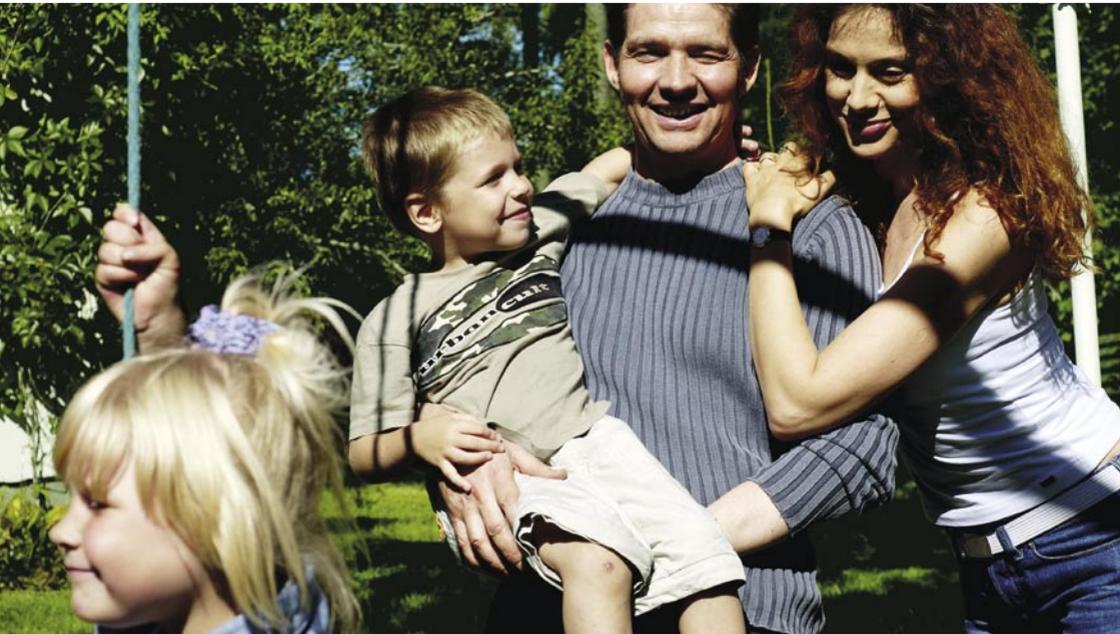




European  
Community  
Initiative  
**EQUAL**



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## Introduction

European Community initiatives are specific transnational programmes funded from the Structural Funds budget. There are four Community Initiatives programmes all in all: EQUAL, INTERREG, LEADER and URBAN.

This brochure is for all those who wish to apply for funding from the European Community Initiative EQUAL (hereinafter EQUAL) programme or are interested in the programme's implementation scheme. The brochure will give an overview of EQUAL's objectives, principles, budget, application conditions and participating countries. Although the programme is funded from the European Social Fund, it is different, by its nature and structure, from mainstream the ordinary Structural Funds programmes measures. The keywords of EQUAL are intersectoral and transnational cooperation and innovative approach to problems. This cooperation requires time and dedication from the participants, however, it may be noted on the basis of experience from the first round of the programme among old member states that it has been successful. In short, EQUAL poses a serious challenge to the labour market policy of EU member states.



## General

The aim of EQUAL, through transnational cooperation, is to develop and test new fields means of activity to fight combating all kinds forms of of exclusion, discrimination and inequality and exclusion in connection with in the labour market, through transnational cooperation.

In the European Union member states the first round of EQUAL was opened in 2001. Estonia and other new member states will join the programme's second round in 2004. In EQUAL, projects are implemented by Development Partnerships (DP) of several organizations. As a result of the first round about 1,300 Development Partnership projects were established in Europe. Among the new member states only the Czech Republic and Hungary have the experience of participating in EQUAL projects via the Phare programme. Information about the currently operating Development Partnerships may be obtained from the EQUAL Common Database an all-European database that will soon be updated with projects to be selected for under the second round ([http://europa.eu.int/comm/employment\\_social/equal/index\\_en.html](http://europa.eu.int/comm/employment_social/equal/index_en.html))

## Project Actions

Project activities under the EQUAL programme are divided into three stages called Actions:

Action 1 is a preparatory stage and as a rule lasts up to six months. During this Action the Development Partnership project team and action plan are established both on the national and in Estonia and on a transnational level. Development Partnerships

must find at least one partnership project from another member state.

Within Action 1 the main tasks of the Development Partnerships include: elaboration of the planned activities, creation of the required managing, paying and implementing structures, defining the role and responsibility of each partner in the Development Partnership, creation of an assessment system for activities and drawing up a detailed work plan. During this period the Development Partnerships have the opportunity to consult opinion leaders and target groups and, if necessary, involve new organisations in the team and further refine the planned activities.

At the end of Action 1 a Development Partnership Agreement incorporating a Transnational Cooperation Agreement (see Annex 1) will be approved.

Action 2 lasts for up to three years. and is central to the concept of cooperation. This is a stage for project activities developed during Action 1. Development Partnerships now have an opportunity to test innovative approaches in order to ensure mainstreaming of the best results.

