TALLINNA ÜLIKOOL

ANNUAL REPORT
2020

ANNUAL REPORT

Name	Tallinn University
Registry code	74000122
Address	Narva mnt 25, 10120 Tallinn
Telephone	372 640 9101
Fax	372 640 9116
Email	tlu@tlu.ee
Website	www.tlu.ee
Form of ownership	legal entity under public law
Main field of activity	academic research; provision of higher education based on study and research; provision of services based on study and research to the society
Beginning of financial year	1 January 2020
End of financial year	31 December 2020
CEO	Acting Rector Priit Reiska
Auditor	Audiitorbüroo ELSS OÜ
Annexed documents	Independent Sworn Auditor's Report

CONTENTS

MANAGEMENT REPORT

Rector's foreword

Dear University family,

In many ways, 2020 was a special year full of changes. The SARS-CoV-2 pandemic that hit the whole world and the resulting establishment of an emergency in spring tested the University's capability to reorganise its usual academic and working life. Although this has been a massive challenge to all of us, a lot of good has come out of this as well – for example, we've significantly improved our digital capability and competencies. This experience has forces us all to work together and find smart solutions to continuing with our working rhythms. I believe that it has brought our membership even closer and we've done well. Coping with the crisis has been our joint effort and I would like to thank all our students and staff for their contribution!

The restrictions arising from the emergency had a significant impact on the University's financial performance, especially the commissioned RDC activities and project activities that were put on the back burner or postponed. This is also reflected in the financial indicators and accounting report of the University, but all in all, the financial and economic position of the University is good. Overcoming the impact of the emergency is certainly one of our challenges in the coming years.

There were also changes in the management of the University. In addition to the Senate and the Rector, the University has a third managing body as of 1 January 2020 – the Council. I am pleased that the Council has been very active and cooperation with the Rector's Office has been very close.

However, another change in the management level occurred in 2020. Namely, Professor Tiit Land was successful in the election of the Rector of the Tallinn University of Technology and he took over the management of TalTech on 1 September 2020. As the new elections of the Rector of the TU were planned for February 2021, it was decided not to change the schedule and, based on the decision of the Council, I have the honour of acting as the Rector until the new Rector takes office. The elections of the new Rector started in autumn: the candidates for the position are Professor Katrin Niglas and Professor Tõnu Viik, and several debates were held. This had been an exciting journey into a new era of the University. The new Rector will be inaugurated on 17 May 2021.

The University prepared for institutional accreditation in 2020. The processes and analyses of the University were analysed in depth and the majority of the members, students and external partners were involved in this. This is a good input for the new Rector's Office that can be used in the preparation of the new development plan, which will start next year. The accreditation visit to the University will take place in March 2021 and the result will become clear by the end of the spring semester 2021.

In the midst of all these changes, we've successfully managed to implement a new career model and a system for granting the position of junior research fellows to doctoral students, strengthened project management support, deepened the culture of academic ethics, developed the network of digital strengths and created the Big LIFE format for increasing interdisciplinarity. This list could be even longer, but I will stop here and invite you to read the management report of the University for 2020.

It's been an extremely challenging, but also an interesting year! The results seen in the report are the result of the effort made by each and every one of us. I would like to thank you for your great work and commitment! We've all made our University even better and stronger! It has been a massive honour for me to be in the Rector's Office of our University for twelve years!

Priit Reiska

Acting Rector

Governance

The 2020 strategic objectives of Tallinn University (hereinafter the University, TU) derived from the currently applicable University Development Plan for 2020–2022. The Development Plan states the University's mission, vision, basic values, strategic objectives and the underlying operating principles, as well as the implementation plan and a list of key indicators of the Development Plan.

Tallinn University's mission is to support the sustainable development of Estonia through high-quality research and study, education of intellectuals, public discussion and promotion of academic partnership. By developing research carried out in Estonian and for the development of Estonia, the University integrates into the European education and research area, and through that integration contributes to the development of Estonia as a country with a smart economy and an astute organisation of society.

Tallinn University's vision is to play a leading role in promoting and developing an intelligent lifestyle in Estonia, thus supporting both Estonia's sustainability and the self-actualisation of individuals.

According to the Tallinn University Academic Charter, the University's basic values are: openness, quality, professionalism and unity.

Tallinn University's strategic objective which derived from the Development Plan for 2020–2022 is to concentrate resources and activities on developing interdisciplinary research-based focus fields: educational innovation, digital and media culture, cultural competences, healthy and sustainable lifestyle, and society and open governance.

The University has defined the guiding principles of activity to support its strategic objective: 1) the University is interdisciplinary in its activities; 2) the University is international; 3) the University demands excellence and sustainability in its activities.

1 Research, development and creative activities and impact on the society

1.1 Objectives of the University and the achievement thereof in RDC, and impact on the society

The Tallinn University Development Plan for 2020–2022 defines the carrying principles of activity in order to support the strategic objectives of the University. Those principles also form a basis for the sub-objectives of the processes related to RDC (Table 1).

Table 1. Sub-objectives and expected results of the processes and activity principles related to research, development and creative activities

Activity principle	**The University is interdisciplinary in its activities**	**The University is international**	**The University demands excellence and sustainability**
Sub-objectives	Interdisciplinary solutions to social problems	The University is a reliable and attractive employer and partner in international research	Research is high-level and competitive
Expected outcome	- the proportion of interdisciplinary research projects and research development services in the University's revenue remains stably high; - the funding of commissioned RDC activities has increased; - the number of knowledge-based services and products provided by the University has increased; - the number of popular science articles has increased.	- the amount and share of funding international research projects in the revenue from research, development and creative activities has increased; - the number of post-doctoral students from abroad has increased; - the long-term international mobility of doctoral students for academic and research purposes has intensified.	- the number of high-level research publications per academic employee remains stable; - the number of scientific publications in Estonian has increased; - the three-year average of funding of commissioned RDC activities has increased; - the number of defended doctoral theses has increased.

The achievement of the objectives of Tallinn University can be assessed on the basis of implemented activities and key indicators. Table 2 shows the result for 2020, which is the initial level of assessment of the expected result for the development plan period.

Table 2. Level of key RDC indicators in 2020

	Key indicator	**2020**
Interdisciplinary approach	share of funding of projects with interdisciplinary research component in research-based RDC funding	74.7%
	share of commissioned RDC funding in total RDC funding	6.5%
	Number of products and services offered on the EXU/ADAPTER platform	31
	number of popular science articles	115
Internationalisation	share of funding of international research projects in research-based RDC funding	23.0%
	number of international post-doctoral students	13
	number of doctoral students who have studied and done research abroad for a long time	12
Demand for excellence and sustainability	Number of high-level research publications per academic employee	1.15
	number of scientific publications in Estonian	154
	three years' average volume of RDC funding per academic employee (euros)	31,324
	Number of defended doctoral theses	22

The University has set the following priorities in the field of R&D according to the Tallinn University Research and Development (hereinafter R&D) Strategy for 2019–2021:

1. the University demands excellence and sustainability, in order to ensure that research activities are innovative, internationally topical, of a high-level, and competitive;

2. the University supports the development of its members as well as their active participation in the international science community, thereby being a reliable and attractive employer and partner is international research;
3. the University aims its R&D activities at identifying bottlenecks and places that need development in the society and at finding practical solutions thereto, thus supporting the promotion of the economy, culture, Estonia's sovereignty, and the civil society.

In regard to key indicators, additional performance indicators have been agreed in the R&D Strategy (see Table 3).

Table 3. level of RDC performance indicators established in the R&D Strategy

Performance indicator	**2018**	**2019**	**2020**
Three years' average volume of research-based RDC funding / volume per academic employee	9,612,262 € / 24,195 €	11,760,339 € / 29,926 €	12,701,956 € / 31,324 €
Volume of funding for international projects with a research component / proportion of research-based RDC funding	3,385,397 € / 27.7%	2,859,818 € / 21.1%	2,841,348 € / 23.0%
Volume of commissioned R&D activities	1,760,371 €	1,801,511 €	926,360 €
Three years' average number of high-level research publications / number per academic employee	470 / 1.2	455 / 1.2	451 / 1.1
Number of reviewed research publications	35	37	43
Number of foreign academic employees / proportion	48.9 / 12.4%	51.4 / 13.1%	66.6 / 15.3%
Number of academic employees who have worked abroad for a longer period / proportion	48.25 / 12.3%	41.05 / 10.5%	6 / 0.9%[1]
Number of doctoral students who have completed the study programme within the standard duration of a study programme / proportion of all the admissions to higher education level studies (PhD)	9.0 / 19.6%	10.0 / 22.7%	7.0 / 15.2%
Number of doctoral and post-doctoral students who work at the University respectively as junior research fellows or research fellows with a workload of at least 0.5	35.9	42.2	66.8
Number of original school and higher education textbooks and popular science books (ETIS categories 2.4, 6.2 and 6.4)	19	20	29
Number of popular science articles (ETIS category 6.3)	118	121	115

Development activities in the field of RDC in 2020:

- The Statute of the Ethics Committee of the TU was adopted on 1 November 2019. In December 2020 the Senate approved "The Support System for Implementation of Good Academic Practice in TU";
- the job description of the Equal Treatment Commissioner was prepared; the competition for the position is planned for 2021;
- a cooperation agreement with the University of Tartu Library was signed for supporting the implementation of the principles of open science, as a result of which the staff of the TU can add data to the DataDoi repository of the UT Library;
- the central project writing service was strengthened, the preparation of the project manager's handbook continued, and a scheme for supporting large international projects was developed;
- ideas for the preparation of applications for the Horizon 2020 programme were collected twice and the writing of nine applications was supported;
- five virtual training events were organised: two on the topic of improving the quality of applications submitted under the framework programme and three on the topic of applying for the ERC Grant;
- the survey environment LimeSurvey was taken in use, which allows the employees and students of the University to carry out various surveys free of charge (there were 47 users in total in 2020 who carried out 95 different surveys) and ensured the availability of user support in the Research

[1] The results of 2020 have been strongly influenced by the restrictions related to the SARS-CoV-2 pandemic.

Administration Office;
- the implementation of various sub-activities of the RDC IT development plan continued: a primary analysis of current data and data storage was carried out, the terms of reference for the IT solutions of the doctoral desktop were prepared, and an analysis of the WD-EHIS data exchange was carried out;
- the University opened the first special depository of archaeological bone findings in Estonia, i.e. the collection of archaeo-zoology.

In 2020, RDC activities were affected the most by the SARS-CoV-2 pandemic, due to which the scope of many of the planned activities was reduced significantly or the activities were not completed at all. The activities that suffered the most are the activities of projects related to networking (incl. ASTRA) and participation in various events (conferences, seminars, projects, planned meetings, etc.). Commissioned RDC funding decreased significantly (1,801,511 euros in 2019 and 926,360 euros in 2020). This also had a summary impact on the total RDC revenue of the University in 2020, which decreased by 7.9% in comparison with 2019 and dropped back to the level of 2018 (total RDC revenue was 14,309,737 euros in 2020 and 15,532,205 euros in 2019) (see Table 5).

A positive factor that can be highlighted is the decision of the Government of the Republic to allocate 1% of state budget revenue to research and development in the coming years, which should guarantee stable research funding in the future.

1.2 RDC activities and funding

The results of RDC activities are primarily covered in scientific publications. According to ETIS, the employees of the University published 1,144 publications in 2020 (as at 31 March 2021), of which 520 or 45% were high-level publications (ETIS categories 1.1, 1.2, 2.1 and 3.1). Compared to the previous years, the number of high-level publications has remained the same (also when calculated per academic employee in full-time equivalents) (see Tables 2 and 3). The goal in terms of publications is to increase their influence rather than their quantity. The number of Estonian-language research publications has decreased somewhat in comparison with the previous year.

Five of the six fields of research specified in the OECD Frascati Manual are represented in Tallinn University and the research-based RDC funding of the university divided between them in 2020 as follows:

- social sciences 56.2%;
- humanities and arts 27.6%;
- natural sciences 8.6%;
- engineering and technology 5.0%;
- medical and health sciences 2.6%.

Table 4 shows the division of the RDC revenue of Tallinn University by funding sources. The acquisition of buildings and structures, repairs or in-service training are not included in RDC revenue here, which is why the distribution of RDC revue does not include the expenses related to the aforementioned activities. The RDC revenue recognised in accounting is larger by this part. The RDC revenue is measured solely on the basis of the University's net revenue, less the mediation of project-based support to partners.

Table 4. RDC funding in 2020 (in thousands of euros)

Source of revenue	**Amount (thousands euros) / share (%)**
Baseline funding	3058 / 21.9%
Personal research grants	2029 / 14.6%
National programmes	382 / 2.7%
R&D projects funded from structural funds	2626 / 18.8%
Other national R&D funding	1541 / 11.1%
EU RP and Horizon2020 projects	1627 / 11.7%
Other external R&D funding	1081 / 7.8%
National funding of educational and organisational development	863 / 6.2%

Foreign funding of educational and organisational development	672 / 4.8%
Creative projects	63 / 0.5%
TOTAL	13,942 / 100%

The hitherto positive developments in the RDC funding of the University suffered a setback in 2020, especially due to the restrictions arising from the SARS-CoV-2 pandemic (Table 5). However, a decline only occurred in the volume of increase in 2019 and the longer trend is indicated by the three-year average RDC funding (12,701,956 euros in 2020 and 11,760,338 euros in 2019) and funding per academic employee (31,324 euros in 2020 and 29,925 euros in 2019).

The share of interdisciplinary research projects and research development services in the University's revenue has decreased in comparison to the previous year: it comprised 72.63% in 2020 and 77.79% in 2019, but is stable and at a good level for the long-term. The funding of international research projects has been stable and remained almost the same in 2020 when compared to the previous year: 2,841,348 euros in 2020 and 2,859,818 euros in 2019, and their share increased a little (21.11% in 2019 and 22.38% in 2020). The research and innovation programme of the European Union, Horizon 2020, ended in 2020 and the last projects in the scope of this programming period were launched. Our success in applying for H2020 funding is also reflected in the volume of funding that increased in comparison with the previous year (*ca* 9%).

Table 5. RDC revenue from 2017–2020 (euros)

	2017	**2018**	**2019**	**2020**
Total RDC revenue	11,426,941	14,279,295	15,532,205	14,309,737
incl. the volume of funding for research and research-based development	9,462,821	12,218,450	13,548,765	12,338,654
incl. baseline funding from national funds	1,215,130	1,947,090	2,933,107	3,058,093
including funding from EU Structural Funds	2,175,778	2,959,541	3,032,053	2,868 7 7 3

1.2.1 National research funding

In 2020, the total volume of funding for research and research-based development activities at Tallinn University was 9,628,968 euros, which is 10% less than in 2019 (10,688,442 euros in 2019). The decrease was mainly caused by the restrictions on activities arising from the SARS-CoV-2 pandemic.

Overview of general developments in Estonian R&D funding

On 13 February 2019, the Research and Development Council made, on the basis of the social agreement signed on 19 December 2018, a so-called research agreement for the development of research and development activities and innovation, a proposal to increase RDI funding of from the state budget to 1% of the GDP (the level of RDI funding in the state budget in 2019 was 0.71% of the GDP). Although the expected 1% was not achieved in 2020, the proposal of the RDC, i.e. the 40:40:20 principle (40% of the additional funds go to supporting the science system, 40% to increasing the knowledge-intensity of the companies and 20% to supporting the research and development activities of ministries), was followed upon the distribution of the additional funds.

The national trends in financing R&D activities from 2017-2020 are described in Table 6 (source: Ministry of Education, 26 March 2021). We see that the growth of previous years has slowed down somewhat in 2020. In terms of the volumes of state research grants and baseline research funding, the target ratio of 50:50 was achieved in 2020. The volume and share of the funding received from the Structural Funds is decreasing, which is partially compensated by the increase in the volume and share of other measures. For the University, these trends continue to mean high competition in applying for research grants as well as a decrease in support for national centres of excellence, research infrastructure

and activities related to internationalisation.

Table 6. Main components of the research and development and innovation programme budget of the MER, 2017–2020

	2017		2018		2019		2020	
	percentage	EUR million	percentage	EUR million	percentage	EUR million	percentage	EUR million
Research grants	29%	39.4	27%	40.2	24%	40.6	24%	42.7
Baseline funding	12%	16.9	18%	26.9	23%	39.1	24%	42.5%
Structural Funds[2]	47%	63.4	42%	62.7	44%	74.9	40%	70.4%
Other[3]	12%	16.2	14%	21.2	10%	16.4	11%	19.4%
Total	**100%**	**135.9**	**100%**	**151.0**	**100%**	**171.0**	**100%**	**175.0**

Baseline research funding

Based on the goal to change the proportions of research grants and baseline funding and take it to the level of 50:50, the volume of baseline funding of research in Estonia as a whole has grown more than fivefold since 2013 and increased almost sixfold over this time (7.2 million euros in 2013 and 42.5 million euros in 2020) (see Table 7).

