-ordinate, direct and administer preparation of draft legislation regulating employment relations, plan and develop plans of employment relations policy, analyse and forecast the formation of average wage, analyse and evaluate labour barometer data, promote social dialogue in co-operation with employers’ and employees’ organisations and co-ordinate the development of employees’ qualification systems;

**Labour Market Department** shall co-ordinate, direct and administer the preparation of draft legislation regulating the labour market, plan labour market policy, prepare employment plans, analyse and evaluate labour barometer data;

**The organisation of the labour market administration**

The Labour Market Board and state employment offices within the area of government of the MoSA are state employment agencies. The central authority of the Estonian Labour Market administration is the Labour Market Board to which the employment offices belong. Each of the 15 counties and capital Tallinn has an employment office.

**Tasks of the Labour Market Board:**

- to administer employment services (information on vacant job, under condition set by employer, employment mediation, information on opportunities for employment training, information on legislation concerning protection of the unemployed, employment training and stipends, employment subsidies and community placement) bringing together employers and employees;
- to organize unemployment registration, regulate the payment of benefits to the unemployed and supervise the entire process

**Tasks of the Employment Offices:**

- to implement governmental labour market policy;
- to register unemployed persons;
- to provide employment services and grant;
- to pay state unemployment benefits and single benefits within they're administrative jurisdiction
## 5 Detailed Budget

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* National co-financing for study tours
6 Implementation Arrangements

6.1 Implementation Agency

The CFCU will be the Implementing Agency responsible for DIS related tendering and contracting. Open tendering by CFCU for equipment will take place in accordance with Phare DIS prior announcement in the EU Official Journal at the appropriate time.

Mr. Martin Põder, Deputy Secretary of the Ministry of Finance will be the Programme Authorising Officer.

Mrs. Piret Lilleväli Acting Deputy Secretary of the Ministry of Social Affairs, will be Programme Officer and responsible for the overall implementation of the project, also a project steering group will be established, chaired by her, to oversee project implementation. The steering group will include the social partners’ representatives from the Estonian Central Union of Trade Unions (EAKL) and from the central employer’s representation organisation – Confederation of Estonian Employers’ and Industry (CEEI) but also representatives of MoSA, NLMB, local authorities and employment offices.

The project manager and PAA counterpart will be Mr. Peeter Ugand, Deputy Director General, NLMB.

Person responsible for the equipment and software installation (for deployment of the all-Estonian PES information and database systems) from the NLMB side will be Mr. Ylo Kask, the Head of the IT Department in the NLMB.

NLMB and its local offices will be the owners of the asset after the project completion.

6.2 Twinning

Implementation arrangements

Twinning will be contracted according to European Commission rules

Beneficiary institution: NATIONAL LABOUR MARKET BOARD
Address: LUHA STREET 16, 10129 TALLINN, ESTONIA
Name: PEETER UGAND
Title: DEPUTY DIRECTOR-GENERAL
Phone: (372) 64 62 046

The tasks of the PAA (18 mmonths)

- To work out and implement standards and descriptions for labour market services and train the staff to use them (3.4.2)
- To advise the PES staff in implementing new services for different groups of unemployed, taking especially into consideration the need for individual approach towards each unemployed person, (3.4.3)
- To advise the NLMB staff in free movement of workers issues
- To co-ordinate the project implementation from the EU side
Profile for the PAA: experience in the field of labour market issues, relevant knowledge and skills (specially: management skills, HRD, consultancy skills, excellent English, communication skills, etc.)

6.3 Non-standard aspects

6.4 Contracts (see: p. 5 Detailed Budget)

6.4.1 Contract 1 0,85 Meuro (Twinning package)
6.4.2 Contract 2 0,95 Meuro (Phare)

7 Implementation Schedule

7.1 Start of tendering/call for proposals
   September 2000
7.2 Start of project activity
   January 2001
7.3 Project Completion
   June 2002

8 Equal Opportunity
Equal opportunity for women and men to participate in the project will be guaranteed and measured by recording the experts and consultants employed, the project results impact will be positive to both: women and men, the different active labour market measures for the different target groups will be used and the gender aspect will be considered in order to provide equal opportunities to the PES clients.