Action 3 has the aim of mainstreaming Action 2. These two Actions can also take place simultaneously. Mainstreaming should take place as widely as possible – on the regional, national and transnational levels. Action 3 also supports thematic networks.

Development Partnerships may also include legal persons, state and local government agencies and as well as self-employed people. Applications are submitted in Estonian and the selection of DPs takes place in Estonia. A more detailed overview of the conditions and rules is given in Chapter “Implementation of EQUAL in Estonia”.

## **Principles of EQUAL**

EQUAL differs from the regular measures of the mainstream European Social Fund measures in six principles that have to be taken into account in project planning.

These principles are:

- Thematic approach
- Partnership approach
- Innovation
- Transnational cooperation
- Empowerment
- Mainstreaming

### **1. Thematic approach**

On the European Union level 8 themes have been established, among which each country will select the most suitable ones:

A: Facilitating access and return to the labour market for those who have difficulty in being integrated or re-integrated into a labour market which must be open to all

B: Combating racism and xenophobia in relation to the labour market

C: Opening up the business creation process to all by providing the tools required

for setting up in business

D: Strengthening the third sector with a focus on improving the quality of jobs

E: Promoting lifelong learning

F: Supporting adaptability of firms and employees to structural economic change and use of information technology and other new technologies

G: Reconciling family and professional life, as well as the re-integration of men and women who have left the labour market, by developing more flexible and effective forms of work organization and support services

H: Reducing gender gaps and supporting job desegregation

In addition there is one mandatory theme for all:

I: Supporting the social and work-related integration of asylum seekers.

Estonia has selected three themes (A, G and I) that are described in more detail in Chapter “Themes and activities supported in Estonia”.

## 2. Partnerlus

Programmi temaatiline ülesehitus annab erineva tausta ja kogemustega organisatsioonidele hea võimaluse koostööks EQUALi partneritena ehk arengupartnerlusena. Seega on esimeseks ülesandeks moodustada hästitoimiv arengupartnerlus, kuhu on koondunud motiveeritud partnerid. EQUAL programmist huvitatud organisatsioon valib Eestis rakendatavate teemade hulgast välja ühe sobiva ja teeb ettepaneku teistele, sama probleemiga tegelevatele organisatsioonidele arengupartnerluse projektrühma moodustamiseks (üksik organisatsioon taotlust esitada ei saa). Arengupartnerluse peab kuuluma vähemalt kaks organisatsiooni ja soovitatavalt erinevatest sektoritest (avalik sektor, ärisektor ja mittetulundussektor).

## 2. Partnership approach

The programme’s thematic structure offers a good opportunity for organisations of different backgrounds and experience to cooperate as EQUAL partners, i.e. as Development Partnerships. Thus, the first task is to form a well-functioning DP with motivated partners. An organisation interested in EQUAL will choose one suitable theme from among the themes implemented in Estonia and will make a proposal to other organisations facing the same problem, to form a DP core group (a single organisation may not submit an application). A Preferably, a DP should must be comprised of at least two organisations, preferably operating and that these organisations operate in different sectors (public sector, business sector or nongovernmental sector).

There are two types of Development Partnerships:

- Regional DPs – focus on one geographic area
- Sectoral DPs – focus either on one economic sector (agriculture, industry or service) or an important topic or target group.

**What should be thought about considered before submitting an application – the main aspects for forming a successful and well-planned DP:**

- Finding the partners – it is recommended that a DP involves different organisations that have the same problems. As the process to find partners may be a lengthy one, sufficient time should be allowed for that. The number of partners in a DP varies in different member states but the experience of the first round shows that DPs with a large number of partners face more administrative difficulties. The optimal number of partners depends on the nature of the project in question.

On the one hand, a DP should involve all organisations whose participation is necessary to successfully implement the project. On the other hand, a partnership should not grow too large because that would hamper its efficient coordination and management.

- Involvement of partners – as a DP has to be explained to the potential partners, a clearly described project objective will help to find the most suitable partners more easily. The Lead Partner should, before involving other partners, have sufficient information about potential cooperation organisations. The Lead Partner must know the project's internal and external restrictions. The first round of the programme also shows that the options open for the Lead Partner – both financial and time-related ones – are of paramount importance. A clear setting and targeting of the project objective facilitates the formation of a partnership. The partners should have a common strategic vision as regards the objectives and activities of the DP. It is also very important that all the organisations in a DP have the same decision-making powers.

- Making agreements – after selecting the partners, the responsibilities and tasks of all of them have to be defined and connections need to be created among them. All partners have to know the principles and rules of EQUAL. It has to be checked that the roles and responsibilities (development of an action strategy for the DP, monitoring and data collection, coordination of innovative activities, assessment, coordination of transnational cooperation, etc.) required to implement the DP are covered by the organisations.

- Leadership and management – the Lead Partner has the responsibility, on the one hand, to ensure that all partners participate in the project on equal basis and in an active way, and on the other hand, organise the launch of the project, ensure its detailed planning and follow-up, administration of project data and documentation.