Table 7. Proportions of baseline funding and national research grants from 2014–2020 (source: ETAg)

	2014	2015	2016	2017	2018	2019	2020
Research funding (million EUR)	38.0	42.4	37.9	39.4	40.2	40.6	42.7
Baseline funding (million EUR)	8.4	9.3	13.9	16.9	26.9	39.1	42.5
Share of research grants	82%	82%	73%	70%	60%	51%	50%
Share of baseline funding	18%	18%	27%	30%	40%	49%	50%

The total volume of baseline funding increased by 3.4 million euros (*ca* 8.5%) in 2020. The amount of the baseline funding of the University as a whole (incl. additional grant for national sciences) in 2020 increased by 4.2% in comparison with the previous year (3,058,093 euros in 2020 and 2,933,107 euros in 2019) (see Table 5 and Figure 1). The growth, which is lower than the overall increase in funding, is mainly due to two reasons: 2020 was the first year guarantees were allocated to the institutions whose baseline funding according to calculations would have dropped below 85% in comparison with the previous year and secondly, the error that occurred in the data of the Estonian University of Life Sciences last year was corrected, which increased the share of the EULS and decreased the shares of other universities. A small tendency of growth occurred in respect of the component of national sciences in baseline funding, where the share of TU increased by 1.6% (17.1% in 2019 and 18.7% in 2020).

[2] Structural Funds cover the following funding measures: ASTRA, national centres of excellence, internationalisation (DoRa, Mobilitas Pluss), applied research of smart specialisation, RITA Programme, national infrastructure, speciality scholarships, ICD R&D support, popularisation, Norwegian EMP programme.

[3] Other measures cover: research libraries and databases, national programmes (Estonian language technology, Estonian language and culture in the digital age), research collections, Estonian Academy of Sciences, Estonian Research Council, popularisation.

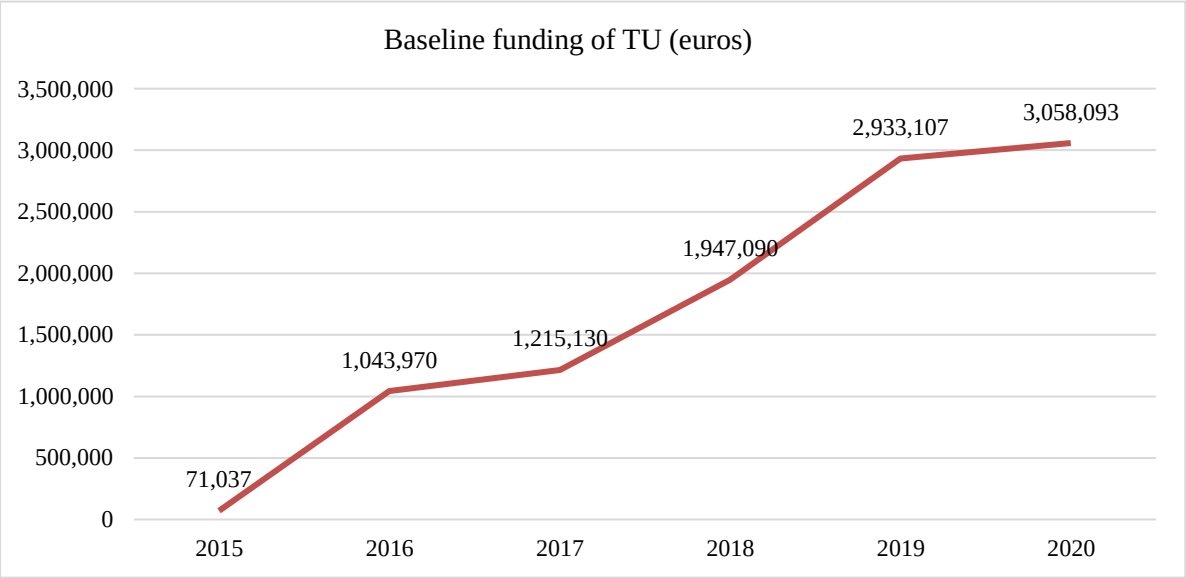


Figure 1. Baseline funding of the University, 2015–2020 (euros)

Institutional and personal research funding

The total amount of the University's personal and institutional research grants and the research career grants replacing them decreased in comparison with the previous year, amounting to 1,699,367 euros in 2020, i.e. 8.6% less than in 2019. The total amount of research grants including the COVSG target grant was approximately the same as in 2018: 1,722,940 euros in 2020 and 1,793,942 euros in 2018.

Two IUT topics and eight PUT topics continued in 2020. Five of the latter were start-project and three were search projects. Three personal research topics and both institutional research topics of the University of Tallinn were completed in 2020. Four of the previously initiated research career grants and one start-up grant continued and two new group grants and two development grants started, as well as a target grant of the Estonian Research Agency for solving the problems related to SARS-CoV-2 (COVSG).

Five Mobilitas+ post-doctoral grants and one top researcher's grant continued and two new Mobilitas+ post-doctoral grants and a returning researcher grant also started. Two personal research post-doctoral grants also started in 2020. The total volume decreased by approximately 12% compared to the previous year, but the total number of grants in 2020 was one more than in 2019.

A total of 413 applications were submitted in Estonia in 2020 in the call for personal research grants, of which 92 applications, i.e. 22%, were funded[4]. The numbers of applications submitted and grants provided were as follows: natural sciences 162/37, technology 69/12, medical and health sciences 43/15, agricultural sciences and veterinary medicine 21/7, social sciences 47/10, humanities and arts 71/11. Similarly to previous years, the competition for research grants was the biggest in the fields of humanities and art (success of application 15%) and social sciences (success of application 21%) in 2020. The researchers of the University of Tallinn submitted 25 applications in this round, five of which received funding (20% success rate). Thus, the decrease in the total volume of our ongoing grants was not caused by our low success rate, but mainly by the fact that no additional funding was allocated to our main fields.

Other national funding

The amount of funding for projects financed under **national R&D programmes** is not very big, but it has increased by *ca* 67% compared to the previous year: 221,000 euros in 2020 and 143,000 euros in 2019. The number of ongoing projects has also increased: 14 projects were ongoing in 2020 and eight projects in 2019. There are three new R&D projects funded from the general education programme, two projects funded from the sub-programme "Principles of Supporting the Organisation of Estonian

[4] https://www.etag.ee/wp-content/uploads/2021/01/2020.-a-taotlusvooru-kokkuvõte_06.01.2021.pdf

Specialised Language and Terminology Work (2019–2027) of the language programme of the Ministry of Education and Research, one project funded from the kindred nations programme and the national programme for grants to international students, researchers and lecturers funded via the Archimedes Foundation. Funding of projects continued within the scope of the programme "Estonian High School Textbooks 2013–2017" and its follow-up programme "Principles of Supporting the Creation of Estonian High School Textbooks 2018–2027", the general education programme and the development cooperation programme managed by the Ministry of Foreign Affairs.

Two research collections are funded from the **research collections** of the TU: the cultural history collection and the archaeological research collection of the Academic Library are financed. The number of collections and the volume of funding were the same as in the previous two years.

The number of objects of the Estonian **research infrastructure roadmap and core infrastructures** has not changed: the TU is still engaged in four roadmap objects and core infrastructures: Information Technology Mobility Observatory (IMO), preservation of the Estonian e-Repository and collections, the Estonian Environmental Observatory, and the Natural History Archives and Information Network (NATARC). However, since the TU did not use the core infrastructure grant of the Estonian Environmental Observatory in 2020 and the TU budget of the NATARC in 2020 was more than eight times smaller than in 2019, the total amount of funding was *ca* 6.6 times smaller compared to 2019.

The **funding of the programming period of structural funds** continued in full in 2020 whilst the share of the Structural Funds in the research, development and innovation budget of the Ministry of Education and Research has decreased by 8 percentage points in comparison with the amount three years ago, and dropped to 40% in 2020. Although the proportion of structural support in the total volume of financing remains very large, even a small decrease in the proportion indicates that the system is stabilising. The volume of projects funded from the structural funds of the University was somewhat smaller (4.6%) compared to the funding in 2019, mainly due to a substantial decrease in the funding of the large ASTRA project.

Funding from the **Dora+ support** measures continued in 2020, money was granted the activities Study in Estonia, International MA and PhD Students and PhD Exchange Students. The volume of funding in 2020 was somewhat smaller than in 2019, i.e. 333,909 euros and 385,300 euros, respectively, comprising *ca* 87% of the volume of the previous year. This was mainly caused by the restrictions on movement related to the pandemic. Due to the new structure of Dora+ grants, no more grants will be given to teaching staff in the new period.

TU continued to participate in the **Centre of Excellence in Estonian Studies** (in the research group led by Irina Belobrovtseva). In 2020, the funding of TU within the scope of the project of centres of excellence amounted to 78,310 euros, which is *ca* 21.6% more than in 2019.

TU participated as the lead partner in a **centre of excellence** funded within the scope of the activity of Development of Regional Centres of Excellence of the measures of "Strengthening the Competitiveness of Regions" and via the State Shared Service Center (previously via Enterprise Estonia) and in one as a partner (the Oil Shale Competence Centre). Although the volume of funding granted to centres of excellence has decreased in recent years, it still increased by *ca* 11% compared to the previous year.

The purpose of the support of the **institutional ASTRA project** is to increase the competitiveness and ability to serve the society of R&D institutions and higher education establishments in the institutions' areas of responsibility and areas of smart specialisation, as well as to increase the efficiency of the research and development and higher education system, including through the structural transformation of institutions. As the objectives of many activities of the ASTRA project have already been partially achieved and a number of support repayments have been made, the volume of funding was therefore 25% lower in 2020 than in the previous year. The support has several sub-goals, incl. the organisation of research and academic activities at an international level in the University's five focus areas (funding of the University's centres of excellence and laboratories and other activities related to focus areas) (funding 489,078,09 euros), efficient work processes and governance model (243,945,36 euros), increased number of partners and broader forms of cooperation (68,707,64 euros) and the good quality of supervision of PhD students and higher efficiency of PhD studies (funding of graduate schools)

(82,917,77 euros).

The Tallinn University **Competence Centre for Educational Innovation** has been financed via Foundation Innove within the scope of the action "Teacher Training" of the Structural Funds measure "Support for the Professional Development of Teachers, School Principals and Youth Workers" and the action "Development of Centres of Excellence in Tallinn University and the University of Tartu" of the measure "Support for the Implementation of a Modern Learning Approach". The first project ended in 2018 and the follow-up project started, the sub-activities of which are evidence-based development of the learning process, educational technology, general competencies, inclusive education and development of the organisational culture of an educational institution. The amount of funding in 2020 was 484,686 euros. The amount of funding was the same as in the previous year due to the repayments of the previous project.

The project Systemic Development Of Entrepreneurship and Business Studies On All Levels of Education is financed by the MER under the measure Association of Studies with the Needs of the Labour Market during the activity Systemic Development of Entrepreneurship and Business Studies on All Levels of Education and some of its sub-actions are directly related to R&D, such as action 1 Development of Methodology, Modules And Courseware, action 4 Development of Pre-incubation and Action 5 Conducting Research. In 2020, project funding increased by 18% compared to the previous year, although some activities were not funded at all. However, the funding of research-related actions 4 and 5 continued and they comprised 88% of the total project funding.

The funding volume of **other projects funded from structural support** in 2020 was 68% higher than the year before, which primarily arises from the following projects: the projects "Development of an Professional Placement System in Vocational and Higher Education, Incl. in Teacher Training" and "Improvement of the Reputation of Vocational Education, Expansion of On-the-job Training", the project "Subject-integrating Mobile Outdoor Studies in Basic School", the work "Development of an Electronic Solution for Assessment of Learning, Self-determination and Communication Competence for Basic School Stage III" commissioned by the Ministry of Education and Research and participation as a partner in the Pelgulinna Upper Secondary School Project "Centre of Excellence in Citizen Science 2014–2020" from the measure "Development and Implementation of Contemporary and Innovative Courseware" and the "Head of Studies Development Programme" from the ESF activity "Supporting the Professional Development of Teachers and School Principals".

Support from the **Mobilitas Pluss+** programme was also given to the ERA Chair project "Cross-border Educational Innovation thru Technology-Enhanced Research" funded by Horizon 2020, the preparation of the ERC grant for the implementation of the action plan MOBERC30 "EUROREPAIR: Europeanisation through Repair" and the projects funded through activity 1 "Supporting Strategic R&D" of the RITA Programme such as "Migration Dependence and Integration Challenges for the Estonian State, Employers, Communities and Education", "Reducing the Gender Pay Gap" and "Mobile Lifestyle, Consumption of Public Services and Place of Residence Data in Public Registers".

In addition to the above, RDC activities were funded from other **national sources** in the amount of 1,540,860 euros in 2020, which decreased compared to the previous year, amounting to 73% of the funding provided in 2019. This was partly the result of the circumstances related to the SARS-CoV-2 pandemic, which had a significant impact on the implementation of various activities. The IT Academy programme of the HITSA continued, the Ministry of Education and Research funded the acquisition of research information by the TU Academic Library (323,974 euros), the Digital Centre of the TU Academic Library (100,000 euros), the activities of the Information Centre of Estonian Language Teachers (20,000 euros). The projects supported from the state budget were "Social Exclusion of Young People" with 2,847 euros and the implementation of the survey of "National Curricula Testing" in cooperation with the University of Tartu with 16,400 euros. ERAg paid preparation support in the amount of 53,600 euros to the projects that exceeded the threshold. The Estonian Research Council, the Environmental Investment Centre, the Estonian Cultural Endowment, the Estonian Film Foundation, the Sports Training and Information Foundation, the Saaremaa Municipality Government and the Estonian Olympic Committee also offered support for the implementation of R&D projects.

The scope of **commissioned R&D** increased by 11% in comparison with the previous year and

comprised 234,175.68 euros. However, the funding of projects that won public procurements also decreased and amounted to 128,011 euros (847,958 euros in 2019). The main organisers of the public procurements won in 2020 were Innove Foundation for the Development of Lifelong Learning, the Estonian Research Council and the Praxis Centre for Policy Studies, but none of these procurements were large-scale. The volume of the work commissioned by ministries, state and municipal authorities decreased: 228,342 euros in 2020 and 344,995 euros in 2019. the work Experience of and Impact of Distance Learning Caused By a Special Situation on the Estonian Education System commissioned by the Ministry of Education and Research was directly driven by the subject of the pandemic and it cost 36,314 euros.

1.2.2 Research funding from external funds

Horizon 2020 Research and Innovation Programme of the European Union

The Research and Innovation Programme of the European Union, Horizon 2020, ended in 2020 and the last projects in the scope of this programming period were launched, which is also evident in the amount of funding that is larger than in the previous year (*ca* 9%). Twelve projects were funded from the Horizon 2020 programme in 2020, one GENDER-NET Plus and one ERA-Net COFASP projects, the TU is the coordinator in three of them (incl. in two COST projects), two ERA Chair, two Twinning, one ERA-NET COFUND project, one Marie Curie Actions — International Research Staff Exchange Scheme (IRSES) grant, one ERC grant and one ERC Starting Grant. Eight of them were launched in 2020. No funding was received for the COST programme project in 2020.

Several long-term projects started in 2020: ERA-NET COFUND on the Blue Bioeconomy – Unlocking the Potential of Aquatic Bioresources (BlueBio) project "Seaweeds for Novel Applications and Products (SNAP)", which is implemented on behalf of the TU by the School of Natural Sciences and Health and of which the share of TU comprises 100,000 euros; the grant Metal-detected Past: A Study of Long-Term Developments in Settlement Patterns, Technology and Visual Culture on the Example of Metal-Detector Finds from Estonia funded by the Marie Curie Actions – International Research Staff Exchange Scheme, grant holder PhD T. Kurisoo, School of Humanities of the TU, total amount 142,193 euros.

The School of Governance, Law and Society, Social Protection is a partner in the H2020 project "Closing Gaps in Social Citizenship. New tools to foster social resilience in Europe", the total amount of which is 3,000,000 euros and the share of the TU comprises 188,099 euros; the School of Humanities participates in the H2020 project "Social and Innovative Platform on Cultural Tourism and Its Potential towards Deepening Europeanisation", where the amount of TU funding is 116,804 euros; the School of Natural Sciences and Health participated in the H2020 project "Gogreen Routes - Resilient Optimal Urban natural, Technological and Environmental Solutions", the total amount of which is 11,148,168 euros of which the share of the TU is 150,356 euros; the School of Digital Technologies is implementing the "STARTS towards Sustainability" project funded within the scope of the STARTS initiative (Science, Technology & the Arts), the total amount of which is 1,046,953 euros of which the share of the TU is 29,960 euros. The School of Educational Sciences participates in the Twinning project "Scaling Up Educational Innovations in Schools", the total amount of which is 774,470 euros of which the share of the TU is 280,625 euros.

Sixty-two H2020 applications were filed with the participation of the TU in 2020, seven of which received funding, one was entered in the reserve list and 12 haven't passed the assessment yet. In 2020 the TU received support from the Horizon 2020 programme for 31 projects in the total amount of 12.95 million euros.

Funding from other EU programmes

The volume of projects funded from other EU programmes decreased by 359,200 euros or 32% in comparison with the previous year. This is mainly due to the adjustment of the accounts of the two Erasmus+ and one Interreg projects that ended last year as well as the adjustment of the accounts of the two consecutive projects "European Migration Grid Contact Point in Estonia for EE NCP" financed by the European Commission's Asylum, Migration and Integration Fund, one of which was adjusted in relation to the EU audit. Five Interreg projects ended in 2019 and two Interreg projects in 2020, but

only one Interreg new project was added. Revenue was mostly generated by programmes like “Interreg Central Baltic Programme 2014–2020”, “Interreg Baltic Sea Region Programme 2014–2020”, “Estonia-Latvia Programme 2014–2020”, “HERA Programme” and the measures “Strategic Partnerships in the Field of Education, Training And Youth” and “Capacity Building in the Field of Higher Education” of principal measure 2 of EK Erasmus+.