9 Environment: N/A

10 Rates of return: N/A

11 Investment criteria: N/A

12 Conditionality and sequencing (see also: Implementation Chart)

According to the work plan of the Government of Estonia the Ministry of Social Affairs is responsible for preparing a draft Employment Action Plan based on the European Employment Strategy by the end of June 2000 (it is foreseen to be approved by the end of the year 2000). The plan will be worked out in close co-operation with the representatives of Ministries of Education and Economic Affairs and representatives of employers and employees organisations.

Draft Act on Labour Market Services and Act on Social Protection of Unemployed have been approved by the Government of Estonia and are currently under the Parliament procedure.

The Training Plan 2000-2003 for the national labour market institutions has been approved by the start of the project implementation (foreseen date for approval: 01.07.2000).
ANNEXES TO THE PROJECT FICHE:

Annex 1: Logframe planning matrix
Annex 2: Detailed implementation chart
Annex 3 a: Cumulative contracting schedule
   b: Cumulative disbursement schedule
Annex 4: Reference to feasibility/ pre-feasibility studies
Annex 5: List of relevant laws and regulations
Annex 6: List of Government strategic plans and studies
Annex 7: Indicative list of equipment
Annex 8: Indicative list of training and seminars
Annex 9: NPAA Chapter 3.2.4. Free Movement of Persons
### ANNEX 1  SUPPORT TO THE BALANCED DEVELOPMENT OF THE LABOUR MARKET SERVICES

#### LOGFRAME PLANNING MATRIX FOR THE PROJECT

Support to the Balanced Development of the Labour Market Services

<table>
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<tr>
<th>Project number: ES0006:1</th>
<th>Date of drafting: 03.05.2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total budget: 2.008 MEUR</td>
<td>Phare contribution: 1.8 MEUR</td>
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</tbody>
</table>

#### Wider objective

- To improve and increase the flexibility of the national labour market measures in order to start preparing for participation in the European Employment Strategy (EES)

#### Indicators of achievement

- Estonia is able to participate in European Employment Strategy (EES)

#### How, when and by whom indicators will be measured

- Annual Labour Force Survey

#### Assumptions and risks

- People are active and ready to change their place of residence to become employed

#### Immediate objectives

1. To improve efficiency and flexibility of public employer services through the provision of labour market services to employers and job seekers
2. To strengthen administrative capacity of public employment service (PES) with a view to late participation in the European Employment Strategy and EURES

#### Indicators of achievement

1. The number of vacancies and job placements has increased at least 5%
2. All labour market services in regions are ready to participate in EURES and in EES

#### How, when and by whom indicators will be measured

1. By the end of the project a survey will be made
2. European Commission Progress Report

#### Assumptions and risks

- Good co-operation with trainers, employers and municipalities; sufficient staff available at public employment

#### Outputs

1. The descriptions for offering labour market services targeted to different risk groups have been worked out and the PES staff has been trained to use them.
2. The descriptions of labour market services for different risk groups in use

#### Indicators of achievement

1. Statistical data about how many employers have found suitable employees and vice versa. Client

#### How, when and by whom indicators will be measured

1. By the end of the project a survey will be made

#### Assumptions and risks

- Good co-operation with trainers, employers and municipalities; sufficient staff available at public employment
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<tbody>
<tr>
<td>2.</td>
<td>The descriptions have been prepared about the procedures of preparing individual employment plans for the unemployed and the PES staff has been trained to use them.</td>
<td>2. The PES staff is making the individual employment plans for the unemployed</td>
</tr>
<tr>
<td>3.</td>
<td>The descriptions for organising vocational guidance are prepared and staff is trained to implement vocational guidance in all employment offices.</td>
<td>3. The service of the vocational guidance in all employment offices is provided</td>
</tr>
<tr>
<td>4.</td>
<td>Skills of the staff of the state employment services are upgraded in soft skills such as negotiating, interviewing, counselling, motivating, stress management, time management, project management, team work, etc.</td>
<td>4. The quality of the services provided in the state employment offices is raised and reflected in the clients satisfaction survey</td>
</tr>
<tr>
<td>5.</td>
<td>The training materials are prepared and the trainers are trained and able to train other staff of the PES.</td>
<td>5. The system of staff training is in use in order to upgrade the staff skills</td>
</tr>
<tr>
<td>6.</td>
<td>Staff in selected employment offices is trained to organise job mediation with other countries, Estonia is able from the date of EU accession to implement the acquis in the field of free movement for workers.</td>
<td>6. Estonia is able from the date of EU accession to implement the acquis in the field of free movement for workers</td>
</tr>
<tr>
<td>7.</td>
<td>The representatives of employers, employees and trainers are informed about the free movement for workers.</td>
<td>7. Members of tripartite employment councils are aware about the free movement of persons EU legislation and principles</td>
</tr>
<tr>
<td>8.</td>
<td>PES staff has been trained in the procedures of ESF.</td>
<td>8. At least 2-3 PES staff members able to implement the ESF type projects</td>
</tr>
<tr>
<td>9.</td>
<td>The role of the tripartite employment councils in the labour market issues is increased and the roles clearly defined, members of tripartite employment councils are trained.</td>
<td>9. Members of tripartite employment councils are trained</td>
</tr>
<tr>
<td>10.</td>
<td>Central Database and Application System operational</td>
<td>10. Central Database and Application System operational</td>
</tr>
<tr>
<td>11.</td>
<td>Software installed and operational</td>
<td>11. Software installed and operational</td>
</tr>
</tbody>
</table>