- Equal opportunities and diversity – the aim of the project must be compatible with the priorities of the national labour market policy. It is recommended to discuss problems with representatives of project target groups and to involve them in the planning process when developing the project. This is the only way to analyse the need for the planned activities and services and how they can be used to benefit the target group.

- Structures and roles – all partners must participate in developing the structure of their DP and in sharing the roles and responsibilities. The time-related and funding possibilities and competence of each partner have to be taken into account. Forming a monitoring committee and a steering committee would be essential to ensure equal participation opportunities for all participants.

- Communication – since DP is a form of cooperation of organisations and people, the significance of communication and information distribution should not be underestimated. A consistent, focused and positive communication will ensure information distribution to and a positive atmosphere among all the partners participating in a DP.

- Ensuring consistency – there is a risk in long-term projects that the interest and activity of partners may subside during the project. To prevent this, there should be regular checking whether the distribution of roles and responsibilities is suitable and functioning in practice. As the projects implemented under EQUAL are long-term, the people involved may leave and others may replace them during the project. A DP must ensure that the project continues successfully after some key persons leave, thus it is reasonable to involve several persons from each organisation.

- Monitoring and assessment – DP must create an effective monitoring and assessment system which usually takes considerable time. EQUAL's Development Partnerships must also carry out self-assessment and take the results into account during project implementation.

- Sustainability – while planning a project its sustainability must be kept in mind. When a project comes to an end, follow-up activities have to be planned. Sustainability is an important criterion for selection of projects.

- Activities after the completion of projects – the results of the first round show that networks developed during DPs continue to cooperate effectively. This is a part of project's sustainability.

### **3. Empowerment**

In the context of EQUAL empowerment means granting equal voting and decision-making rights to:

- all organisations participating in a DP project
- representatives of target groups or in other words those who have been excluded from the labour market for some reason and to whom the activities of the project are targeted. In order to achieve the project's aims and to reach the target groups who need assistance, the target groups must be given an opportunity to participate in the decision-making process from the initial stage of the project.

First and foremost, this is a change in mentality – the decision-making level is shifted from the level of “expert” to the level of “final beneficiary”. The principle is closely related to innovation because EQUAL aims to unite employment and social inclusion strategies.

Applicants must show in their application forms:

- how the DP will empower target groups
- which decision-making method will be used so that all those participating in the DP can take part in the development of project strategy, have a say in the decision-making process and assess the results.

While planning the empowerment process, a DP should take into account four main empowerment levels:

- increasing involvement and influence of individuals – it means, most of all, creation of a reliable climate in the DP – respect to all decisions and continuous recognition of people;
- increasing involvement and influence of collective bodies – comprehensive development of group work and enhancing the team feeling;
- active involvement of final beneficiaries, i.e. project target groups in project planning, development and assessment – when a target group is involved in decision-making, it will be more motivated to express its opinions, give advice and participate in the project. Project content is directly related to enhancing quality of their work and life;
- planning effective methods as to how to change the attitude and behaviour of key persons and spread the principle of empowerment – key persons should be already involved in the project in the planning stage.

The growing influence of target groups in the decision-making process and a decrease in top-down decisions are some of the most important results of empowerment. Equal involvement of various partners is a sustainable method to socially integrate people excluded from the labour market.

#### 4. Innovation

EQUAL functions as a “transnational laboratory” that develops and tests innovative approaches and measures. One of the main requirements for DPs is to develop innovative work programmes, outcomes of which are worthy to be taken over on the national and sometimes also on the pan-European level. It is often difficult to assess and define innovation; however, the main idea is that project content should be innovative for Estonia. development of political and institutional

In the context of EQUAL there are three types of innovation:

- Process-oriented innovation – development, testing and taking into use of novel methods, means or approaches, and improvement of current methods;
- Goal-oriented innovation – setting new objectives for qualification and employment fields;
- Context-oriented innovation – structures related to labour market.

**Table 1.1 Examples**

<i>Type of innovation</i>	<i>Example</i>
Elaboration of novel training materials	Development of a new or improved training and counselling service for target groups Development of new joint training and counselling services, e.g. novel training materials + training
Goal-oriented innovation	Testing novel working methods with specific target groups that have been excluded from



the labour market  
Creation of new comprehensive educational,  
training and labour market services

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Context-oriented innovation

Development of local, regional and national  
cooperation networks  
Taking into use new information distribution  
and awareness raising methods  
Involvement of new partners and creation of new  
work organisation forms

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*In practise it is difficult to distinguish between process-oriented and goal-oriented innovation. This is so because a new process/activity may always bring about something new – a new product or a new impact.*

Some hints for finding and preserving innovation during a project:

- To find innovation, as many internal and external sources should be used as possible. For example, the project target group may themselves come out with innovative ideas that are worth implementing.
- The DP must be continuously aware of the latest research that is conducted by educational and research institutions in the same field, and take the results into account in their activities.
  - The transnational part of EQUAL (database, projects in the same field, etc.) is a good way to find innovative ideas.
  - It is necessary to be confident while planning an innovative idea that it can be put in use in the future and that wider mainstreaming is possible.