Thirty-one research-related Erasmus+ projects (32 in 2019 and 28 in 2018) and five Interreg projects (seven in 2019 and 11 in 2018) were funded in 2020. Funding was also provided for the projects of Life, Life+ and JUSTICE PROGRAMME (2014-2020) and other projects. The funding of the project “DigCompEdu Self-Assessment Tool” by the TU School of Digital Technologies within the scope of the European Commission Joint Research Centre procurement won in 2018 also continued in 2019.

External R&D funding from various sources

The volume of other externally funded R&D projects in 2020 was approximately the same as in the previous year: 322,274,60 euros in 2020 and 321,323,54 euros in 2019. The revenue from the Nordplus programme projects decreased three times (25,249.47 euros in 2020 and 75,531.54 euros in 2019), but several new projects started at the same time, such as the “Prospects of Estonian and German Local Independent Media in the Era of Global Platformisation, Disinformation Campaigns and Political Popularism (EST-GER Local Media)”, funded by the Foreign Office of the Federal Republic of Germany from the cooperation programme of the Federal Republic of Germany and the Republic of Estonia (12,240.33 euros), the projects "A New Region in the World? The Poetics of Situatedness” (23,192 euros) and “Rethinking Sexuality: A Geopolitics of Digital Sexual Cultures in Estonia, Sweden and Finland” (29,063.64 euros) funded by the Foundation for Baltic and East European Studies (Östersjöstiftelsen/ÖSS).

52,128 euros was received from the King Sejong Institute Foundation for the establishment of the King Sejong Institute by Tallinn University.

Funding of the project “Developing and Enhancing the Teaching Quality of Inclusive Education Curriculum” from the Baltic Research Cooperation Programme of the EMP Financial Mechanism 2014–2021 continued (29,253 euros) and the funding of the new project “Competent Child Protection Worker: Enhancing Child’s Right for the Participation in Child Protection Assessment started (998.14 euros in 2020).

The financing of the “The Viking Phenomenon” project funded by the Uppsala University and the project “Multidimensional Analysis of Inertial Fusion Devices Relevant Materials Irradiated with High Energy Plasma Beams with Plasma Focus Device” funded from the lnternational Atomic Energy Agency programme “Pathways to Energy from Inertial Fusion: Materials beyond Ignition” continued (43,736.79 euros). The University also did work commissioned by various foreign organisations and companies for 102,524 euros.

1.2.3 Overview of funding for activities aimed at study and organisation development

The funding of other development projects decreased by 21% compared to 2019, in particular due to a significant decrease in the volume of projects with external funding caused by the pandemic. At the same time, the volume of projects financed from national sources has increased considerably, in particular the volume of state support for various educational development projects.

The volume of study and organisation development projects funded by **structural funds** decreased by 7% compared to the previous year. This includes, above all, higher education speciality scholarships in the growth areas of smart specialisation funded via the Archimedes Foundation within the framework of the structural support measure “Increasing the Socioeconomic Impact of the RD&I System and Smart Specialisation”. Despite being already small, the volume of funding for grants has decreased even more compared to the previous year. This also includes the strategic partnership programme (TLU TEE EXU) of the sub-activity “Tallinn University as a Promoter of Intelligent Lifestyle” of the “Institutional Development Programme for Institutions of Research and Development and for Institutions of Higher Education” (ASTRA) in the amount of 3,738.28 euros.

Other national financing increased by 18%. The main sources of funding were the programme of

academic external studies of the Estonian language and culture (EKKAV) intermediated by the Archimedes Foundation, state budget support for speciality scholarships of teacher training, study cooperation support within the scope of the Development Cooperation and Humanitarian Aid programme of the Ministry for Foreign Affairs, the support of the Asylum, Migration and Integration Fund (AMIF) of the Ministry of the Interior for the implementation of the cross-media project "Wealthy Estonia", students were paid scholarships via the Sports Training Information Foundation within the scope of the competition for future trainer scholarships, for the implementation of the pre-incubation programme "STARTERtallinn" within the scope of the non-profit activity support of the Tallinn Enterprise Department and supporting the organisation of the competition of applied research and development works of the Tallinn University, support for the organisation of the Subject Olympiads of the general education programme of the Ministry of Education and Research and supporting the activities of Student Academy 2020. The HITSA IT Academy programme continued supporting the training of informatics teachers and support for e-learning development projects "Implementation of Study Projects Related to Product Development for Teaching and Implementation of Smart Production Technologies in the Curriculum of Handcraft Technologies and Design" was added to the programme.

Funding of the scholarships given by the City of Tallinn also continued.

The European Union funded the Erasmus Mundus and Erasmus+ Key Action 1 and 2 projects, which are primarily related to educational development and mobility. The account of the previously completed Interreg Central Baltic project "STARPABS Startup Passion in the Baltic Sea" was adjusted. A new project supported by the European Parliament is the training programme of conference translators, which was funded with 2,491.88 euros. As a result of the movement restrictions related to the SARS-CoV-2 pandemic, the volume of non-research projects in the European Union in 2020, the majority of which were projects related to learning mobility and mobility in general, decreased considerably and comprised 58% of the volume of 2019 (635,771.91 euros in 2020 and 1,089,375.19 euros in 2019).

The funding of **other development projects with external funding** decreased by 41% in 2020 in comparison with the previous year. This includes the Nordplus programmes of the Nordic Council of Ministers for two projects aimed at the development of study-related cooperation and the support for the development of the Chinese language and culture given by the Head Office of the Global Network of Confucius Institutes (in China).

1.2.4 Overview of creative activities and their funding

National funding of creative grants grew significantly compared to the previous year: 62,532 euros in 2020 and 48,341 euros in 2019. These include the support of the Cultural Endowment for the production of BFM films, operating support to the teams participating in the process of the Song and Dance Celebration, support to the folk dance ensemble Soveldaja of the TU, and support for visiting the SPRING Festival and participation in the SPRING Academy. Also the operating support of the Estonian Choral Association to the TU Female Choir and the BFM Mixed Choir. There was also an assignment commissioned by the Urban Environment and Public Works Department of Tallinn for making videos of nature in Tallinn.

In 2020 the teaching staff of the TU received 110,000 euros in total from the programme for creative grants of teaching staff of the Cultural Endowment, 70,000 euros of which was given to the filmmakers.

Major creative projects

The most significant achievement in 2020 was winning the Gold Medal of the Student Oscars with the film "My Dear Corpses", which confirmed that the TU BFM belongs among the top film schools. In 2020, 13 feature films and documentaries were created with the participation of the creative teaching staff of the BFM and 15 exhibitions, 26 concerns, six dance performances and eight stage shows were also organised.

The most ambitious creative project of 2020 was the opening show of the Vita House on 20 February, which included the teaching staff and students of all creative specialities of the BFM. The interdisciplinary creative project "Looking for Happiness" was launched in cooperation with the Estonian Health Museum during the autumn semester, where more than 100 students created works

describing the search for happiness from choreographic etudes and short films to animations and the cross-media projects of investigative journalism. The best works will be exhibited at the exhibition to be opened in ETM in 2021.

The TU started building the LUNA virtual media house[5] of students in the 2020 autumn semester, the objective of which is to offer students opportunities to introduce the results of their creative work to the general public considerably better than before.

Due to the SARS-CoV-2 pandemic, the cultural communities of the TU were forced to move their activities online and unfortunately, most of the performances planned for the year have either been carried our with fewer people, been postponed or cancelled. It was possible to organise the experimental dance performance "What if?" in the BFM Blackbox within the scope of KorFest 202 in summer, when the corona situation was more under control. Exhibitions of the artworks of students have been organised in the galleries of the TU throughout the year irrespective of the restrictions caused by the pandemic.

1.3 Overview of activities aimed at the society

1.3.1 The EXU (Enterprise x University) cooperation platform

The new cooperation platform EXU (Enterprise x University[6]) was developed in 2018 and it started operating in January 2019. The objective of the EXU is to enhance the research and development activities of the TU via the following areas of support and activities: 1) product and service development, service design, 2) analysis of demand and market trends, 3) marketing and sales support, sales of knowledge-based services, and 4) systemic proactive and reactive establishment and management of partnerships (including ADAPTER[7] and other contracts with enterprises, applying for large-scale projects in cooperation with enterprises). An online cooperation portfolio has been developed for the EXU and new service areas are added to it on an ongoing basis. There were 31 products and services in the EXU portfolio by the end of 2020.

In 2020, EXU was applied mainly through five main activities:

1. Processing of ADAPTER and EXU queries, preparing project applications and negotiating contracts;
2. development of service areas: raising awareness in the University, developing the EXU and ADAPTER product and service portfolio, gathering and sharing market information;
3. partner meetings and organisation of joint events with partners;
4. introducing EXU at various events and conferences;
5. preparation of the general presentation area of EXU in the ASTRA Researchers Forum.

The SARS-CoV-2 pandemic affected commissioned services in 2020 – procurements were postponed or reduced – but the interest of companies increased nevertheless and the number of ADAPTER was higher than average. This indicates that in situations of crisis, especially in a situation of increased uncertainty, people feel that it's necessary to rely on more knowledge-based decisions. Research partners are sought for solutions in a situation of change where activities must be transformer to a greater or lesser extent and innovation is needed. The gave the University the chance to create new strategic connections and the involved companies were very open and cooperative.

The main areas of service development were educational innovation and healthy and sustainable lifestyle, incl. the area of natural cosmetics. Several service areas were added to the EXU portfolio, including the various research services related to the area of ecology, archaeological services, the living lab, assessment of the usability of a digital game or device, the EDUSPACE lab, introduction of success stories of educational innovation, etc. A preliminary research on natural cosmetics was carried out, which contributes to further product development and sales of services outside Estonia. Support was given to the research groups in writing six service development applications to the TU research fund,

[5] https://luna.tlu.ee
[6] See more at https://www.exu.tlu.ee/et.
[7] https://adapter.ee

five of which were submitted and three received funding.

The objective is to establish long-term and mutually complementary cooperation relationships with companies. Preliminary work in this direction was carried out with several companies in the areas of educational and digital technologies, incl.: Datel, Demec, E-school, Werner Blessing. A strategic cooperation agreement was signed with Swiss investor Werner Blessing for the development of biometric identification technology in online study forms and other applications linked to the activities of the University. Cooperation with other companies was also developed, incl. with Berrich, Elektriseadmed, Taviter, Brand Manual, Xarus Cosmetics, Confido, Telia, IF Insurance, and the Port of Tallinn. The cross-university WIPO (World Intellectual Property Organisation) agreement was signed and the University participates in the work of the international intellectual property network.

Discussion groups were held in all schools to map the requests and resources of the units and the readiness of researchers to cooperate with the private, public and third sectors. The mapped information is the primary input for selecting needs-based development and partnership directions, but also for involving academic units. In order to boost the activities and increase their success, a seminar introducing the Spiral Method and Research Readiness Level developed by the scientists of the Skvöde University of Sweden, which was attended by employees from both support and academic units, was organised in October 2020. There are plans to organise a Masterclass on the implementation of the method in 2021.

In order to increase the physical visibility and raise awareness of the EXU, the concept of the general area of EXU[8] was developed and implemented in cooperation with the design agency Velvet, and all academic units were involved in the creation of its content. The EXU area includes value offers to company, presentations of good cooperation practices with companies and other organisations (Berrichi, Mobi Lab, Estonian Cyclists Union, Redgrey, Estonia Centre for Architecture, Tallinn City Government, Võru County Development Centre). The EXU presentation area was completed in January 2021 and is located in the forum of Astra House.

Development and training activities, including the development of EXU, were mainly supported from three programmes: 1) TU TEE or Tallinn University as an advocate of an intelligent lifestyle (former a programme of the Archimedes Foundation, now a programme of the State Shared Service Center), 2) Edu & Tegu (Success & Action) or the systemic development of entrepreneurship and business studies on all levels of education (programme of the Ministry of Education and Research), 3) Service Design Study Module (Erasmus+ programme)[9]. See more in point 1.3.5.1.

The development of the international study programme Service Design Study Module (SD4X) was launched within the scope of an Erasmus+ project in 2019. The pilot course of the study module in the volume of *ca* 30 ECTS was developed in 2020. The pilot course was developed in cooperation with Brand Manual, the Maastricht University and the Stockholm School of Economics in Riga. The training programme is carried out online due to SARS-CoV-2 pandemic and its launch was postponed for four months (started in January 2021). Twenty-seven people will participate in the training, six of them are from Estonia.

Lectures of the Open Academy in other formats were launched in autumn 2020 and they have developed into the EXU Academy by today. Approximately 1,500 people participated in the series of lectures. The lectures of the TU, which are held in cooperation with the Tallinn Strategy Centre (formerly the Tallinn Enterprise Department) are the most popular in comparison with other universities.

Tallinn University as a promoter of intelligent lifestyle

The activities of the ASTRA TLU TEE programme were terminated in 2020 and an application was filed for the follow-up programme TLU TEE EXU, which was successful and launched in the second half of the year already. In June 2020, a positive funding decision was made within the framework of the TLU TEE for the implementation of the additional EXU strategic development programme, which will last until 31 August 2022. The EXU partner programme prefers the participation of research groups

[8] https://www.exu.tlu.ee/post/ülikoolis-sai-valmis-exu-esitlusala
[9] See more at https://sd4x.eu

that are related to 1) education innovations with digital technology solutions and robots; 2) interaction between people and computers where technology, design and cognitive psychology meet; 3) development of media systems and digital service markets; 4) enhancement of local natural resources; 5) development of human-centred health and personal services; and 6) social digital innovation.

The main Tallinn University TEE activities which increase the University's competence to cooperate with enterprises and other organisations and expand the volume of cooperation with enterprises were as follows in 2020: 1) improvement of intra-university competencies for cooperation with companies and other organisations, incl. EXU seminars and training; 2) development of a central study and working environment for cooperation with companies and other organisations in the university and on the website, incl. administration and development of the EXU web; 3) development of formats of cooperation with companies, incl. the cooperation festival, partner week, establishment of the EXU presentation area, foundation of spin-off companies; and 4) management and development of the inter-university business relationship environment ADAPTER, incl. development of the future vision, organisation of seminars and visiting trade fairs.

The volume of commissioned work as a whole (incl. public and private sector) have mainly decreased in comparison with the previous year as a result of the SARS-CoV-2 pandemic, comprising 6.5% of the total RDC revenue for 2020 (11.6% in 2019). However, there was a noticeable increase in queries made by companies and in revenue – 11%. As the preparation of projects takes time, several new contracts were entered into in early 2021. The biggest contributors to commissioned funding in 2020 were the School of Governance, Law and Society (ÜTI), the School of Natural Sciences and Health (LTI), the School of Education Sciences (HTI) and the School of Digital Technologies (DTI).

1.3.2 ADAPTER and other development activities

ADAPTER is the cooperation platform of Estonian research and development institutions, which was established by six public Estonian universities in 2016. The aim of the platform is to bring together the needs of enterprises, the competence of R&D institutions, and the possibilities of technology. It concentrates the services provided by higher education establishments as well as research and development cooperation and the possibilities of product development and continuing education. By now, 17 partners have joined the platform.

In the context of EXU, ADAPTER is a tool for operative cooperation with other universities. For enterprises, ADAPTER offers the opportunity to ask the same question simultaneously from all universities, while EXU allows them to communicate directly with the University. There were 655 services in the ADAPTER service database by 2020. In 2020 the TU made 100 offers (for comparison: 95 offers in 2019, 55 in 2018 and 32 in 2017) as short responses as well as monetary offers. Offers were made in the amount of 356,925 euros (for comparison: 474,596 euros in 2019 and 172,710 euros in 2018) and the amount of product development contracts made with companies was 66,885 euros (90,479 euros in 2019).

The Environmental Board (two assignments) and the Riigikogu also commissioned work in addition to this via ADAPTER. In the comparison of the results of several years with other ADAPTER partners, the TU ranks third in replying to queries and cooperation results.

The Open Academy helped prepare other RDC project offers in cooperation with academic units to the extent of 619,780 euros (incl. international and local programmes). They include the Twinning for Sustainable and Visible Excellence in Screen Media Entrepeneurship Scholarship (ScreenME-Net) in cooperation with the BFM, which was launched in 2021.

The new product development portfolio includes: prototypes of dishes made of tree leaves (HK); maintenance programme for the equipment of companies (DTI); beauty products: prototype of a deodorant, prototype of a dry soap, prototype of a cream that contains beaver secretion, prototype of serums, prototype of an eyeliner, etc. (LTI).

The biggest trade fairs and seminars of the ADAPTER network were cancelled in 2020 due to the SARS-CoV-2 pandemic, but smaller roundtables and joint events were held in hybrid formats or online. For example, a festival and meetings with representatives of professional associations were held in

hybrid format at the Tallinn University of Applied Sciences in October in order to enhance cross-university projects. The new ADAPTER programme period, which focuses on joint marketing and international marketing at trade fairs and conferences, was also prepared in 2020.

Negotiations with strategic partners for the development of a biometric identification system/platform for taking online exams took place as a new development, for which a cooperation agreement was entered into with Swiss investor.

1.3.3 F2F seminars, partner week and lectures for entrepreneurs

The Open Academy has been organising meetings with entrepreneurs and representatives of professional associations in the F2F seminar series since 2015. Many planned meetings were cancelled because of the SARS-CoV-2 pandemic. No regular meetings of the Council of the Open Academy were held either. Members were involved individually through various activities, e.g. assessment of the research fund projects, the STARTERtallinn programme, project of the service design training module, partner week, etc.