- The PES staff is making the individual employment plans for the unemployed.
- The service of the vocational guidance in all employment offices is provided.
- The quality of the services provided in the state employment offices is raised and reflected in the clients satisfaction survey.
- The quality of the services provided in the state employment offices is raised and reflected in the clients satisfaction survey.
- The system of staff training is in use in order to upgrade the staff skills.
- Estonia is able from the date of EU accession to implement the acquis in the field of free movement for workers.
- Members of tripartite employment councils are aware about the free movement of persons EU legislation and principles.
- At least 2-3 PES staff members able to implement the ESF type projects.
- Members of tripartite employment councils are trained.
- Central Database and Application System operational.
- Software installed and operational.

The training plan is being implemented; trained staff will continue to work for public employment services.

The Government labour market policy will remain the same.
<table>
<thead>
<tr>
<th>Inputs</th>
<th>Indicators of achievement</th>
<th>How, when and by whom indicators will be measured</th>
<th>Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To develop an evaluation and monitoring system for labour market measures. The aim of the system will be the continuous monitoring of the impact of the labour market policy in order to rise the effectiveness of these measures and enable better targeting and design of the labour market measures. (SHORT TERM EXPERTise 4 mmonths)</td>
<td>1. The evaluation and monitoring system for labour market measures worked out</td>
<td>1. Project report</td>
<td>Labour market Services Act will be passed by the Parliament; sufficient state budget financing available for training staff; Representatives of employers and employees are co-operative (6)</td>
</tr>
<tr>
<td>2. To work out and implement standards and descriptions for labour market services and train the staff to use them</td>
<td>2. Standards and descriptions have been elaborated; 180 PES staff members have been trained during training sessions and seminars; 8 trainers have been trained and training materials for further training have been prepared</td>
<td>2. Department of Labour Market of MoSA; project report</td>
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<tr>
<td>3. To advise the PES staff in implementing new services for different groups of unemployed, increasing the overall quality of the services taking especially into consideration the need for individual approach towards each unemployed person, rising public awareness about services offered by PES.</td>
<td>3. Active labour market measures are elaborated and implemented; 20 PES staff trained</td>
<td>3. Labour Market Board; once a year (February 1st)</td>
<td>Training Plan for public employment services staff has been worked out; sufficient state budget financing available</td>
</tr>
<tr>
<td>4. To introduce the ESF principles and implementation mechanisms to the PES staff.</td>
<td>4. 14 PES staff members have been trained to participate in EURES and offer labour market services for EU member states citizens and to implement the ESF type projects</td>
<td>4. Project reports, 5. Project report, 6. Project reports, 7. Project reports, 8. Project reports, 9. Project reports</td>
<td>Sufficient state budget financing available for training the staff and for the information system; necessary (8) network connections are established</td>
</tr>
<tr>
<td>5. Study tours to at least 2 EU countries are foreseen for selected PES staff to give them insight on how labour market services for different risk groups on labour market are organised and about the PES role in the ESF implementation.</td>
<td>5. 144 members of tripartite employment councils have been trained during training sessions and seminars</td>
<td></td>
<td>Technical specifications of hard- and software, procurement and installation plans have been worked out (8)</td>
</tr>
<tr>
<td>6. To improve the work of tripartite employment councils in all 15 counties and City of Tallinn in order to plan active labour market measures according to the labour market situation in regions. (short term expert 4 mmonths)</td>
<td>6. PES staff trained</td>
<td></td>
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<tr>
<td>7. To upgrade the skills of public employment service personnel in information technology, language and “soft skills” such as negotiating, interviewing, counselling, motivating, stress management, time management, project management, team work etc skills.</td>
<td>8. Software for all-Estonian PES information system</td>
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<tr>
<td>8. Design, construction and piloting PES information system ( all-Estonian on-line information system), information distribution and self-service system, Statistics and analyses system (TA 4 mmonths;)</td>
<td>9. Central Database and Application hard- and software are purchased and installed, Telecommunications equipment, local area networks computers and software upgrades are purchased and installed</td>
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<tr>
<td>9. Completion and upgrading of the technical environment (equipment and software) for deployment of the all-Estonian on-line information system.</td>
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Note: The table is extracted from a page indicating the date 22.11.01.
# TIME IMPLEMENTATION CHART