## **5. Transnational cooperation**

Transnational cooperation is one of the principles of EQUAL that distinguishes the programme from mainstream the ordinary Structural Funds measures and adds important value to projects implemented in Estonia.

Transnational cooperation takes place on three levels: 1. BetweenAmong Development Partnerships

Each DP must have at least one project partner from another member state 1. BetweenAmong national thematic networks

2. BetweenAmong implementing agencies and other key institutions on the EU level Transnational partners will be searched for only after the application round in Estonia is over. However, the ideas and aims of transnational cooperation have to be explained in the application form, and the member state with which cooperation is desired has to be pointed out. There are several ways to find the right partner:

- the National Support Structure, final beneficiary. i.e. the Labour Market Board can assist in finding partners

- finding partners via EQUAL's Common Database (ECDB- EQUAL Common Database)

After DPs have been chosen in all member states, their data will be entered into ECDB a common database. Action 1 will give them enough time to find transnational partners and develop suitable cooperation activities.

Transnational cooperation must give a specific added value to Estonian DPs. Nevertheless, projects carried out in Estonia are of primary importance and the experience obtained from transnational cooperation should help to achieve the objectives set for projects.

Examples of transnational cooperation

- Exchange of information and experience
- Exchange of trainees/trainers/teams
- Parallel development of innovative approaches
- Transfer or adjustment of novel approaches
- Joint development of products or systems

Transnational cooperation need not focus only on one of the above activities, it is recommended to combine them to get a better result. Surely, joint testing and transfer of products or systems is more effective than exchange of trainees and information. More points can also be obtained for an application if the plan is more detailed.

Since 2004 all European Union member states participate in EQUAL

- Austria
- Belgium
- Cyprus
- Czech Republic
- Denmark
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- Slovakia
- Slovenia
- Spain
- Sweden

- United Kingdom

In some cases cooperation also may be carried out with countries outside the European Union but the cooperation must add a specific value to the project and the partners must find the funding themselves. One possibility is to cooperate with countries participating in the following programmes:

PHARE: [www.europa.eu.int/comm/enlargement/pas/phare/](http://www.europa.eu.int/comm/enlargement/pas/phare/)

TACIS: [www.europa.eu.int/comm/externalrelations](http://www.europa.eu.int/comm/externalrelations)

MEDA [www.europa.eu.int/comm/external\\_relations/euromed/meda.htm](http://www.europa.eu.int/comm/external_relations/euromed/meda.htm) CARDS: [www.europa.eu.int/comm/europeaid/projects/cards/index\\_en.htm](http://www.europa.eu.int/comm/europeaid/projects/cards/index_en.htm) Moreover, in exceptional cases cooperation may be carried out with member state organisations that do not participate in DP. However, the time frame may be a problem because the operation of EQUAL is carried out by Actions.

If a DP decides to cooperate with an organisation not belonging to EQUAL and using other funding sources, they have to choose an additional partner from EQUAL.

Recommendations for starting transnational cooperation:

- It is essential to find suitable transnational partners, therefore, time has to be planned for that. Action 1 is meant for finding the most suitable cooperation partners

- Project goal must be clearly worded
- Differences in intercultural communication should not be underestimated
- There must be precise knowledge/clear understanding as to the potential benefit of transnational cooperation for Estonia

Common interests that form a good basis for cooperation:

- Similar theme and goal
- Similar background or type of organisation
- Similar skills and experience
- Similar target groups

## 6. Mainstreaming

Development Partnerships in EQUAL aim to influence and change policies by mainstreaming new solutions that have been tested in projects. EXAMPLE: under a project new training methods or service provision structures are developed, they appear to be effective and start to be used widely. This is called mainstreaming. In DPs Actions 2 and 3 are foreseen for that but publicity and information giving strategies have to be planned much earlier. It must be specified in the application form how the DP intends to publicise the project results and how mainstreaming will take place. This is why it is useful to think about the following questions while planning a project:

- Which part of the results of the planned project is worth making public?
- Who will benefit from it and how?
- Which strategy will you choose to inform your target group?

- What will be the most suitable time for mainstreaming?

Basic recommendations to be taken into account in mainstreaming:

- Development of a strategy takes time; thus it is important to focus on a specific aim, i.e. to define the target group and product or service that will be introduced, and then determine the best method and time to reach the target group.

- A target group themselves can best assess whether they need a product or service and whether it will solve their problem. Therefore it is useful to involve representatives of the target group in strategy planning.

- Focus on a specific target group is more effective and cheaper if mainstreaming takes place on different levels and among different target groups.

- Opinion leaders have to be informed about project aims and results as early as possible. When involved in the process from the start, they can better help in mainstreaming.

Therefore it is very important:

- To continuously analyse and assess the results

- To involve politicians and officials in networks and projects.

DP must perform self-assessment during its lifetime. The project may freely choose a method to do that. Outsourcing may also be used. Since EQUAL projects are long, self-assessment will be a useful tool for elaboration of a further strategy and a mainstreaming strategy.