The short lectures of the Partner Week were aimed at those interested in continuing education and the potential cooperation partners of development projects. In October, the University of Tallinn organised the virtual Partner Week during the Adult Learner Week in cooperation with PARE, ANDRAS, the Education Department and the EDUSPACE lab of the TU School of Educational Sciences. Five webinars for companies were held, which attracted a record 501 attendees.

The lectures of the Open Academy were launched in a different format in autumn 2020 and they have developed into the EXU Academy by today[10]. The lectures are held in cooperation with the Tallinn Enterprise Department (now the Tallinn Strategy Centre) and they have been organised for five years under the name of Open Academy seminars. A good result was achieved in 2020: nine seminars were held and they were attended by 809 people. Tallinn University has become the biggest cooperation partner of the Tallinn Enterprise Centre that is also ahead of other universities in terms of the number of participants (see more under continuous education).

1.3.4 Entrepreneurship and business studies programme Edu&Tegu

The objective of the Edu&Tegu programme is to implement a learning approach that develops entrepreneurship and entrepreneurship training systemically at all levels and types of education and to create opportunities for passing entrepreneurship trainers for all students. The training focused on the organisation of entrepreneurship training in schools, the development of entrepreneurial skills and teaching methods supporting entrepreneurship for mentors teaching at schools. In total, 64 people took part in the training courses.

The entrepreneurship education programme was implemented in 2020 through different lines of action:

1) Line of Action 2 – continuous education;
2) Line of Action 4 – implementation of preliminary incubation, which entails three programmes: 1) STARTERtallinn with TalTech, 2) STARTERhaapsalu programme with the Haapsalu College of Tallinn University and 3) creative hack – idea development events;
3) Line of Action 5 – research in cooperation with other universities: "Implementation of Entrepreneurship Study Modules" and "Development and Implementation of Self-assessment Methods". The TU is responsible for the research to be carried out at the level of vocational education.

STARTERtallinn

STARTERtallinn was carried out the spring and autumn semesters, and as a result of the emergency, the sessions were held both physically and online. Over 130 students from different Tallinn universities and schools attended the two semesters in total, and three teams managed by the TU made it to the top 10 in autumn.

The STARTER for researchers was also piloted for the first time in autumn in order to boost the commercialisation of research results in the TU. Two teams of TU researchers took part. The TU prize

[10] https://www.tlu.ee/avloengud

was awarded to EduLog, which was represented by PhD student Merike Saar.

Edu & Tegu research

The implementation of entrepreneurship studies was researched from September 2019 to December 2020. The main researchers came from the Estonian Entrepreneurship University of Applied Sciences (EUAS) and the Tallinn University (TU). The partners of the Edu & Tegu programme – the Innove Foundation, JA Eesti, TalTech, the general education, vocational and higher education institutions who implemented entrepreneurship studies in the 2019/20 academic year, and students of the STARTER programme – were included. The complex research gave a systematic overview of how entrepreneurship studies, incl. the development of entrepreneurship competencies, have been implemented.

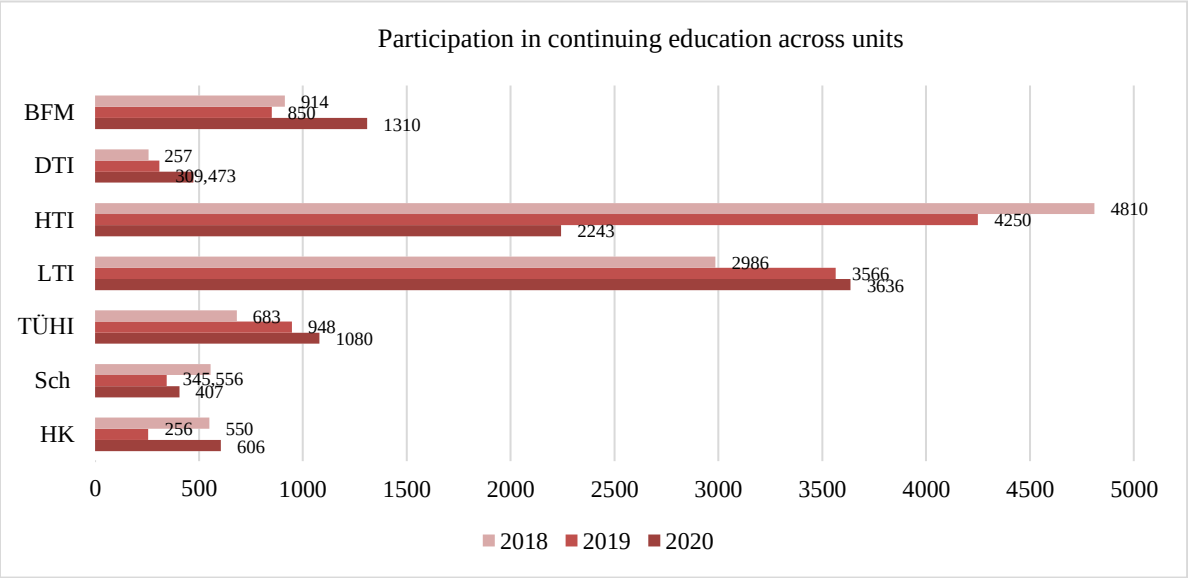
1.3.5 Organisation of continuing education

Looking at the structure of the total revenue of the TU from continuing education, the revenue from formal education subjects as continuing education increased by 40% in 2020 whilst revenue from continuous education in the main budget decreased by 52% and revenue in projects decreased by 36%. All in all, revenue from continuing education comprised 1,312,966 euros, which is 30% less than in 2019, when the revenue amounted to 1,716,741.32 euros. Revenue from continuing education comprised 8.9% of the total revenue from studies (11.4% in 2019). In addition to this, 151,195 euros was earned from the organisation of international examinations (181,777 euros in 2019). The number of commissioned training events decreased in 2020 as a result of the SARS-CoV-2 pandemic and the deadlines of projects were postponed, but the number of participations in continuing education has not decreased significantly. The volume of open learning increased as a result of distance learning, which expands participation. Consistent marketing and flexibility also contributed. Therefore, the need for the creation of e-courses for continuing education has been mapped and it's supported, among others, by the launch of the digitally strong project in 2021. The HTI, LTI and BFM School contributed the most in training and the TÜHI, ÜTI and LTI in open learning in terms of participation and the budget. The successful application for state-commissioned education (Ministry of Education and Research) by the Open Academy for 2020 and 2021 is also important.

10,732 people participated in continuing education in Tallinn University in 2020 (12,224 in 2019, 12,226 in 2018). The goal set for 2020 was achieved with this result: at least 11,000 participants in continuing education per year, plus *ca* 2,000 participants in short lectures and seminars. There has been no significant fluctuation in participation in the last six years. The data based on the TÕIS and ÕIS information systems which shows adult learners from formal education (open learning) and participants in training courses, but does not show short lectures and seminars. There were 1,100 continuing education courses in 2020 (1,187 in 2019 and 1,275 in 2018). TU is still the third largest provider of continuing education in Estonia after the University of Tartu and TalTech (source: ENUCE).

The number of participants in continuing education has increased in all units except for the HTI, but it still has the largest number of participants in continuing education alongside the LTI, and the BFM has also undergone a significant increase (Figure 2). The results of a specific year are also affected by project action plans as well as by project activities postponed due to the pandemic.

Figure 2. Participation in continuing education across units in 2018–2020



The curriculum groups of continuing education with the biggest numbers of students in 2020 were the ones that were aimed at trainers and athletes (2,582 students) and subject teachers, incl. adult trainers (1,086 students). They are followed by audiovisual techniques and media production (691 students), languages (636 students) and personal development (600 students) (source: EHIS).

Open Academy lectures and partner week

The objective of the series of Open Academy lectures was to raise new topics and issues for the representatives of companies and entrepreneurial people, where the University can offer support with its competencies. Nine lectures were held under the leadership of the Open Academy in 2020 (lectures by the EXU Academy as of 2021), which were attended by 809 people. The TU is the largest training partner of the Tallinn Enterprise Centre (31%) and also ahead of other universities in terms if numbers of attendants, e.g. the University of Tartu Academy of Economics (22%) and the TalTech Enterprise Academy (20%) (source: Tallinn Strategy Centre).

The virtual Partner Week, which consisted of five webinars for 501 employees of companies, was organised in autumn (6 to 16 October 2020)[11] in cooperation with PARE and the EDUSPACE lab of the TU Institute of Educational Sciences. The lectures of the Open Academy are popular, with 1,500-2,000 people participating annually.

1.1.1.1. Development of the field of continuing education

The continuing education rules were updated and approved by the Senate in 2020. The most important amendments were as follows:

- the legislation concerning personal data protection, which are followed in the organisation of continuing education, were specified in subsection 1 (3) of the continuing education rules;
- the provision concerning the guarantee of the quality of continuing education at the University was made clearer on the basis of the good practice of guaranteeing the quality of continuing education at the Tallinn University;
- the term ‘continuing education learner’ was specified;
- the requirements to the continuing education curriculum were updated;
- the organisation of the collection of feedback on continuing education was specified;
- the conditions for payment and refunding of the tuition fee were updated;
- the developments of the TÕIS and ÕIS information systems were planned.

Significant changes were made in the continuing education information system TÕIS and its display online, and issue of certificates with digital stamps was implemented. The training web was developed

[11] https://www.tlu.ee/partnernadal-TON

– new forms of displaying training, which create better marketing opportunities, were introduced.

In order to harmonise the processes related to continuing education, to contribute to ensuring the quality of continuing education in the University and to support continuing education coordinators in networking, regular networking meetings are held twice a month on the initiative of the Open Academy and in spring, a creative service design lab for programme coordinators was carried out in cooperation with the Haapsalu College, where the development of a client-centred training service with design schools was discussed at a seminar.

A request for state commissioned education was submitted to the Ministry of Education and Research under the leadership of the Open Academy and it was granted in the amount of 172,923.60 euros. In addition to this, several training offers were made across units, e.g. new curricula were developed for the education commissioned by the Ministry of Education and Research, the new curriculum "Implementing Design and Creative Methods in the Study and Development Process of High Schools" was developed for the Estonian Academy of Security Sciences in cooperation with the Haapsalu College and the DTI, a year-long training programme on special treatment of minors was developed and piloted for the Ministry of Justice. Different formats were implemented to courses because of the SARS-CoV-2 pandemic: contact learning, distance learning and hybrid learning combining the two.

From 2020 to 2022 the Open Academy oversees the new interdisciplinary development programme "Development of the Capability to Protect the Interests of the Elderly", which consists of 10 study sessions from 22 October 2020 to 30 March 2022. The first three modules of the programme took place from October to December 2020 and the remaining two modules will take place in 2021. Due to the restrictions, the training programme will be carried out virtually. The teaching staff of the ÜTI, BFM, DTI, LTI and Haapsalu College contribute to the training programme of the Open Academy.

The programme is based on the principles of design-thinking and uses social innovation tools. Problem-solving design and development projects, i.e. projects on protection of interests, will be prepared in the organisations of the participants a result of the instruction carried out in the form of a development laboratory.

The most important activities within the scope of the programme that took place in 2020 under the leadership of the Open Academy:

- the preliminary hybrid seminar for the teaching staff of the different schools was carried out in September 2020;
- courses of modules I to III were held from October to December 2020;
- activities related to the organisation of training, incl. in virtual learning environments;
- video addresses in cooperation with the BFM production centre, the Deputy Secretary General of the Ministry of Social Affairs and the head of curriculum of the development programme of the TU[12].

In cooperation with the teaching staff of the schools, preparations have also been made for an additional group of interested persons, who will cover modules 6 to 10 of the development programme from 2021-2022.

As another important development trend, the Open Academy leads the Service Design Study Module (SD4X) development project of the service design study module from 2019-2021. Its content includes the development of a service design training module in order to support raising awareness of the topic, to increase the service development competence of companies and organisations and to create and test new continuing education formats.

A pilot training module (30 ECTS) was developed in 2020 in cooperation with project partners, who are: international service design company Brand Manual, Maastricht University and the Stockholm School of Economics in Riga. Various members of the TU teaching staff were involved in the implementation of the training module (in addition to the trainers of the aforementioned partners). The launch of the training programme was postponed for four months due to the SARS-CoV-2 pandemic and started in January 2021. The entire training programme takes place online because of the

[12] https://youtu.be/Dm0iTUbrH7w, https://youtu.be/WffGy2Y88Zo

restrictions. Trainees were also recruited for the programme in 2020 and the results exceeded the expectations: 27 people in total will take part in the programme, incl. six from Estonia (the plan was to find 18 people).

The participants will go through the entire service design process during the six training modules: from context analysis and definition of the problem to the prototyping and validation of solutions. At the end of the programme, the participants will present the results of their projects to the evaluation panel.

New curricula were developed within the scope of the **Business Development programme "Edu&Tegu"** in 2020 and four successful "Edu&Tegu" training events were carried out in cooperation with the lecturers of the TU School of Educational Sciences, HARNO, the Järva County Vocational Education Centre and the University of Tartu:

- module I "Organisation of Entrepreneurship Training in School" of the masterclass training programme for entrepreneurship teachers (16 academic hours);
- module II "Development of Self-management Skills" of the masterclass training programme for entrepreneurship teachers (16 academic hours);
- accounting module of basic entrepreneurship training;
- operation and management of a company. Teamwork skills (16 academic hours).

1.3.6 Organisation of open learning

The number of participants in open learning has decreased compared to the previous year, but revenue has increased by 34%. The number of students learning formal education subjects in continuing education in 2020 was 1,092 (1,228 in 2019), 370 of whom participated in the spring semester and 722 in the autumn semester. 228,787 euros was earned from open learning, 4,563 euros of which was funding from the Unemployment Insurance Fund (179,164 euros in 2019, of which 4,540 euros was funding from the Unemployment Insurance Fund). The number of students was the highest in special education, informatics, physical education, psychology, international relations, law, Chinese, cultural theory, economy and health sciences.

The programme "Fundamentals of Higher Mathematics", which is offered free of charge to students entering the master's programme for teachers of mathematics, was added to the A Year in University programme. Business Management is the most popular curriculum in the A Year in University programme with 13 learners.

1.3.7 Organisation of international examinations and training courses

Revenue from international exams in 2020 amounted to 151,195 euros (181,712 euros in 2019) and fulfilled 79% of the revenue forecast for the year, and revenue from continuing education was 12,315 euros (22,725 in 2019), which amounted to 51% of the revenue forecast. In total, 845 people passed a language or speciality test at the International Examination Centre in 2020 (1,112 in 2019 and 1,271 in 2018), which was 65% of the expected number.

The main reason of the decrease in the number of examinees was the launch of the INNOVE (HARNO)/Cambridge Assessment/Ministry of Education and Research project for school graduates, as a result of which the state examination can be replaced with an international Cambridge C1 exam free of charge. However, the results in general and the decrease in the volumes of continuing education were strongly affected by SARS-CoV-2 pandemic and the resulting closure of the examination centre from March to May 2020. A large number of participants cancelled after contact learning was prohibited. Another setback for the training came from inefficient marketing, which will be put in the focus next year.

The IELTS test was passed by 513 candidates in 2020 (621 people in 2019 and 669 in 2018), the Cambridge Assessment English test was passed by 266 candidates (348 in 2019 and 496 in 2018.), the ACCA international accounting examination was passed by 18 candidates (79 in 2019 and 91 in 2018), the Test of English for Aviation (TEA) was passed by 26 people (51 in 2019), the Admission Testing (ATS) was passed by 10 candidates, the international Spanish language test DELE was passed by three people (five in 2019 and three in 2018) and the German language test TestDaF was not passed this year (eight in 2019 and 12 in 2018). Nobody passed the distance learning examinations of foreign

universities in 2020 as a result of the pandemic, as the exams were planned for the period from March to May when the examination centre was closed. The Occupational English Test (OET), the needs-based test for medical professionals that was planned as a new activity, was also not carried out because of the pandemic.

In addition to the above, the IELTS trial and text examinations and English courses at different levels were carried out and the grant of three scholarships to Estonian students for learning in UK secondary schools was intermediated. The inspection of the competency and certification of the organisers of international examinations and the examiners was also cancelled because of the pandemic, but competency was guaranteed with the extension of the certification period. The preparatory course for the IELTS exam was also cancelled.

1.3.8 International summer and winter school

Since 1 October 2018, the financial year of the international summer and winter school is calculated from 1 October of the year to 30 September of the next year. Revenue from the international summer and winter schools from 1 October 2019 to 30 September 2020 was 11,913 euros (2,630 euros of this are course fees, which the people who registered for the summer school courses cancelled in 2020 left as advance payments for participation in summer school in the future). For comparison: revenue from summer and winter school from 1 October 2018 to 30 September 2019 was 28,933 euros.

In winter 2020, eight international courses were held within the framework of Tallinn Winter School whilst the number courses in the previous year was seven. The Winter School of 2020 was the biggest of all winter schools with 232 people taking part in the courses (133 in 2019) and 33 countries represented.

In summer 2020, eight international online courses were held within the framework of the Tallinn Summer School. The total number of participants in the courses was 119 and 30 countries were represented. The Sars-CoV-2 pandemic had a strong impact on the number of summer school participants – 430 people took part in 25 courses in 2019.

1.4 Overview of recognitions

The scientists of the TU were recognised in 2020 with the science awards of the state (annual awards) for the best research efforts completed and published in the previous four years:

- Tobias Ley (head of collective), Mart Laanpere, Kairit Tammets, Terje Väljataga, Katrin Poom-Valickis, Luis Pablo Prieto Santos, Maria Jesús Rodriguez-Triana and Paul Seitlinger – for the social sciences project "Cross-border Educational Innovation thru Technology-Enhanced Research";
- Marika Mägi – for the monograph "In Austrvegr: The Role of the Eastern Baltic in Viking Age Communication across the Baltic Sea" in the field of humanities.