**Project No.: ES**  
**Project Title:** Support to the Balanced Development of the Labour Market Services

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<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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</table>
| **Institution Building**  
(Contract 1) |      |      |      |      |
| PAA (p. 3.4.2; 3.4.3) | X X X X X X X X X X X X X X |      |      |      |
| STAs (p. 3.4.1) |     |      |      |     | X X | X X | X X | X X |
| STAs (p. 3.4.4; 3.4.5) |    | X X | X X |    |      |      |      |      |
| Training (p. 3.4.1; 3.4.2; 3.4.3; 3.4.5) and study-tours (p. 3.4.3) |     | X X | X X |     |      |      |      |      |
| Seminars (p. 3.4.3; 3.4.4; 3.4.6) |   | X X | X X |     | X X | X X | X X | X X |
| **Investment**  
(Contract 2) |      |      |      |      |
| STAA (p.3.4.6) | X X X X |      |      |      |
| Equipment (p.3.4.7) |      | X X X |      |      |
| Design and programming software for information system (p. 3.4.6) | X X X X X X X X X X X X X X |      |      |      |

ANNEX 2
CUMULATIVE CONTRACTING SCHEDULE (MEUR)

ANNEX 3 A

Project title: Support to the Balanced Development of the Labour Market Services

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### CUMULATIVE DISBURSEMENT SCHEDULE (MEUR)

**Project title:** Support to the Balanced Development of the Labour Market Services

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</table>
Project No: ES  
**Project title: Support to the Balanced Development of the Labour Market Services**

Labour Force Survey  
Estonian Labour Market and Labour Policy, Country Study presented to ILO

\[\text{\textsuperscript{1}}\) Compulsory for all investment projects. For all investment projects the executive summary of the economic and financial appraisal, and the environmental impact assessment should be attached (compulsory). In all cases where these are not available the reason(s) for this must be stated.
LIST OF RELEVANT LAWS AND REGULATIONS

Project N°: ES
Project title: Support to the Balanced Development of the Labour Market Services

- Social Protection of the Unemployed Act
- Draft New Social Protection of the Unemployed Act
- Draft Labour Market Services Act
- Statute of Labour Market Board
- Draft Trade Unions Rights Act
- Draft Amendment of the Regulation No. 42 of the Minister of Social Affairs on approving the bylaws, structures and composition of staff of the Labour Market Board and its regional agencies
- Draft Regulation of the Minister of Social Affairs on issuing activity licenses for providing employment services
- Draft Amendments of the Regulation No. 62 of the Government on implementation of the Social Protection of the Unemployed Act
- Vocational Educational Establishments Act Amendment Act

2 This annex is optional.
LIST OF GOVERNMENT STRATEGIC PLANS AND STUDIES

Project N°: ES
**Project title:**
**Support to the Balanced Development of the Labour Market Services**

- National Development Plan
- National Plan for the Adoption of the Acquis
- Draft National Employment Action Plan
- Regional Development Plan
- Vocational Education Reform
- Economic Development Plan 1999 - 2003
  - Estonian Labour Market and Labour Policy, Country Study presented to ILO

---

3 This annex is optional. Government strategic plans and studies are e.g. Institution Development Plan, Business plans, Sector studies etc.
**Indicative list of equipment**