## **Thematic networks**

### 1) National level

When DPs have been selected and project work has been initiated, thematic networks will be formed in Estonia for the three chosen themes. Network operation should involve various participants – DP representatives, opinion leaders, social partners, universities, research institutions, etc. The networks aim to discuss the selected themes on a wider scale and to distribute the results of EQUAL in such a way.

### 2) European level

Networks of the same aim operate also on the European level. They take into account the results of DPs operating in all member states and mainstream them on the European level. Currently there are five thematic networks on the European level that take the results of national networks into account for their own work.

National and transnational networks, publicity and mainstreaming are three important components that help to meet the objectives of DPs and preserve sustainability.

# Implementation of EQUAL in Estonia

## Themes and activities

Out of the nine themes three are implemented in Estonia. As Estonia is a country of little experience and scarce resources it is more reasonable to focus only on some themes instead of implementing all. Thus, Estonia has selected the following themes:

### **1 (A): Facilitating access and return to the labour market for those who have difficulty in being integrated or re-integrated into a labour market which must be open to all.**

Preferred target groups (1):

- Persons with multiple risks (e.g. disabled young people, non-Estonian women, women with low or outdated qualifications);
- Persons not covered by other ESF programmes (e.g. persons addicted to alcohol or gambling, drop-outs from schools or students at risk of drop-out, homeless people);
- Persons suffering from the most widely occurring forms of discrimination (on the basis of sex, race or ethnic origin, religion or beliefs, disability, age or sexual orientation);

Possible activities:

- Combined activities focused on a target group;
- Combined training and counselling activities focused on employers;
- Linking support to need-based training and entry to labour market with the creation of jobs;
- Support through information and counselling services to risk groups in order to assist them to operate as self-employed persons and start their own business;
- Development and testing of concepts preventing students from dropping out of schools;
- Other activities.

Preferred target groups (2):

Supporting the social integration and entry or re-entry into the labour market of victims of human trade trafficking and former prostitutes. Possible activities:

- Research on the causes, scope and consequences of human trafficking;
- Raising awareness of the nature and consequences of human trafficking;
- Training events (police, state agencies, medical institutions, educational institutions, embassies, courts, NGOs, etc.);
- Victim protection, assistance and support;
- Development and enhancement of cooperation to prevent human trafficking;
- Other activities.

### **2 (G): Reconciling family and professional life, as well as the re-integration of men and women who have left the labour market, by developing more flexible**

### **and effective forms of work organization and support services.**

- Promoting family-friendly forms of work (incl. telework);
- Development of accessible, affordable and flexible child care and other care and family support services;
- Strategies to change traditional gender roles; activities targeted to men in order to encourage them to participate more in family life and to take family-related responsibilities;
- Raising public awareness about the importance of a balanced reconciling of family and professional life;
- Other activities promoting the reconciling of family and professional life.

As the obstacles to reconcile family and professional life are still quite strong in Estonia and the present experience in activities to improve the situation is scarce, it is important to have a dialogue and cooperation among various institutions, test flexible forms of work and support services and raise the awareness about their effectiveness and implementation possibilities.

The successful projects so far implemented under this theme usually have the same mutually interlinked components:

- Improvement of child care: avoiding random and unofficial workforce, raising the quality of child care (training of nannies/nursery school teachers, raising the importance of child care in the education system)
- Improvement and development of care of elderly people: improvement of facilities and quality of home care
- Development of family support services: integrated provision of several services according to the needs of an area or target group, e.g. transport services, housekeeping services, casual work/auxiliary work. Creation of family centres. Further development of the current networks.
- Aspirations to achieve a better balance in reconciling family and professional life for both men and women: flexibility at workplace, encouraging men to take family-related responsibilities, raising public awareness about the importance of a balanced reconciliation of family and professional life.

### **3 (I): Support to the social integration of asylum seekers**

At present, the number of asylum seekers is very low in Estonia and the activities to be initiated under Action 1 of EQUAL will hopefully increase the readiness of the respective structures to cope with a possible increase in the inflow of asylum seekers in the future.

Possible measures:

- Research, assessment, planning
- Development of structures (respective agencies, officials, admission centres, etc.)
- Counselling, guidance, training

## **Conditions and time frame for participation in the programme**

EQUAL programme is carried out by Development Partnerships that unite various organisations. In order to participate in the programme a project application needs to be submitted. The Lead Partner of the DP will submit the application. At the time of submitting the application, the Lead Partner must have at least one another partner.

The Lead Partner may be a legal person or a state or local government agency.

A partner may be a legal person or a state or local government agency or a self-employed person.

In addition, the Lead Partner and the partners must meet the following requirements:

- 1) they must possess the necessary means to carry out the project;
- 2) they must have the necessary experience to carry out the project; 3) they must have an approval for the required financing;
- 4) no liquidation proceedings have been initiated or bankruptcy decision has been made as regards the applicant or a person controlling the applicant;
- 5) the applicant has had no tax arrears during the 12 months preceding the submission of the application.

### **Programme time frame**

In Estonia, the application round is planned to take place in summer and autumn 2004 and it will be the only opportunity to join EQUAL.