In 2020, the following were recognised as the best ones in the University's internal competition of the most remarkable publications, textbooks and creative projects.

The award was divided between two books in the category of the best monograph:

- Peeter Selg and Andreas Ventsel. "Introducing Relational Political Analysis: Political Semiotics as a Theory and Method". Switzerland: Palgrave Macmillan, 2020, 329 pages.
- Annika Viht and Külli Habicht. "Eesti keele sõnamuutmine". Tartu: Tartu University Press, 2020, 438 pages.

The best general education or higher education textbook

- Katrin Tiidenberg, Anu Masso and Andra Siibak. "Kuidas mõista andmestunud maailma? Metodoloogiline teejuht". Tallinn: TU Press, 2020, 800 pages.

In the best creative project category, the award was divided between two works:

- Tiina Ollesk. Research and production project "Habras ilu", 2020.
- Varvara Guljajeva, Mar Canet Sola. Project "Neuroknitting Beethoven", 2020.

The best humanities article:

- Kersti Lust. "How permanent were farms in the manorial system? Changes of farm occupancy in

the nineteenth-century Russian Baltic Provinces of Estland and Livland. Continuity and Change". A journal of social structure, law and demography in past societies, 35 (2), 2020, pp 215– 243.

The best social sciences article:
- Marge Unt, Kadri Täht. "Does Early Career Unemployment at the Peak of a Recession Leave Economic Scars? Evidence from Estonia". The ANNALS of the American Academy of Political and Social Science, 688(1), 2020, pp 246-257.

The best natural sciences article:
- Martin Küttim, Liisa Küttim, Mati Ilomets, Anna Laine. "Controls of Sphagnum growth and the role of winter". Ecological Research, 35(1), 2020, pp 219-234.

The best exact sciences article
- Mart Abel. "Coproducts in the category S(B) of Segal topological algebras, revisited". Periodica Mathematica Hungarica, 81, 2020, pp 201−216.

The fact that researchers of the University belong to the Evaluation Committee and expert committees of the Estonian Research Council signifies recognition of the research activities of TU. Professor at Tallinn University Anu Toots belongs to the Council of the ETAg. On 5 February 2020, the Minister of Education and Research approved the members of the ETAg Evaluation Committee and the list of substitute members of the Evaluation Committee. Professor Liisi Keedus from Tallinn University belonged to the Evaluation Committee and Professor Ellu Saar and Professor Eneken Laanes were the substitute members. Professor Peeter Normak was appointed to the Expert Panel of Exact Sciences and Professor Tiiu Koff to the Expert Panel of Bio- and Environmental Sciences of the Expert Committee of Natural Sciences. Professor Allan Puur was appointed to the Expert Panel of Social Sciences. The Expert Panel of Humanities and Arts appointed Professor Liisi Keedus as the head and Professor Eneken Laanes and Associate Professor Jaan Lahe as members. Professor Ellu Saar and Professor Eneken Laanes were appointed to the Expert Panel of Proof-of-Contsept Grants.

TU Vice-Rector for Sustainable Development Helen Sooväli-Sepping was the editor-in-chief of the Human Development Report 2019/2020 "Spatial Choices for an Urbanised Society", which she introduced in the Riigikogu in June 2020. The report won the national Clear Message Award.

Acknowledgements in the creative field

One of the biggest achievements in 2020 was winning the Student Academy Award (Oscar) for the film "My Dear Corpses". In addition to this, the film of the Esko Brothers "Struck by Lightning" also received international acknowledgement (the best short film at the international short film and animation festival PÖFF Shorts). The member of the teaching stuff who received international recognition was Riho Västrik with his film "Bridges of Time" (Baltic Assembly Prize for the Arts). The documentary "Immortal," which was produced by Riho Västrik, was nominated by Estonia for the Award of the Academy of Motion Picture Arts and Sciences (United States) in the category of documentaries. Miguel Llansó Pinilla was nominated for the annual prizes of the Cultural Endowment for his brave experimental film "Jesus Shows You The Way To The Highway".

The following were also recognised for their work in Estonia:
- Heili Einasto was nominated for the Priit Põldroos Prize of the Estonian Actors Union;
- Jane Remm's personal exhibition "Views on a Landscape" in the Tallinn City Gallery was nominated for the Konrad Mägi Medal;
- Tanel Kadalipp won the title of the best sound designer with the film "The Old Man".

Laura Saks's EGG jewellery, made from biological materials, was declared the best in the category of product design in the BRUNO Lifestyle Prize competition of the Estonian Association of Designers.

The winners of the literary prizes of the Tallinn University in 2020 were:
- Maarja Kangro – for the poetry collection "Tuul" and collection of poetry translations "Varietee";
- Ilona Martson and Varlam Šalamov – for the translation of the book "Kolyma Tales";
- Andrei Ivanov – for the short story "Hapsal".

1.5 Opinion of the Vice-Rector for Academic Affairs on the development of the area

2020 turned out to be a challenging year as a result of the SARS-CoV-2 pandemic and when assessing year, the previous logic of *Where the established goals achieved 100%?* and *Did the statistical indicators increase as expected in comparison with the previous year?* no longer applies. Of course, we must keep an eye on the changes in indicators and analyse the reasons of changes, but the most important thing is to ask *Did we manage to maintain the continuity of RDC and the support process, so that positive developments would continue in the future?* I think that we managed to do it with our joint efforts!

Despite a small decline in the indicators of the RDC funding in the current year, where the volumes of more context-sensitive commissioned knowledge-services and applied research in particular ended up in jeopardy, we managed to continue our research smoothly enough within the scope of larger projects and prepare a remarkable number of new strong project applications. We submitted 62 applications to the H2020 measure alone, and also 25 applications to the national PUT call for proposals. The success rate of the applications submitted by us is comparable to the sectoral average success rates of the respective measures. Thus, the success rate of applications in the field of social sciences and humanities in PUT 2020 remained around 17%, but the same rate of the applications of TU was 20%. If we take the share of baseline funding for research as a backdrop (the University's share in 2020 was about 8.8% of the total volume of baseline funding of universities), the University's success in applying for funding from the Horizon 2020 measure is somewhat greater than that of other Estonian universities: approximately 13% of the Horizon 2020 funding allocated to Estonian universities in 2019.

The RDC support system development that I consider the most important concerns the steps made for the provision of the project writing service and I am pleased about the positive feedback received during the piloting of the system, which confirms that researchers appreciate the quality and importance of the support. The smooth launch of the activities of the Ethics Committee, which guarantees the research groups of the University with the necessary expertise in the format of approvals of the scientific ethics of research.

I am pleased that the pandemic did not mess up our plans in relation to the launch of a tenure system. The first tenured professor started in February 2020 and the first 10 open international competitions for tenures were announced at the same time. There were 12 tenured professors by the end of the year and 10 competitions for new tenured professors had been prepared.

Our top scientists won recognition and national science prizes in 2020 as well. The laureates included the research collective led by Professor Tobias Ley ("Cross-border Educational Innovation thru Technology-Enhanced Research" in social sciences) and Senior Research Felow Marika Mägi (humanities monograph "In Austrvegr: The Role of the Eastern Baltic in Viking Age Communication across the Baltic Sea"). The national science award for 2021 have also been given out by the time the report is prepared and the nominees for the awards were announced in late 2020. For the third year in a row, the scientists of the TU won recognition in the fields of humanities as well as social sciences: Senior Research Fellow Epp Annus (for "Development of the Philosophical and Theoretical Paradigm of Socialist Colonialism, Research of Soviet Societies and Cultures") and Professor Merike Sisask (in social sciences for the cycle "Social Factors of Mental Health and Wellbeing and Related Risk Behaviour (Primarily Suicidal Behaviour)"). In addition to the recognition given to researchers, winning the gold medal of the Student Oscar with German Golub's film "My Dear Corpses" and several other recognitions for films brought joy to us all.

Besides the volume and quality of research, the social impact of research and the increased contribution of researchers are of increasing importance. Irrespective of the challenging year the Open Academy supported our researchers in this field through several the initiatives described above and the inclusion of scientists in STARTER was piloted for the first time to boost the commercialisation of the results of result. Activities continued within the framework of the ADAPTER business cooperation platform and we are actively adding furnishing the brand of the EXU cooperation platform of the University. The EXU area (in the ASTRA Researchers Forum) where cooperation practices with companies and other organisations are presented was established for the first time in the University campus in cooperation with academic units. Several of the project offers and applications prepared with the support of the EXU team have received funding and by today, the TU also has its own portfolio of the prototypes of

knowledge-based products. Additional funding from the ASTRA programme (State Shared Service Centre) was successfully requested for the development of the knowledge transfer support service in order to implement the EXU strategic partnership programme.

2 Studies

2.1 Objectives of the University and the achievement thereof in studies

In order to support the strategic objectives established in the Tallinn University Development Plan 2020–2022, carrying principles of activity have been defined. Those principles also form a basis for the sub-objectives of processes related to studies (Table 8).

Table 8. Sub-objectives and expected results of the activity principles of study-related processes

Activity principle	**The University is interdisciplinary in its activities**	**The University is international**	**The University demands excellence and sustainability**
Sub-objectives	The development of general competences and practical skills in the study process	Studies in English are a natural part of the study process	Study programmes based on the needs of the society, the labour market and the learners
Expected outcome	- the number of interdisciplinary modules between curricula has increased; - the volume of studies carried out for students of other academic units has increased.	- the number of graduates of curricula in English has increased; - improved satisfaction of students with the quality of studies in English; - the number of curricula with a mobility window has increased; - the share of students who have participated in studies abroad has increased.	- the number of students per academic employee has decreased; - the number of students who have completed the study programme within the standard duration of a curriculum among all students admitted to higher education studies by levels of study has increased; - the satisfaction of students with the quality and organisation of studies has improved; - improved satisfaction of graduates with the general competences obtained.

The achievement of the objectives of Tallinn University can be assessed on the basis of implemented activities and key indicators. Table 9 shows the result for 2020, which is the initial level of assessment of the expected result for the development plan period.

Table 9. Level of key academic indicators in 2020

	Key indicator	**2020**
Interdisciplinary approach	number of interdisciplinary modules between curricula	0
	volume of studies carried out for students of other academic units (TAP)	32992
Internationalisation	proportion of English study programmes	22.12%
	number of graduates of curricula in English	268
	students' satisfaction with the quality of studies in English	4.39
	number of curricula with a mobility window	15
	share of students who have studied or participated in traineeship abroad	1.26%
Demand for excellence and sustainability	number of students per academic employee	16.08
	number of students who have completed the study programme within the standard duration of a curriculum among all students admitted to higher education studies by levels of study	49.43%
	PHE	64.23%
	BA	44.43%
	MA	56.18%

		PhD	15.22%
	satisfaction of students with the quality and organisation of studies[13]		4.45
	satisfaction of graduates with the general competences obtained[14]		4.09

2.2 Overview of studies

2.2.1 Curricula

The number of curricula opened for admissions in 2020 was 118, 23 of them were in English (116 in 2019, 120 in 2018, 120 in 2017 and 116 in 2016), the following for the first time:

- choreography, BA programme, in Estonian. This is the first four-year Bachelor's programme of TU;
- screen media and innovation, Master's programme, in English. Admissions to the curriculum did not reach the desired level and studies in the curriculum were not opened;
- wellbeing and health behaviour, Master's programme, in English. Additional competition to the curriculum was organised in autumn and studies started in the 2020/2021 spring semester.

Admissions to two curricula were terminated in 2020 and they were closed – television: direction, editing and production in the Master's programme, and in television in the Doctor's programme.

The Tallinn University Statute of Study Programme (hereinafter the SSP) regulates the structure and the conditions of opening, altering, developing and closing of the formal education curricula. The following changes were made in the Statute of Study Programme (the SSP) in 2020:

- the term of 'mobility window' was defined: mobility window means the subjects/modules planned in the curriculum and in the standard division of the curriculum, which the student studies in a university, research institution or traineeship establishment abroad;
- the requirement was established that foreign-language curricula should include subjects of Estonian language and culture for at least 6 ECTS.

Regular assessments of curriculum groups will no longer be carried out pursuant to the Higher Education Act that entered into force on 1 September 2019, but curricula will be assessed during accreditation and thematic assessments. Thus, only curriculum groups whose primary assessment result was less than 7 years will undergo quality assessment as of 2020. The Bachelor's and Master's curricula of the curriculum group of social services participated in the repeated assessment in 2020. The assessment decision was made in early 2021 and it stated that the curriculum group must fulfil an additional condition by 2023.

In addition to this, a report on compliance with the additional condition (BA and MA curricula if Music and Theatre) and action plans (in the PhD curricula of Psychology, Social Sciences; Social Services; Teacher Training and Educational Sciences) were submitted as follow-up activities of quality assessment.

The following qualifications can be acquired in Tallinn University as of 2020:

- competencies for graduates of the curricula of Teacher Training, who can currently acquire the qualification of teacher, level 6, level 7. These are two competencies ("Supporting Leaners with Special Educational Needs" and "Implementation of Digital Pedagogy") the achievement of which broadens one's options on the labour market. The competency is not attributed to everyone, but only to the graduates who pass the module of the competency during their studies;
- the qualification of youth worker, level 7, to graduates of the Master's curriculum of Youth Work;
- the qualification of special education teacher, level 7, to graduates of the special education speciality of the curriculum of Special Education Teacher and Counsellor.

[13] The satisfaction of students is measured on a 5-point scale.
[14] The satisfaction of graduates is measured on a 5-point scale.

2.2.2 Admission

In autumn 2020, 2,241 new students started their studies at Tallinn University, 1,294 of them started Bachelor's studies and professional higher education studies, 911 Master's studies and 36 doctoral studies. In comparison with 2019, admissions to level I curricula has decreased by 4.7%, to level II by 8.4% and to level III by 16% (Figure 3). The share of international students among all admitted students has decreased considerably in comparison with recent years. Whilst the share of admitted international students in 2018 and 2019 was 14–15%, it had dropped to 9% in 2020. Thus, the share of local students among admissions in 2020 was higher than in earlier tears.

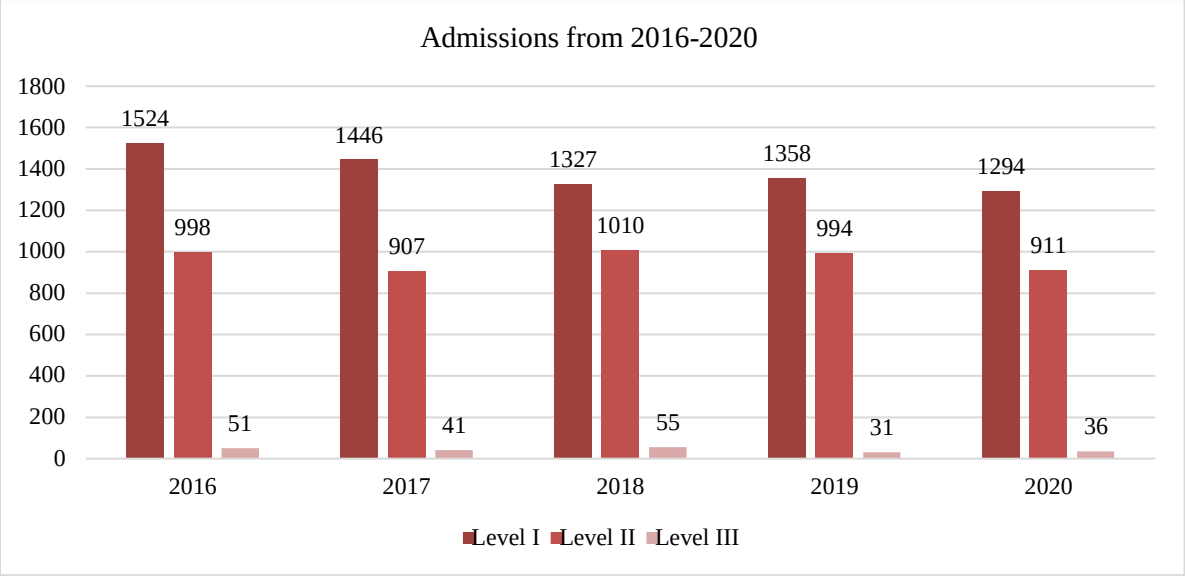


Figure 3. Admissions to Tallinn University in 2016–2020

The new admissions conditions and procedure established in 2019 was followed during the admissions in 2020. The biggest changes related to admissions were made in international admissions, where the process was changed (citizens of third countries are required to pay the tuition fee for the first semester in advance, and the requirements of language proficiency and average grade at the previous level of education were raised). The biggest changes in admissions to curricula in Estonian were raising the level of Estonian language proficiency from A2 to B1 and the use of only digital solutions in admissions (documents on paper are no longer used).

The number of applications to Bachelor's and Master's programmes in foreign admissions was similar to previous years (*ca* 1,300 applications). In comparison with admissions in 2019, the number of applications decreased on the first level (672 in 2019 and 538 in 2020) and increased on the second level (589 in 2019 and 745 in 2020). The decrease in the number of applications on the first level is probably related to the global health crisis as well as the changes in the admission conditions.