Specification for equipment

<table>
<thead>
<tr>
<th>Hardware/ software</th>
<th>Price (MEUR)</th>
<th>Total (MEUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Central database server</td>
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<td>0,06</td>
</tr>
<tr>
<td>2. Local area network (LAN) servers</td>
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<tr>
<td>3. Work station computers</td>
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<tr>
<td>4. Win2000 for LAN</td>
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<td>0,036</td>
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<tr>
<td>5. Switches for LAN</td>
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<td>6. New versions of encrypted firewall</td>
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<td><strong>Total:</strong> 0,74 MEUR</td>
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<td>7. Licences for Database Management System PROGRESS</td>
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<td><strong>Total:</strong> 0,8 MEUR</td>
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All hardware will be renewed;
All LAN will have licensed software
LAN speed will increase from 10Mbit/sec to 100Mbit/sec
Encrypted firewall work speed will increase
After completion this programme new investments are not required during next 4 years.
Indicative list of training and seminars

A. Training

1) EU free movement for workers *acquis* training for PES staff (200 participants, a´ 2 days)
2) Vocational guidance training (for 16 participants 4 days)
3) Soft skills training for PES staff (for 180 participants 5 days) and training for trainers (for 8 participants 9 days)
4) Language training for PES staff connected with EURES (for 20 participants 60 days)
5) IT training for PES staff connected with EURES (for 20 participants, 10 days)
6) Training for tripartite employment councils members (for 144 participants 4 days)
7) PES staff training to use the standards and descriptions of different services (for 180 participants 5 days)
8) PES staff training in preparation of individual employment plans (for 160 participants 5 days)

2 Study tours to EU countries for 2x7=14 participants a´8 days

7) The role of PES in planning the national labour market policy
8) Organisation of work in PES
9) Job mediation with other countries (EURES)
10) The system of vocational counselling: in general and in PES
11) Co-operation with social partners including the work of tripartite employment councils
12) The role of PES in administering and implementing ESF

B. Seminars

a. Seminar for tripartite employment councils members (for 144 participants 4 days)
b. ESF seminar for PES staff (for 180 participants 4 days)
c. Free movement for workers and EURES seminar (for 200 participants from PES, employers and employees organisations, trainers, 3 days )
d. Seminars for PES staff regarding better organisation and targeting of labour market services (for 180 participants 4 days)
NPAA ch. 3.2.4 Free Movement of Persons  
Administrative capacity 2000

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<td>MoSA, Labour Market Board,</td>
<td>Employment Services Act</td>
<td>Six employees of</td>
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<td>State budget (salary fund</td>
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<td>State employment offices</td>
<td>Regulation of the Ministry of Social</td>
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<td>Affairs on procedures for granting activity licenses</td>
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<td>3 900 EEK from the state</td>
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<td>Government on the implementation of the</td>
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At present lacks full financing; based on the Employment Services Act and the Social Protection of the Unemployed Act Amendment Act; an additional EEK 0.6 million are required for amending the PharIS software.
NPAA ch. 3.2.4 Free Movement of Persons  
Administrative capacity 2001-2003

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<td>2001 Amendment of the Regulation No. 42 of the Minister of Social Affairs on approving the bylaws, structures and composition of staff of the Labour Market Board and its local agencies</td>
<td>7 counsellors in EU matters (2 in the Labour Market Board and 5 in state employment offices)</td>
<td>Training of staff: - counsellors in EU matters – EU job mediation, statistics, information system, language training) - training of staff of state employment offices (200 people) - EU institutions, free movement of workers - training of 16 vocational counsellors</td>
<td>Information system of employment services: - Register of the unemployed - Information system PharIS - Statistical information system StatIS - Self-service information system SelveIS - Management information system - Data security concept - IT hardware and software</td>
<td>0.6 million EEK state budget Phare 2000</td>
<td>Funding under Phare 2000 in 2001-2002: 2.1 million EUR: Twinning: 0.3 million EUR, Training: 0.35 million EUR, Seminars: 0.2 million EUR Equipment: 0.9 million EUR Information systems: 0.35 million EUR Project “Support to the Balanced Development of Employment Services”</td>
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</table>

Amendment of the Regulation No. 42 of the Minister of Social Affairs on approving the bylaws, structures and composition of staff of the Labour Market Board and its local agencies

- 7 counsellors in EU matters (2 in the Labour Market Board and 5 in state employment offices)
- 10 vocational counsellors in regional state employment offices
- 5 IT specialists in the Labour Market Board

Training of staff: - counsellors in EU matters – EU job mediation, statistics, information system, language training) - training of staff of state employment offices (200 people) - EU institutions, free movement of workers - training of 16 vocational counsellors

Information system of employment services: - Register of the unemployed - Information system PharIS - Statistical information system StatIS - Self-service information system SelveIS - Management information system - Data security concept - IT hardware and software
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