Summer-autumn 2004: call for applications project tender

End of 2004: Development Partnerships project implementers will have been selected

January 2005: search for transnational partners will begin

May 2005: submission of Development Partnership Agreements (incl. Transnational Cooperation Agreements)

2005 – 2008: project implementation

31 December 2008: end of programme

### **Application round and application form**

Applications will be submitted in Estonian and DPs will also be selected in Estonia. Applications will be submitted to the Labour Market Board and experts will assess them. The applications will be ranked according to the assessment, on the basis of which granting the finances will be decided.

General criteria that projects submitted to the application round have to meet:

- Compliance with the aims of EQUAL and the specific theme - Relevance as regards content and timing
- Testing of innovative novel methods
- Involvement of various partners and development of cooperation
- Positive influence on the labour market situation - Enhancement of gender

equalitymainstreaming - Partners must be able to implement the project An application form includes the following information: - General information (contact information, name of DP, theme) - Role of partners

- Aim and activities of DP
- Innovation
- Ties to policy areas, plans related to mainstreaming
- Expectations as to transnational cooperation
- DP's plan for work organisation and decision-making methods - Activities and budget by cost articles of Action 1 - Planned activities and budgets for Actions 2 and 3. networks

### **Programme funding**

Projects implemented in the framework of EQUAL are supported by the state of Estonia and structural aid from the European Social Fund. 25% of the funding will be provided by Estonia and 75% by the ESF. The total funding amounts to 84.9 million EEK (5.42 million EUR), of which 78.1 million EEK (92%) is to finance projects. This sum will be divided among the three themes to be implemented in Estonia as follows:

Theme A: 42.44 million EEK (50 %)

Theme G: 33.95 million EEK (40 %)

Theme I: 1.7 million EEK (2 %).

In order to apply for obtain a contributionsupport for thea DP, the applicant must guarantee a match funding in the amount of 5% of the total eligible costs of the projectproject cost<sup>1</sup>. The match funding may be provided by the Lead Partner, partners or some other source from the public or private sector.

### **Eligible costs**

Only eligible costs will be taken into account for the contribution applied for and the match funding of the applicant. Eligibility of the costs depends on the purpose of the cost, cost type and time when the cost was incurred.

Purpose of cost

Costs must be directly related to the theme in question and the specific aims and activities of the theme and project. It is therefore important that project activities must comply with the activities specified in the EQUAL Programming Document, the and Programme Complement and in Regulation 1784/1999<sup>2</sup> of the Council and the European Parliament and the Council concerning the conditions foron the European Social Fund. In order to reach the objectives of EQUAL themes the following types of

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<sup>1</sup> Only eligible costs will be taken into account (i.e. costs that comply with the aims of the programme and the respective theme, that incurred to cover expenses related to activities supported by the ESF and are cost types supported by ESF).

activities may be carried out under projects:

1. Support to individuals

- education and vocational training, including vocational training complying with compulsory education; apprenticeship, primary vocational training, especially development and improvement of basic skills; job-related retraining; measures to increase professional competitiveness in labour market and enhance vocational guidance, counselling and further training;

- employment-related assistance and assistance to operate as a self-employed person;

- development of research, science and technology, degree studies and training for management and technical staff;

- creating new work opportunities, including in social economy (third sector).

Support to structures and systems and accompanying measures

- for developing and improving training, education and professional skills, including training of teachers, mentors and other staff and improving training and qualification acquisition opportunities for employees;

- for modernising and enhancing labour market agencies;

- for creating links among professional life and educational, training and research institutions;

- to the extent possible, for creating systems to predict changes in employment patterns and qualification requirements, mainly in relation to new forms of work and new work organisation, taking into account the need to reconcile professional and family life and to ensure full-potential work to elderly employees until the time of retirement. This does not include funding of early retirement schemes;

- for provision of services to beneficiaries, including provision of welfare services and facilities to dependants;

- for developing civics in order to facilitate a smooth integration to the labour market;

- for explanatory work, publicity and public disclosure.

Cost type

Costs must be in compliance with the eligible cost types<sup>3</sup> established by the European Commission. The main eligible cost types are: 1) project personnel salaries;

2) personnel travel, accommodation and transport costs;

3) support and grants to trainees;

4) transport, catering and accommodation costs of trainees;

5) care costs for dependant family members of project participants; 6) costs of study and training materials for trainees;

7) costs of inventory, the acquisition cost of which is less than 15,000 kroons

<sup>2</sup> Regulation (EC) No 1784/1999 of the European Parliament and of the Council of 12 July 1999 on the European Social Fund.

<sup>3</sup> Commission Regulation (EC) No 448/2004 of 10 March 2004 amending Regulation (EC) No 1685/2000 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the eligibility of expenditure of operations co-financed by the Structural Funds and withdrawing Regulation (EC) No 1145/2003.

per year, unless a smaller sum than that is specified in the accounting policies and procedures;

- 8) depreciation costs of acquired fixed assets;
- 9) rental and lease costs of assets;
- 10) costs of adjustment of premises;
- 11) overhead costs;
- 12) costs of adjustment of technical aids and devices for disabled people; 13) publicity/information campaign costs;
- 14) research costs;
- 15) public procurement organisation costs;
- 16) value added tax (VAT), if the applicant is not a person liable to VAT.