Similarly to the previous year, the application journey of international students was also analysed in 2020. 15% of all applicants were enrolled, i.e. started their studies, in 2020 (21% in 2019). Applicants from Estonia's neighbouring countries and the EU were more successful in getting from applying to enrolment. The closure of international borders due to SARS-CoV-2 made travelling hopeless for the citizens of many countries, but based on the feedback received from applicants, we can say that uncertain future was one of the reasons why they decided not to apply. An overview of the ratio of applications and enrolment on the basis of the countries that submitted the most applications is given in Table 10.

Table 10. Number of applications submitted by international applicants in 2020 and percentage of enrolments

Country	Number of applications	Share of enrolments in the number of applications
Nigeria	303	4.6%
Bangladesh	163	1.2%
Pakistan	133	1.5%

Finland	99	62.6%
India	63	3.2%

As an unpleasant surprise to universities, the Government started preparing amendments to the Aliens Act during the spring semester of 2020, which aimed to considerably restrict the rights of international students (working, bringing their family with them, leaving the state after studies). Extensive media coverage reached international applicants and caused questions and confusion. In the middle of July 2020, the Government also established a restriction on the arrival of foreign students in Estonia in order to prevent the spread of the SARS-CoV-2 virus. The Government of the Republic assigned the University an unexpected obligation to organise national transport, SARS-CoV-2 testing and accommodation for arriving students during the quarantine period. The University lacked the resources (incl. people) required for ensuring compliance with the established requirements in less than three weeks. Due to the above, the University made a difficult decision and suspended admissions of applications from third countries, allowing them to apply for admission in 2021 on the basis of the results of 2020. Tuition fees were refunded to the applicants who had already paid them (55 applicants). The total number of international students enrolled in 2020 was 193, which is 46% less than in the previous year.

Estonian admissions went rather smoothly despite the requirements restricting the spread of SARS-CoV-2. Anxiety before and during the organisation of admissions was caused by the lack of clarity with state examinations (the time of the examinations, whether or not they were mandatory, the clarification of results), as well as the rapid changes in admission examinations (online examinations, distancing of applicants, etc.).

In 2020, the Academic Affairs Office once again carried out a feedback survey among local applicants. The feedback is used to find out whether the applicant was satisfied with the organisation of the examination, whether the content of the examination was as promised, and the applicants can also provide their comments on the admission process. In general, applicants rate the organisation and content of admissions as good (4.1 on a 5-point scale in both aspects), which is also similar to the previous years. Based on the results, it can be said that the most important expectations of applicants are prevention of overlapping the times of admission exams, greater clarity of the assessment criteria and personal feedback about the exam. The proposals received via feedback will be taken into account when the new admission period is planned and for improving the organisation of examinations.

Based on the analysis of admissions in 2020, incl. the feedback of students, the Senate Regulation Conditions and Procedure for Admissions was amended on 23 November 2020. Language requirements were also harmonised with other universities (Vice-Rector Regulation No 227 of 8 December 2020 Conditions and Procedure for Certification of Foreign Language Skills).

2.2.3 Students

The number of students has stabilised and even increased a little in comparison with the previous year: the total number of students in 2020 was 7,101. The number of students has increased at all levels of study, except for Doctoral studies (Figure 4).

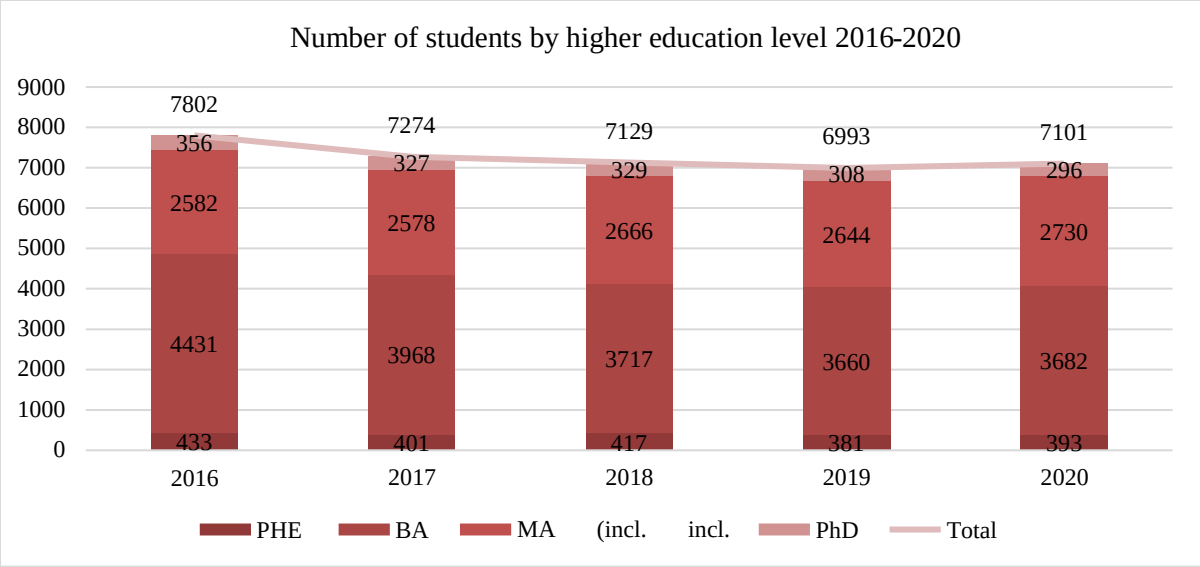


Figure 4. The number of students at the University by higher education levels, 2016–2020

The decrease in the number of students has been a national trend since 2011, which has slowed down in recent years and stabilised in 2020/2021: according to national statistics, the total number of students in Estonia was 47,793 in 2016, 45,178 in 2019 and 45,259 in 2020. It can be said that compared to other major public universities, the number of students has increased similarly to the University also at the University of Tartu and the Estonian University of Life Sciences, but decreased at the Tallinn University of Technology (source: Haridussilm). Based on the age distribution of the population according to Statistics Estonia[15], it can be presumed that the number of upper secondary school graduates will start increasing again in the coming years and an increase in the number of students can therefore also be expected.

The number of students in the TU increased little in the first level of higher education in 2020. Changes have occurred in the division of the age groups of students in the last year and the share of younger (up to 24-year-old) students is decreasing steadily: the percentage of all students was 56% in 2013 and 51% in 2020. The group of 25-29-year-olds, which included 21% of all students in 2013, has also decreased and reached 17% in 2020. However, the share of students over 35 years of age, which was 13% in 2013 and 18% in 2020, has increased. The share of international students who participated in formal education has decreased a little compared to the previous year and comprises 11% (13% in 2019 and 11% in 2018). The decrease was caused by the decrease in admissions (see also the Admissions) as well as the economic difficulties that did not allow students in foreign language programmes pay the tuition fees (three students in 2019 and nine students in 2020 were exmatriculated due to the failure to pay the tuition fees). According to a survey carried out by Statistics Estonia, international students were more likely to lose their jobs during emergency than local students.[16]

Similar changes are also characteristic to other Estonian universities. The increase in the age of students presents a bigger challenge of responding to the needs of students who work and have families by offering flexible learning paths and evaluation of previous studies and work experience.

[15] www.stat.ee

[16] Economic impact of international students. Participation in the Estonian labour market in the 2019/2020 academic year, Statistics Estonia, 2020

According to the Eurostudent VII[17] survey, 68%[18] of Estonian students work alongside their studies and half of them describe themselves as learners first and then employees. According to a survey carried out by Statistics Estonia, 80% of the foreigners studying in Estonia also work.[19] On average, students work for 28 hours and study for 34 hours a week. As a positive trend, the number of hours dedicated to learning has constantly increased and the number of working hours has decreased. According to the mental health survey of Estonian students carried out in the course of the Eurostudent VII survey[20], the emotional distress level of Estonian students is high compared to the general population. Based on factors not related to learning, higher emotional distress is felt by students with financial difficulties, special needs and long-term health problems, and by women. It's important to note that the survey was carried out before the SARS-CoV-2 pandemic.

The results of the survey are confirmed by the constant increase in the workload of the advisers of the Career and Counselling Centre of the Tallinn University, especially in 2020. Above all, the number of psychological counselling sessions (incl. international students) and supporting students with special needs have increased. The duration of online counselling sessions carried out in 2020 has grown in comparison with the so-called ordinary counselling sessions (duration of a counselling session 60 minutes, online counselling session 75-90 minutes). The main topics of psychological counselling are anxiety, concentration difficulties, stress, mood disorders, insomnia, fatigue and concern for the future.

2.2.4 International exchange students and Tallinn University students who have participated in studies abroad

The SARS-CoV-2 pandemic declared in 2020 had a negative impact on the achievement of the university's international goals in all sub-activities.

The share of TU students who studied abroad decreased significantly, dropping from 3% to 1.8%, but the number of visiting international students also decreased (Table 11). In 2020, many universities abroad started offering distance learning. Many students discontinued or cancelled their planned studies and internships abroad because of this change. For the University, the situation meant that information exchange multiplied, it had to advise and help the students who were abroad and constantly update the regulations and practices related to the admission of international students. For example, the coordinator of international students had to be ready for changes in requirements every week (whilst different agencies interpreted the requirements differently) and explain them to the tutors and students.

Table 11. The share of TU students who have participated in studies abroad, students in formal education and international exchange students in 2016–2020

		2016	2017	2018	2019	2020
Proportion of TU students who have participated in studies abroad (%)	**Total**	**1.8**	**2.4**	**2.6**	**3.0**	**1.8**
	PHE	0.9	1.2	0.5	0.3	0.5
	BA	1.9	2.3	2.6	2.6	1.6
	MA	1.6	2.3	2.7	1.4	1.6
	PhD	2.8	6.1	4.0	24.7	8.4
Proportion of international students in formal education (%)	**Total**	**8.7**	**10.0**	**11.0**	**13.0**	**11.0**
	PHE	-	-	-	-	-
	BA	9.0	10.0	11	12.0	10.0
	MA	8.0	10.0	13.0	16.0	13.0
	PhD	13.0	14.0	18.0	20.0	21.0
Total number of international exchange students		**254**	**357**	**328**	**339**	**205**

2.2.5 Graduation

In 2020, 1,435 students, including 19 doctoral students, graduated from Tallinn University. The number

[17] Eurostudent VII: Brief overview of Estonia

[18] According to the data obtained from the TU feedback survey, 73-88% of the graduates of the TU work alongside studies.

[19] Economic impact of international students. Participation in the Estonian labour market in the 2019/2020 academic year, Statistics Estonia, 2020

[20] A.Käosaar, M.Purre. Eurostudent VII: Focus on the Mental Health of Estonian Students, 2021

of graduates has decreased significantly compared to the previous year (Table 12).

Table 12. Number of graduates by study levels in 2016–2020

Number of graduates	2016	2017	2018	2019	2020
Total	1876	1800	1557	1620	1435
PHE	99	79	98	88	99
BA	1143	1089	835	811	720
MA	623	608	600	703	597
PhD	19	24	24	18	19

The main reason for the decrease in the number of graduates is the emergency established in March 2020, which became an obstacle to the planned graduation. For instance, it was not possible to use the planned research methods and it changing the methods in the given time was not possible. The completion of studies was also hindered by other circumstances caused the emergency (changes related to working and family life), which significantly increased the use of extraordinary academic leave. In the spring semester of 2020, 252 students, i.e. 3.54% of all students, went on leave; the share of students who took academic leave in the same period was 2.27% in 2019 and 2.73% in 2018.

Compared to the previous year, the efficiency of graduation[21] across the University has remained the same, but in terms of levels of study, the efficiency of graduation has decreased at the BA and PhD levels and increased at the PHE and MA levels (Figure 5).

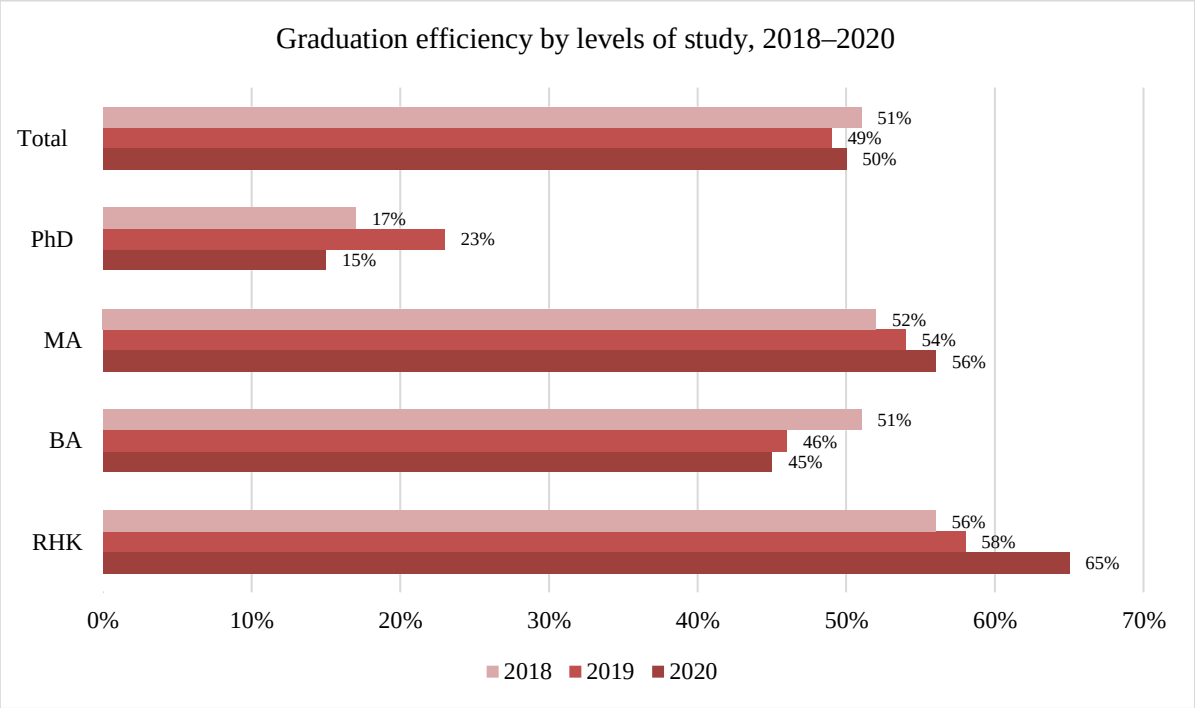


Figure 5. Graduation efficiency at Tallinn University by study levels, 2018–2020

Usually, the majority of all graduates of a curriculum complete the curriculum by the end of the standard duration of the curriculum. Thus, it's possible that the low graduation rate in the spring semester of 2020 will affect the share of students who graduate within the standard duration of studies in 2021.

When the graduation efficiency of academic units is compared, it can be said that the biggest negative changes have occurred in curricula where learning outcomes need to be acquired in contact learning (e.g. production of BFM – audiovisual materials, stages; LTI – laboratory tests) (Figure 6).

[21] The proportion (%) of graduates in the reporting year among students who enrolled the standard duration of a study programme +1 year ago (+2 years in doctoral studies and integrated studies) as at 1 November.

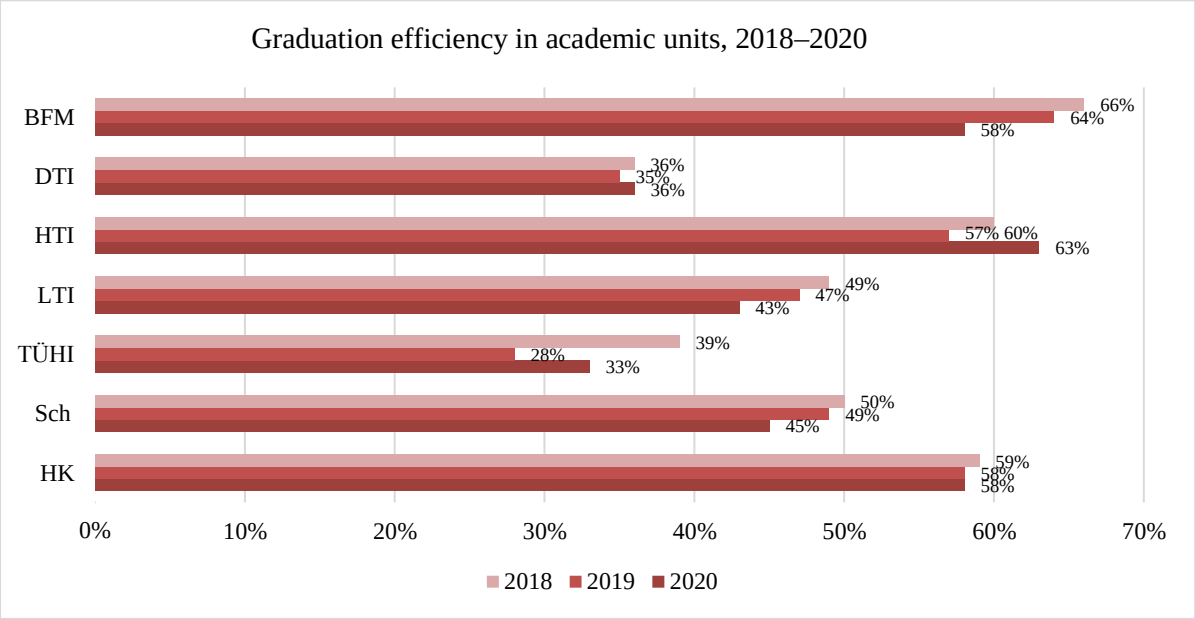


Figure 6. Graduation efficiency by academic units in 2018–2020

2.3 Overview of development of education activities

2.3.1 Overview of LIFE (innovation integrating specialities)

Ninety-eight LIFE projects were carried out in 2020 (88 projects in 2019), 21 of which were supervised by students (in 2019, nine of the supervisors were students, so an increase of 133% occurred over the year). LIFE projects were supervised by 125 University employees in 2020, 109 of whom were academic and 16 non-academic employees. Thirty-two of the supervisors supervised a LIFE project for the first time. 270 employees of the University have been involved in the supervision of a LIFE subject from 2016–2020, 235 of them are academic employees. 1,695 students passed a LIFE subject in 2020 (1,660 in 2019) and 15 international students were also involved.

