

Corrigendum

This is a brief corrigendum of annex 8 in: Jonkers, K. & Zacharewicz, T., R research Performance Based Funding Systems: a Comparative Assessment; EUR 27837 EN; doi:10.2791/659483

8. Estonia¹

Project vs institutional funding

Estonia's funding for publicly performed research is allocated for 26% and 74% in the form of organisational level (institutional) funding and project funding respectively. Its share of organisational level (institutional) funding is thus comparatively low.

In the Estonian RDI system public RDI funding appropriations for directly funding of RDI institutions 16% in 2011 and 19% in 2015 and 26 % in 2016 were allocated in the form of performance based funding. This part is organizational funding and it was introduced in 2005. The rest was allocated as competitive funds in the form of personal research grant and institutional research grant (not institutional or organizational in the frames of terminology used in this report).

Timing and method

In Estonia, annual organizational funding is allocated on the basis of universities and PROs' R&D performance indicators.

The general criteria for allocating organizational level funds for RDI institutions (baseline funding in Estonian legislation) are set in the 16.12.2004 amendments to Organization of Research and Development Act² (introduced in 1997). The detailed conditions are specified by a decree of the Minister of Education and Research. Annual baseline funding is allocated to R&D institutions, provided they have received a regular positive evaluation.

The following methodology (calculation formula) is used: the first 5 % is allocated to humanitarian research of national significance, while the remaining 95 % is distributed according to performance criteria. Among these, 50 % refer to the number of high level publications in internationally recognized journals, the number of high level research monographs and the number of registered patents and patent applications; 40 % refer to the amount of financing of R&D from other sources i.e. targeted research, commissioned by enterprises, municipalities, ministries, etc. The 10% remaining refer to the number of doctoral graduates.

To avoid unexpected sharp changes in funding flows, the performance in the three last years is taken into account. From 2017 a new formula incentivising more cooperation with private and public institutions will be introduced. The weight of financing R&D from other sources will be raised from 40 to 50% while the weight of high level publications and patents will reduced from 50 to 40%.

¹Partially based on Ruttas-Küttim (2015).

²Amendments Valid from 01.01.2005.

Modality of the assessment

To carry out the regular evaluation of R&D institutions, the Minister of Education and Research forms a 3-16-member evaluation committee composed of foreign experts. The evaluation of the applications for research funding is organized by the Estonian Research Council.

Proposals from the beginning of January 2015 targeting both the high share (ca 80%) of project based funding and the confusion about research funding instruments were put forward. They suggest that the current "triple breakdown" into institutional research funding, personal research funding and baseline funding should be replaced by a "dual breakdown", which would consist of stable operating subsidies to research institutions (baseline funding) and competition-based research grants. Their proportion should be shifted from the existing ratio of 20:80 to 50:50 (MER news, 5.01.2015) by raising the amount of baseline funding. To provide more stability for operational expenses during the transition period, the funding allocated through competitive mechanisms should also grow but in a slower pace (MER, 2015). A growth in the budget for institutional baseline funding has been announced, rising from EUR 9.2 million in 2015 to EUR 13.9 million in 2016.