In the case of costs related to transnational cooperation the principle that each partner covers its own costs prevails. A Development Partnership of another country cannot cover the costs of transnational cooperation partners.

Support is not given/rantred to the following ineligible costs:

- 1) VAT, if the applicant is liable to VAT or has a possibility to register as a person liable to VAT but has failed to do so;
- 2) costs to ensure the occupational health of the project staff;
- 3) costs related to subcontracting if arrangement of subcontracting creates new costs for the project but does not give a proportional added value;
- 4) costs of acquisition and renovation of land and fixed assets of unrestricted use and real estate
- 5) fines, financial penalties and court fees;
- 6) membership fees of organisations;
- 7) salaries of public service officials if their tasks under the project coincide with the tasks they perform as public service officials;
- 8) benefits to compensate for release from employment and termination of employment contract;
- 9) accommodation, housing, travelling and catering costs and daily allowances that can be treated as fringe benefits;
- 10) other costs not directly related to the project.

Timing of costs

Costs have to incur during the eligible period – i.e. during the period starting from making a decision to satisfy the application until the final date of eligibility noted in the decision.

The subsidy will be paid after the costs have actually occurred and cost documents with payment claims have been submitted. Payment claims may be submitted up to

twice per month but must be submitted at least twice per year. Incurred costs must be in compliance with the project's budget.

## **Additional information**

European Commission EQUAL homepage: [http://europa.eu.int/comm/employment\\_social/equal/index\\_en.html](http://europa.eu.int/comm/employment_social/equal/index_en.html) ESF homepage of the Estonian Ministry of Social Affairs: [www.sm.ee/esf](http://www.sm.ee/esf) Estonian Labour Board's EQUAL homepage: [www.tta.ee/equal](http://www.tta.ee/equal)

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<a href="mailto:maarja.kuldjarv@sm.ee">maarja.kuldjarv@sm.ee</a>	<a href="mailto:stina.eilsen@tta.ee">stina.eilsen@tta.ee</a>
6 269 185	6 25 77 44

You are welcome to participate in the application round!

## **Annex no. 1 Development Partnership Agreement**

A Development Partnership Agreement is a formal agreement entered into by all partners, encompassing also the Transnational Cooperation Agreement (a formal agreement concluded among DPs of two or more countries). Each DP will submit a Development Partnership Agreement at the end of Action 1. The agreement will establish the consensus among the partners and the main success criteria for the DP. Therefore, the agreement should include the following:

- an evaluation of the current situation in terms of labour market exclusion, discrimination and inequality;
- interest group analysis; analysis of the interests and expectations of the people who may influence or be influenced by the solutions to be created and tested; and a clear identification of the role of each interest group in the operation of the partners;
- objectives and strategies to reach them that reflect the lessons from EQUAL's first round or other relevant activities;
- description of preconditions, risks and flexibility requirements;
- a detailed work plan with a realistic budget broken down separately by national and transnational activities/costs;
- a clear identification of the role of each partner together with partnership management rules and management of financial resources (recommended to be legislation new done by an agreed common system);

- a detailed work plan with a realistic budget broken down separately by national and transnational activities/costs;
  - Transnational Cooperation Agreement that will specify common interests, the added value of transnational cooperation and the plan and budget for transnational cooperation. It is necessary to identify the contribution and role of each transnational partner, decision-making methods and organisational matters to carry out the joint work program, as well as monitoring and evaluation methods for joint activities. A Transnational Cooperation Agreement will be drawn up according to a common form given in the Guide on Transnationality, and the Agreement must be entered in the EQUAL transnational co-operation Internet module – ETCIM. A paper copy of a database entry must be attached to the Transnational Cooperation Agreement.
  - Methodology and mechanisms for progress evaluation of activities and achievements together with a description of monitored indicators showing how the objectives, outputs and results are measured and assessed;
    - Methodology and mechanisms for monitoring and evaluation of transnational cooperation;
    - DP responsibilities, including upon mainstreaming the results of cooperation on the national and European levels;
    - Implementation strategy and mechanisms for gender mainstreaming.