The biggest development in 2020 was the creation of the new interdisciplinary format Large LIFE, the preconditions of which are 6–18 ECTS and the inclusion of at least two curricula. Fife Large LIFE applications were submitted in the first round, the implementation of which is planned as of 2021.

Some examples of projects in 2020:

- "Cup-free TU", which was aimed at reducing the use of disposable cups, thereby implementing a sustainable mindset;
- "From Crisis to Solution: Role of a Network in the Context of Children and Young People," which focused on analysing the nature and operating principles of interdisciplinary networks, especially in the fields of social pedagogy and child protection;
- "4E – Preferred Environment of Estonian Companies", within the scope of which we cooperated with Nobel Digital OÜ and gave them valuable input for the development of the ee.ee web portal in order to make the platform of the portal a more attractive and useful tool for companies;
- "What are we talking about when we talk about plagiarism?", the objective of which was to raise the awareness of students in the field of academic ethics and carry out a quantitative study on the topic of the plagiarism in the University in order to use the input obtained in planning further activities.

Several LIFE projects cooperated with external partners: Suukool, Valgejõe Veinivilla, Estonian Open Air Museum, Vinni Municipality Government, FCR Media, Nobel Digital OÜ, VATEK, Tallinn City Government, EBS, TalTech, Estonian Women's Studies and Resource Center, VATEK, Estonian Academy of Security Sciences, Tallinn Health Care College, Estonian Private Forest Centre and Estonian Private Forest Union, EBS.

The organisation of seminars and workshops for LIFE supervisors and LIFE students, incl. online, continued despite the pandemic. Twenty-eight seminars for students and seven seminars for teachers (in Estonian and English) were carried out in 2020. Traditional summer and winter schools for LIFE teachers were also held.

2.3.2 Feedback system for formal education

It was planned to study the satisfaction of the members of the University with the feedback system and proposals for development in spring 2020. The survey of employees was postponed due to the establishment of the emergency. Based on the feedback from students, the respondents are fairly satisfied with the system. In the future, more attention should be paid to raising students' awareness of the system.

In order to improve the system and map the need for systematic development activities, a working group was formed in autumn in order to better position the ÕIS feedback and its connection with other fields and the systems of collecting feedback. The order of the Vice-Rector for Academic Affairs "Procedure for feedback on formal education in TU" was prepared in autumn 2020 and established on 8 January 2021.

A brief overview of the results of feedback based on the courses of the 2019/2020 academic year by topics:

Activities of lecturers in shaping the learning environment

The skill of 869 teachers to create an environment that supports learning at all levels of higher education was assessed. The assessments divided similarly at different levels. The majority, i.e. 94% of the respondents, were either very satisfied (82%) or fairly satisfied (12%) with the skill of lecturers to establish a supportive learning environment, 5% of the students neither satisfied or dissatisfied, and only 1% were dissatisfied.

Systemic nature and integrity of courses

Satisfaction with the organisation of 2,558 subjects was assessed at all levels of higher education. The assessments divided similarly at different levels. 77% of the respondents rated their experience of the system and integrity of their course with a score of 4.5–5, i.e. they were fairly satisfied, 15% with a scope of 3.5–4.5, 6% with 2.5–3.5 and only 2% of the respondents rated it with a score below 2.5, i.e. their satisfaction was fairly low.

Learners in the learning environment

The statements used were largely connected to each other like in the previous year and the general tendency was that the responses were inclined towards a positive opinion of the learners in terms of own interest, the ability to complete the topics as well as the experience of effort (average scores 4.3–4.7). There were also some differences in the responses by study levels, where the scores given by level I learners were somewhat lower that others in terms of several factors. For instance, the rating given by level I students to the different components related to interest is statistically significantly lower (the importance of understanding the topics of the course, interest in the broader thematic field of the course and the appeal of the topics covered by the course).

Supervision

387 students responded to the supervision questionnaire in 2020, 50% of whom had already submitted their graduation thesis for defence by the time they responded. The rest of them rated the ongoing supervision process. There were no differences in the opinions of the students in terms of study levels and the schools where they studied. There were also no differences between students of different years, but there were differences in the ratings of respondents in terms of country of origin and between respondents who had already submitted their thesis for defence and those who had not yet done so. The analysis revealed that the rating of international students of their own planning capability was statistically significantly lower (M=4.2; M=4.4), as was their rating of the existence of supervisor's support (M= 4.5 and M=4.0). The students who had submitted their theses for defence had a higher opinion of their planning ability when working (for example, adherence to agreements; M=4.5; M=4.3)

and of the existence of the supervisor's support (M=4.6; M=4.2. These factors were also generally rated as higher than average. For example, the motivation to finish the thesis (interest and effort experience) of the students who had submitted their thesis differed considerably in comparison with the students who had not submitted their thesis (M=4.5; M=3.9).

2.3.3 Adherence to academic practices

The sub-working group of the working group on ethics established in 2019 focused on the preparation of the good academic practices of the TU (incl. the Good Practice of Instruction and Instruction, the Good Practice of Learning) in 2020, which will be approved next year.

In autumn semester 2020, students carried out a quantitative survey of the forms of plagiarism and their frequency within the framework of the LIFE project (supervisors Kersti Papson, Avo-Rein Tereping), which included the collection of statistics on plagiarism across the University. The results of the survey have been published in full on the University's intranet and in its research repository ETERA[22].

Some of the most important results of the LIFE project:

- 5% of the students who participated in the survey knowingly presented someone else's work for assessment as their own, 2% of the students admitted to using the services offered for money (essay factories etc.);
- 8.87% of the respondents have considered purchasing work and 13.48% have considered doing the work for others;
- the awareness of students in terms of recognising and avoiding self-plagiarism is low;
- the students' awareness of plagiarism increases when studying at the University – awareness is higher at every subsequent level.

Workshops on academic ethics, incl. on plagiarism and the use of plagiarism detection software, are constantly organised for teachers. In autumn 2020 two workshops were organised for the lecturers of the Tallinn University of Technology.

In spring 2020 the TU shared its experience of LIFE projects on plagiarism at the annual conference of the ENAI (presentation by Heili Einasto, Kersti Papson).

2.3.4 Developments of the organisation of studies and the study information system

The underlying document which regulates the organisation of studies – the Study Regulations – was amended twice in 2020. The most significant changes with regard to the organisation of studies were as follows:

- giving doctoral students an exemption from compensation of study expenses;
- giving the students working in the office of the student body from compensation of study expenses during working;
- allowing students to take academic leave during a semester for other reasons.

The biggest changes in the Study Information System in 2020 are related to the transition to the new platform – the role of the teacher in the old system (ÕIS) was closed and a new role in ÕIS2 was introduced to the full extent. The form and functionality of course descriptions and course programmes was updated during the amendment. The transfer of the following roles (the offices of academic units, the Academic Affairs Office) to ÕIS2 is being prepared.

An update was added for students, which allows them to independently obtain a certificate of their studies with a digital stamp from the ÕIS. In order to implement the Higher Education Act of 2019 in full, the functionality of graduation procedure was created in the ÕIS, which guarantees that a BA degree is issued to those who complete the professional higher education curriculum as of 2019.

The biggest changes in the organisation of studies in 2020 came from the global SARS-CoV-2 pandemic, which challenged the teaching staff, the students and the support staff. On 12 March 2020 the Government of the Republic of Estonia declared an emergency, which prohibited instruction on the premises of universities in full. On 18 May 2020 the emergency was replaced with a health-related

[22] https://www.etera.ee/zoom/108163/view

emergency, which permitted continuing with instruction at the University Campus to a limited extent. Due to the emergency, the University had to respond quickly and transfer to distance learning. Although digital tools had been used at the University before to support instruction, such a large-scale and predominant use of digital solutions was a challenge. According to the survey carried out in the TU[23], 60% of the surveyed lecturers and 43% of the students felt an increase in their workload during the spring semester in 2020. The increase in the workload of the teaching staff was mainly caused by e-communication and giving feedback, as well as by the reorganisation of instruction.

The following was accomplished as a result of cooperation and joint efforts:

- need-based guidelines supporting digital studies for beginners and advances learners were prepared[24];
- digital learning efforts were supported at the University (e-learning centre, HTI, DTI) as well as within academic units;
- previously unused technical solutions (e.g. the Zoom environment) were taken in use, the University's hardware supporting digital learning was upgraded and the hardware-related problems of the students were solved on the initiative of the board of the student body.

The survey of students[25] revealed that in several subjects, teachers initially planned too much independent work and adjustments were made later. The biggest issues in learning mentioned by the students were coping with time planning and self-management, lack of learning skills, low perception of involvement in studies and a home environment that does not favour learning (working at home and looking after children at the same time). According to teachers, the general communication of students (incl. changing group support and social relationships) changed and more anxiety, stress and adaptation difficulties were felt (see also Curricula and students). Looking at the free answers about coping with distance learning given by the students in the study course survey, we see that the concerns are similar to those pointed out in the survey. In terms of satisfaction, the students mostly recognised the flexibility of the university in the fast transition to distance learning and highlighted the suitability of such an arrangement in the case of evening lectures with higher numbers of students and the option to watch recordings of the lectures later.

Although most of the exams, prelims and graduations scheduled for spring semester 2020 took place before the end of the semester, the deadlines for completing several practical subjects and internships had to be extended to summer months.

The University prepared a four-stage action plan of risk levels by autumn semester 2020, which was based on the experience gained in the spring semester. In reality, the action plan was only used during the first semester, because later the state's practice differed considerably from the plan later on. The possibility of contact studies was maintained until the end of the period of contact studies. This mean that infected people visited the University and their close contacts had to be mapped, but it meant that students could achieve the learning outcomes that can only be acquired in contact studies.

In October 2020 the Estonian Quality Agency for Higher and Vocational Education carried out a survey[26] on how higher education institutions coped in the conditions of SARS-CoV-2. It admitted that higher education institutions coped well in general, despite the fact that their starting points in terms of capability were different. Similar to other Estonian higher education institutions, the drop-out rate in TU did not increase, but academic success (grades) improved. The use of undeveloped assessment methods, the lenience of teaching staff as well as the use of non-academic methods during examinations can be considered the reasons of the improvement of grades. Although the emergency seriously restricted movement and thereby gave opportunities for concentration, it became evident that concentrating was difficult for family people who had to share their time and digital tools with their

[23] K.Poom-Valickis, K.Aus, T.Väljataga, K.Rumma, K.Tammets. Main Results of Survey of Distance Learning of Tallinn University, 2020

[24] www.tlu.ee/eope

[25] K.Poom-Valickis, K.Aus, T.Väljataga, K.Rumma, K.Tammets. Main Results of Survey of Distance Learning of Tallinn University, 2020

[26] Coping ability of higher education institutions during the forced distance learning period from March to June 2020, Estonian Quality Agency for Higher and Vocational Education, 2020

children who had to do schoolwork. The successes specified in the survey were the significant increase in the digital competencies of the teaching staff and increase in cooperation. Social isolation and the increase in the workload were considered the biggest challenges.

In the autumn semester of 2020 the Vice-Rector for Academic Affairs called a working group whose goal is to prepare the digital education strategy of the Tallinn University, which will help amplify its accomplishments and set new goals for the future.

2.4 Opinion of the Vice-Rector for Academic Affairs of the development of the area

2020 was exceptional for the organisation of studies at the Tallinn University, as it was for the whole world. The spread of the SARS-CoV-2 pandemic forced our teaching staff and students to quickly adapt to the new conditions. Our tolerance of uncertainty, cooperation, good relations and flexibility were challenged. Many people had difficult moments, but we managed to overcome them thanks to our joint efforts.

The University took several measures to quickly adapt to the new situation, e.g. the creation of the so-called network of the digitally strong, a new video recording room, better WiFi, the creation and introduction of the necessary guidelines, regular provision of virtual study rooms to staff, etc.

Last year, the SARS-CoV-2 pandemic had a negative impact on the achievement of the University's international goals. The share of TU students who participated in studies abroad (1.8%) decreased significantly, the number of international students decreased at the same time and the admission of international students suffered (the share of admitted international students among all admitted students decreased significantly (*ca* 15% in 2018 and *ca* 9% in 2020). The dispersed learning (simultaneous contact learning physically in the University's rooms as well as online for students abroad) tested in foreign-language curricula in the autumn semester proved to be a difficult challenge to both the students and the teaching staff. However, the readiness of units to test new options deserves recognition.

In recent years, we have considerably reduced admission to curricula in Estonian due to the limitation of resources. In autumn 2020, 4.7% fewer students enrolled at level I, 8.4% fewer students at level II and 16% fewer students at level III in the Tallinn University when compared to 2019.

The LIFE subject is consistently developed in order to support the development of the general competencies of the students. Ninety-eight LIFE projects were carried out in 2020. It must be noted that 21 projects were supervised by students (there were only 9 student supervisors in 2019). LIFE projects were supervised by 125 University employees in 2020. 270 employees of the University have been involved in the supervision of a LIFE subject from 2016–2020.

The biggest development of the year was the creation of the new interdisciplinary format Large LIFE. The launch of five Large LIFE modules is planned for 2021.

A survey of the satisfaction of students with the feedback system indicated that the respondents were fairly satisfied with the feedback system. We will try to update the system in the next year according to the proposals made in the feedback, so that the requests of students are taken into account even more.

I would like to thank all members of the university for their courtesy, mutual understanding and good will! I would like to the teachers who made their best efforts to offer the students a learning experience befitting higher education! I would like to thank the students who, despite the complicated conditions, made an effort to learn! Thanks to your efforts, the development of academic activities in the Tallinn University can be considered successful in 2020 as well.

3 Management, membership and finances

3.1 Objectives of the University in management, membership and finances

In order to support the strategic objectives of Tallinn University, carrying principles of activity have been defined in the Tallinn University Development Plan 2020–2022. Those principles also form a basis for the sub-objectives of processes related to management, membership and finances (Table 13).

Table 13. The University's activity principles in management as sub-objectives and with expected outcomes

Activity principle	The University is interdisciplinary in its activities	The University is international	The University demands excellence and sustainability
Sub-objectives	- Support for the interdisciplinary approach is reflected in funding principles and work organisation	- University members actively participate in the international research and study community. - The University's information and work environment is bilingual.	- The University has a uniform identity and motivated employees. - The University is financially sustainable.
Expected outcome	- The satisfaction of academic employees with work organisation which supports interdisciplinary activities has improved. - The number of strategic partners of the University in the private and public sectors has increased.	- The share of international academic staff has increased. - The number of academic staff members who have worked abroad for a long time has increased. - The satisfaction of international staff members with the English information space of the University has improved.	- The satisfaction of staff with management has improved. - The University's revenue base per staff member has increased. - The average salary of staff members has increased.

The achievement of the objectives of Tallinn University can be assessed on the basis of implemented activities and key indicators. Table 14 shows the result for 2020, which is the initial level of assessment of the expected result for the development plan period.

Table 14. Level of key indicators of management, membership and finances in 2020

	Key indicator	2020
Interdisciplinary approach	Satisfaction of academic employees with work organisation which supports interdisciplinary activities [27]	4.12
	number of strategic partners in private and public sectors	98
Internationalisation	share of international academic staff members	15.32
	number of academic staff members who have worked abroad for a long time	0.92
	satisfaction of international staff members with the English information space of the University	4.52
Demand for excellence and sustainability	satisfaction of staff with management	5.47
	The University's income base per employee	46,800.83
	average salary of the academic staff	2069.78

3.2 Governance

In 2020, a group of academicians of the Academy of Sciences nominated Rector of the University of Tallinn Tiit Land as a candidate in the election of the Rector of the Tallinn University of Technology. On 18 May, the TalTech Council elected Tiit Land its new record by secret ballot and he stepped into office as the Rector of TalTech on 1 September 2020. Vice-Rector for Academic Affairs Priit Reiska

[27] The satisfaction of staff members is measured on a seven-point scale.

has been acting as the Rector of the Tallinn University as of 1 September 2020.

Preparations for the election of the new Rector

The Tallinn University Act (GPCCA) stipulates that the Rector is elected for up to five years pursuant to the procedure provided for in the statutes of the University, pursuant to which the Council must form the electoral body at least six months before the end of the term of office of the present Rector, appoint its chairman, approve the deadlines for setting candidates and the election operations, establish the statute for election of the Rector and the terms and conditions of the contract to be entered into with the Rector.

On 25 September 2020 the Council formed the five-member electoral body, which consisted of Mati Heidmets (chairman), Suliko Liiv, Edith Sepp, Jaanus Terasmaa and the representative of the student body Helevi Jurjev. The deadlines for proposing candidates and election operations were established and the chairman of the electoral body declared the elections of the Rector, where the deadline for proposing candidates was 2 November. The electoral committee approved Professor Katrin Niglas and Professor Tõnu Viik as the candidates for the position of Rector.

On 13 November the Council established the statute for the election of the Rector on 1 February 2021. It was provided that, if necessary, the elections may be carried out as an e-session if so decided by the electoral body and voting by secret ballot will be organised on the TIVI voting platform. The Rector is elected by the electoral body of the University and its members all the members of the Council and the Senate, the University's professors and the representatives of the student body elected by the Student Council. The new Rector will be inaugurated on 17 May 2021.