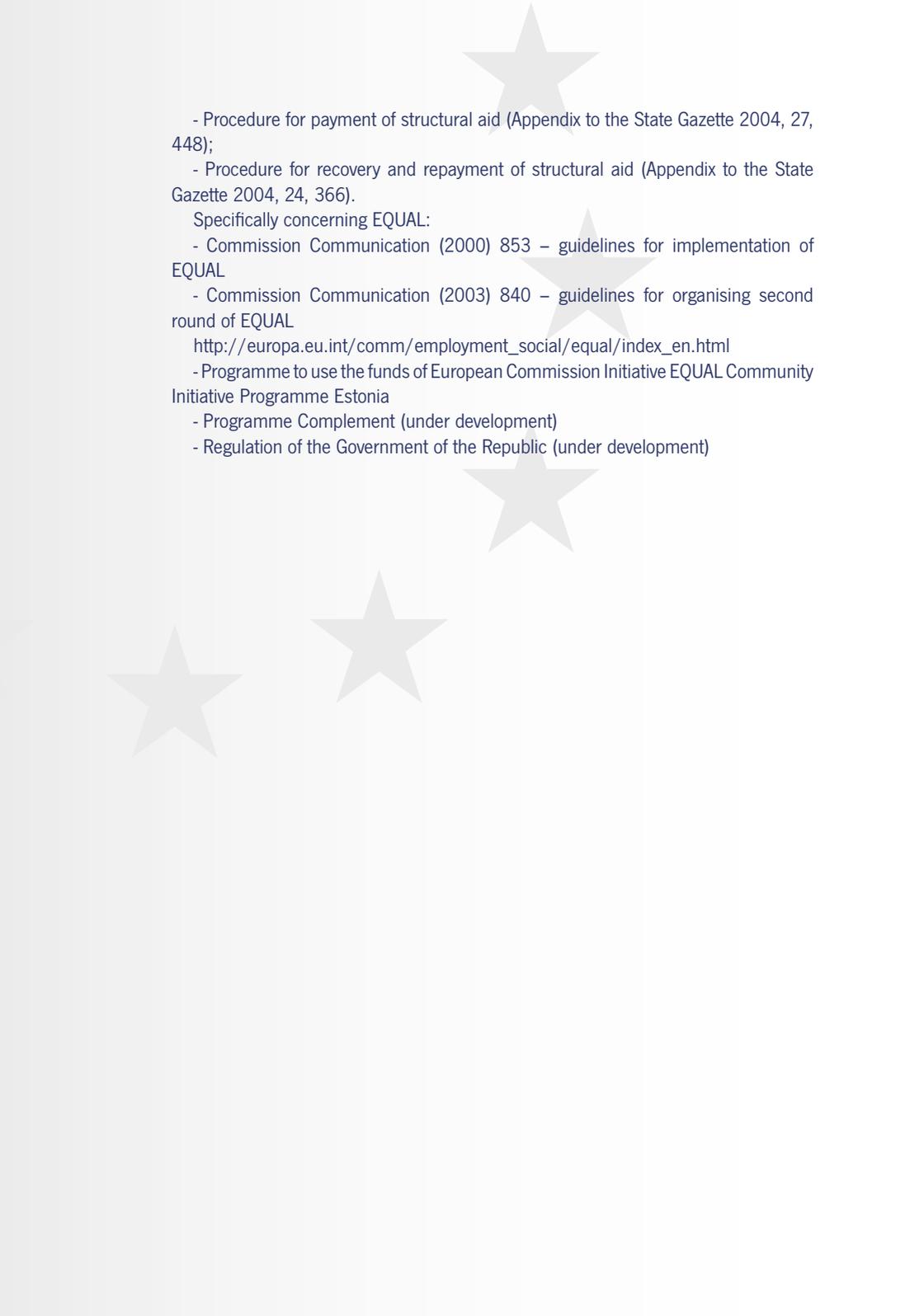
## Annex no. 2 Important documents

### General (European Union):

- Council Regulation no. 1260/1999 – general provisions on the Structural Funds [www.strukturifondid.ee](http://www.strukturifondid.ee) information
- Regulation no. 1784/1999 of the European Parliament and the Council – general provisions on the European Social Fund
- Commission Regulation no. 438/2001 – management and control systems for assistance granted under the Structural Funds [www.strukturifondid.ee](http://www.strukturifondid.ee) => legislation new information
- Commission Regulation no. 1159/2000 – on information and publicity measures regarding Structural Funds
- Commission Regulation no. 448/2004 – eligibility of expenditure [http://europa.eu.int/comm/employment\\_social/esf2000/regulations\\_en.htm](http://europa.eu.int/comm/employment_social/esf2000/regulations_en.htm)

### General (Estonia):

- Structural Aid Act (RT I 2003, 82, 552)
- Regulations of the Minister of Financial Affairs:
- Procedure for financial reporting on use of structural aid (Appendix to the StateGazette 2004, 27, 447);

The page features a light gray background with several faint, five-pointed stars scattered across it. The stars are positioned at the top center, middle right, bottom left, and bottom center, creating a subtle decorative pattern.

- Procedure for payment of structural aid (Appendix to the State Gazette 2004, 27, 448);

- Procedure for recovery and repayment of structural aid (Appendix to the State Gazette 2004, 24, 366).

Specifically concerning EQUAL:

- Commission Communication (2000) 853 – guidelines for implementation of EQUAL

- Commission Communication (2003) 840 – guidelines for organising second round of EQUAL

[http://europa.eu.int/comm/employment\\_social/equal/index\\_en.html](http://europa.eu.int/comm/employment_social/equal/index_en.html)

- Programme to use the funds of European Commission Initiative EQUAL Community Initiative Programme Estonia

- Programme Complement (under development)

- Regulation of the Government of the Republic (under development)

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[www.euroopaliit.ee](http://www.euroopaliit.ee)

[www.tta.ee/equal](http://www.tta.ee/equal)

The logo for the EQUAL program, featuring the word "EQUAL" in a bold, blue, sans-serif font. A blue speech bubble icon is positioned over the letter "A".