Updates to TU management structure

The management structure of the Tallinn University changed as of 1 January 2020 as a result of the new Higher Education Act that entered into force on 1 September 2019 and the approved Tallinn University Act. Instead of the previous two governing bodies (the Senate and the Rector), the University has three governing bodies: the Council, the Senate and the Rector, which guarantees a more broad-based input for making management decisions and bigger inclusion. Governing bodies have different competences in governing the University, including the adoption of legal acts. In order to strengthen the ties between the University and society, the Council includes non-university members, who currently make up over half of the Council.

Competencies of new managing bodies:

- the Council is the governing body of the University responsible for the University's long-term and sustainable development and important decisions concerning economics, finances and capital, guaranteeing fulfilment of the University's goals;
- the Senate is the academic decision-making body of the University which is responsible for the research, development, creative and teaching activities of the University and ensures the high quality thereof;
- the Rector manages the University's day-to-day activities in accordance with the development plan, the budget and other strategical documents. The Rector assigns the number, areas of activity and competences of vice-Rectors and Administrative DiRectors in the Rectorate.

Institutional accreditation of the Tallinn University

Preparations for institutional accreditation (hereinafter IA) started in 2020. On 5 February 2020, the working group and schedule for preparing the self-analysis report of institutional accreditation of the TU were approved by an order of the Rector. The IA process and preparation of the self-analysis report was coordinated by Adviser to the Rectorate Brita Laurfeld and the preparation of the self-analysis reports of the curricula to be assessed was coordinated by Study Management Senior Specialist Kersti Papson. The working group consisted of 16 people. A more detailed action plan, schedule, deadline and principles of preparation of the report were agreed with the working group and responsibilities were divided between the members of the working group according to areas. A shared web folder was created for coordinating the work of the working group, collecting materials and preparing the report, which could be accessed by all members of the working group, the curators of the curricula to be assessed and

the people involved in the preparation of the report. The curator of the respective curriculum was responsible for compiling the self-analysis report of the curriculum.

Separate regular assessments of curriculum groups will no longer be carried out pursuant to the Higher Education Act that entered into force on 1 September 2019, but curricula will be assessed during institutional accreditation. In addition to the management, organisation of work, main processes and resources of the University, seven curricula were assessed this time:

1) modern languages and cultures of Europe, bachelor's studies;
2) integrated natural sciences, bachelor's studies;
3) law (Estonian curriculum), bachelor's studies;
4) law (English curriculum), bachelor's studies;
5) digital learning games, master's studies;
6) management of education innovation, master's studies;
7) health behaviour and well-being, doctoral studies.

Due to the SARS-CoV-2 pandemic, which paralysed the ordinary life of the University and required the attention and quick action of the members, the schedule could not be adhered to and the deadlines were changed in the course of the process. The initial deadline for submission of the self-analysis report agreed with the Estonian Quality Agency for Higher and Vocational Education (16 December 2020) was postponed by a month by agreement of the parties (to 15 January 2021).

The staff were informed of the preparation of the report and the IA process in the University's weekly newsletter, and the process was introduced and covered in working networks and at unit meetings and seminars. Other members of the university and external specialists, incl. students, were included in the preparation of the self-assessment report. Several internal specialists gave the expert opinions and made proposals for amendment of the materials of the prepared self-assessment report. The Rectorate introduced the IA process and the final report in the Council and Senate of the University.

The 12 members of the international assessment committee were coordinated with the University in December. This time, the assessment committee will visit the University virtually from 15 to 19 March 2021 due to the restrictions related to SARSCoV-2. The final decision on the accreditation of the University will be made by the assessment council of the Estonian Quality Agency for Higher and Vocational Education by June 2021.

University in world rankings

The Tallinn University is still ranked high in the world and belongs among the top 5% of the world's universities. The TU managed to keep its positions in the rankings in 2020: the TU ranks from 801–1000 in the QS World University Rankings (QS WUR) for the third and in the World University Rankings (THE WUR) for the second year. The last two years have been stable in regional rankings as well: 71st place in the QS WUR Emerging Europe Central Asia Rankings and ranked 201–250 in THE WUR Emerging Economies University Rankings.

The biggest changes have primarily occurred in sector-specific rankings – similarly to other major Estonian universities, the TU has increased its representation and partially improved its results. In 2020 the TU entered the QS WUR Subject rankings for the first time with educational sciences in the position of 251–300 and, after a year's break, was once again represented with sociology as well (301–320). The TU was represented in THE WUR Subject rankings with the area of social sciences for the first time in 2020 (401–500) and improved its results in educational sciences (from 400+ to 301–400). Arts and humanities is the only area that has dropped in the rankings (from 301–400 to 401–500).

All in all, there are increasingly more strong newcomers in the rankings every year and keeping one's position is also an excellent results at the moment. The only Estonian university that managed to improve its positions in the QS WUR and THE WUR rankings alike is the University of Tartu whilst the position of TalTech in the QS WUR has dropped compared to the previous year.

3.3 Sustainable development

The vision of the University is to be a pioneer of smart living in Estonia and to implement the principles of sustainable development even more and better than before. The Rector therefore decided to establish

the half-time position of Vice-Rector for Sustainable Development. Professor and Senior Research Fellow in Cultural Geography Helen Sooväli-Sepping started working as the Vice-Rector for Sustainable Development on 15 January 2020.

Sustainable development is a horizontal area that runs through the activities and processes of the university. Activities in the field of sustainable development were carried out in 2020:

- the development of activities in the field of sustainable development of the TU started. A working group was formed for this purpose, which prepared a draft of the activities, which was sent to the membership for feedback. The document will be ready in 2021;
- a point was added to the study organisation regulation according to which the BA and MA programme must be changed in such a manner that they would include knowledge of sustainable development;
- a working group on mapping curricula was formed, which will create a framework for mapping the subjects of sustainable development in curricula and develop a framework for integrating the subject of sustainable development in curricula;
- internationalisation occurred: participation of foreign universities in the working group on mapping curricula for the purpose of learning from the best practices, participation in the work of networks (UNICA, BUP);
- procurement descriptions were prepared and amended in cooperation with the Property Department to make them more environmentally friendly;
- the needs of the waste management system of the University Campus, the Academic Library and the Räägu Street study building were mapped in order to apply a waste management system in each building;
- media initiatives related to environmental awareness and sustainable development were launched: the cross-university series Green Revolution Forum, the section of green news in the Weekly Information of the TU, blog of the Vice-Rector for Sustainable Development;
- the quarter-time position of a psychologist was created for supporting mental health;
- the 2020 summer day of the support staff was dedicated to sustainable development in order to raise awareness of sustainable development and environmental awareness.

3.4 Employees and personnel work

In terms of full-time positions, the Tallinn University employed a total of 882 people in 2020, 49% of whom were academic staff and 51% non-academic staff. In terms of gender, 71% of the staff are women and 29% are men. The number of international employees in 2020 was 61 (50 in 2019 and 48 in 2018).

The number of full-time academic employees was 434.65. 141.57 of them had moved to the positions of the new academic career model applied in 2019 and 293.08 employees worked in the old system of positions. Since the positions of the old and new career models are no comparable, the division of employees by academic positions according to the old model is described in Table 15 and the division of employees by positions according to the new career model is given separately in Table 16.

Table 15. Number of academic employees in full-time equivalents by positions of the old career model, 2016–2020

		2016	2017	2018	2019	2020
Number of academic employees in full-time equivalents	**Total**	**409.15**	**393.26**	**393.66**	**392.19**	**293.08**
	junior research fellow	16.5	18.9	25.2	28.62	21.57
	teacher	18.3	15.45	14.65	18.60	11.95
	assistant	1.91	-	-	-	-
	researcher	23.05	32.52	39.57	39.0	28.62
	lecturer	162.56	147.66	130.2	135.05	103.02
	senior researcher	55.87	55.28	51.83	47.92	27.87
	associate professor	77.9	71.3	77.81	74.30	63.25
	research professor	3.4	3.8	3.00	2.0	2.0
	professor	49.65	48.35	51.40	46.80	34.8

Table 16. Number of academic employees in full-time equivalents by positions of the new career model, 2020[28]

Number of academic employees in full-time equivalents		**2020**
	Total	**141.57**
	teacher	7.08
	distinguished lecturer	4.5
	guest lecturer	11.55
	career levels in lecturer's position:	
	junior lecturer	5.75
	lecturer	8.05
	associate professor	19.55
	guest researcher	4.6
	career levels in researcher's position:	
	junior research fellow	27.61
	researcher	20.16
	senior researcher	14.8
	professor with targeted financing	2.5
	distinguished professor	2.0
	guest professor	2.2
	career levels of professor's position in tenure system:	
	co-professor	7.0
	professor	4.0
	leading professor	-

The proportion of academic employees with a Doctor's degree or a corresponding qualification was 58% in 2020 (59% in 2019; 61% in 2018; 62% in 2017; 2016 in 60% and 49% in 2015). The small decline is related to the increase in the share of junior researchers and the creation of the position of a junior lecturer, as neither of these requires a PhD. The share of professors among academic staff was 12%. The share of international academic employees continues to increase – it was 15.32% in 2020 (13.11% in 2019, 12.4% in 2018, 10.7% in 2017, 11.3 in 2016 and 9.02% in 2015). 62% of the academic staff are women and 38% are men. The average age of academic employees is 46 years.

The number of non-academic employees in full-time equivalents has increased a little in comparison with previous years – 448 (421 in 2019, 422 in 2018, 437 in 2017 and 429 in 2016). The number of non-academic employees increased mainly in the Academic Library, but also academic units in relation to supporting project work. In 2020, 39% of all non-academic employees worked in academic units, 41% in support units and 20% in the Academic Library.

Overview of the development of HR work

The transition to the career model that entered into force in September 2019 continued and the positions of professors of the tenure system were filled for the first time. This was a new process that needed clarification and support, and also some further development on the basis of the initial experience gained. Because of the SARS-CoV-2 pandemic and in order to make it possible to carry out personal elections related to competitions by secret ballot without physical meetings, the possibility to conduct such voting electronically was also created.

An important keyword in 2020 was remote work, which also came under focus because of the SARS-CoV-2 pandemic. Although many (especially academic) employees have been working remotely for a long time, almost all of the university employees immediately started working remotely due to the emergency declared because of the pandemic. Remote work guidelines were created in order to support both employees and managers, which included the main cross-university agreements on the organisation of remote work and the main topics related to remote work from the organisation of the communication of the remote work team to the creation of a safe and ergonomic workplace at the remote workplace.

A quarter-time position of employee counsellor (psychologist) was established in relation to the

[28] The old career model also includes positions of guest lecturer, guest professor and guest researcher, but these positions are reflected in the number of positions of lecturer, professor and researcher, respectively, and they have not been separately highlighted.

university's goal to increase the focus on the mental health issues of employees. Employees can contact the counsellor in the case of work-related problems or personal problems. Secondly, the task of the counselor is to advise the university on the issues of supporting the mental health of employees. Employees used the option to speak to the counsellor on 27 occasions, some of which were repeated meetings. In one case, the counsellor helped the head of the unit to find solutions in connection with the complaints of employees about the bad psychological working environment. Employees contacted the counsellor in issues concerning working life (relationships between colleagues, division of labour) as well as personal life (family relationships, incl. problems related to raising children, anxiety, mourning).

3.4.1 Filling academic positions

The Senate created 55 positions of professors in the tenure system, which will be filled during the period of transition to the new career model from 1 September 2019 to 31 August 2024 (29 of which will be filled by way of public competitions and 26 via attestation). The first public competition for filling 10 positions of professors in the tenure system was carried out spring 2020. By the end of 2020, 11 out of the 55 positions established by the Senate had been filled, including seven with competitions, and four employees were found to be suitable for the position by way of attestation.

Only the positions of the new career model were filled with the public competition organised at the university in 2020. The competition was announced for filling 50 positions, incl. 10 professors of the tenure system, 28 career path positions of lecturers (five associated professors and three junior lecturers), three teachers, one senior researcher and eight researcher positions. As a rule, the academic staff have indefinite employment contracts and a public competition must only be organised for filling new positions or if a vacancy opens. As a result of this, the number of public competitions has continued to decline compared to previous years.

In the lecturer's career path, a competition was generally announced on the basis of career oaths, i.e. it was possible to apply by complying with the requirements to positions at levels I, II and III of the lecturer's career path. If the applicant did not meet all the professional requirements of a lecturer (didn't have a PhD or sufficient prior work experience), but met the requirements of the position of junior lecturer of the lecturer's career path (had been enrolled or planned to enrol in the doctoral programme or was an external student), their candidacy could be taken into account and their suitability for working on the lecturer's career path could be assessed). Those who start working as a junior lecturer can move on to the position of lecturer by way of attestation in the future.

In total, there were 183 applicants for all positions and 83 of them, who met the formal and professional requirements for academic positions, were allowed to take part in the competition. Competition is still the highest for positions where the employee is not expected to be proficient in the Estonian language upon the commencement of employment (however, the selected employee must start learning Estonian). As most of the applicants for positions in the tenure system were not expected to be proficient in Estonian, the number of applicants for these positions was very hight (e.g. 27 applicants for the position of professor of Chinese studies, 20 applicants for professor of Russian studies). The competition for the position of researcher of cultural data analysis, the position of senior researcher of the ERC project and the positions of researcher of the ERC project was also high. Therefore, the average number of applicants for the positions was significantly higher than in previous years – 1.66 for all positions (1.45 in 2019, 1.17 in 2018).

However, the proportion of applicants allowed to participate in the competition among all applicants decreased compared to previous years. In the case of several competitions, the committees that assessed the applicants used the preliminary selection option set out in the regulation of employment relationships. This means that if there are three or more applicants who comply with the requirements, the committee will make a preliminary selection and only the best applicants will be presented to the experts for assessment. The selection made by the committee must be unbiased and based on specific indicators, which make it possible to explain why the committee decided that one of the applicants was stronger and did not include another applicant in the preliminary selection. The applicants whose field of research was very different from the project or field of research related to the position or whose previous academic work or research effort did not meet the level required in the position as well as

applicants who had not supervised PhD students were eliminated from the competition when the preliminary selection was made. 45% of all applicants were allowed to enter the competitions in 2020 (77% in 2019 and 72% in 2018).

Thirty-six of 50 positions were filled by way of competitions. Competitions for 14 positions failed: none of the applicants met the professional requirements in the case of five positions, none of the applicants was selected in the case of five positions, no applications were received by the deadline for three positions and one applicant pulled out of the competition before the elections (they were the only applicant for the position). The share of successful competitions has decreased in the last five years in comparison with unsuccessful competitions, which means that finding suitable employees with public competitions is increasingly more difficult (the share of unsuccessful competitions has increased by 12% in five years).

The figures for the competitions and filling of academic positions in recent years are presented in Figure 7.

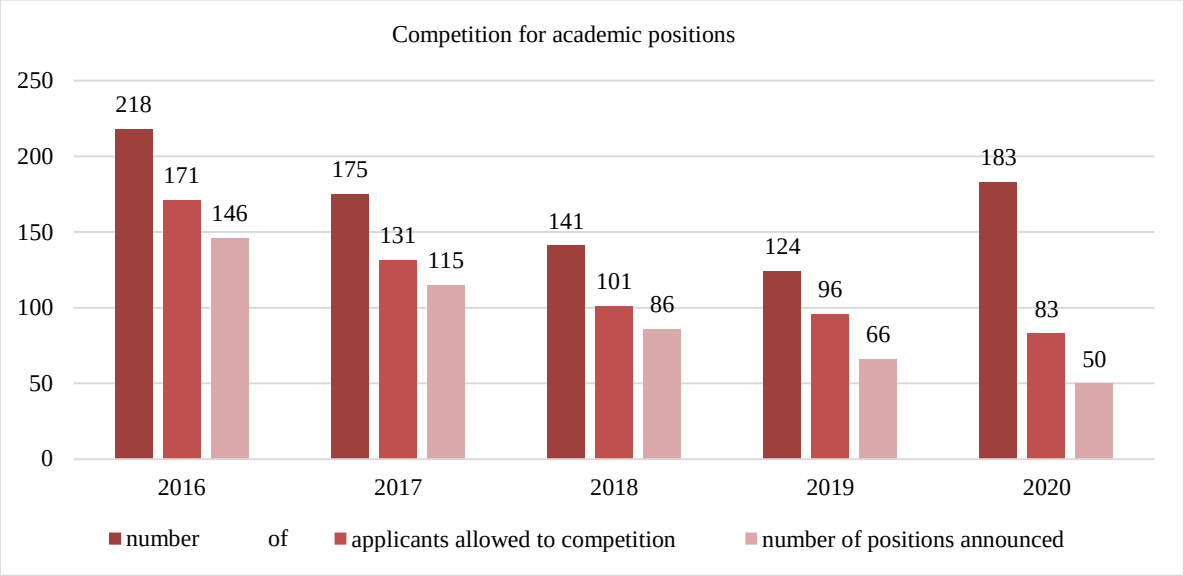


Figure 7. Competition for academic positions in 2016–2020

In addition to public competitions, other options for filling positions were also used. Winning a competition organised outside the university, which involves financing research and development and, in the case of filling the position of junior researcher, enrolment in doctoral studies in the TU, is equalised with winning a public competition. Academic positions were also filled by inviting guest employees (who may be invited to perform academic work or research without a public competition) and by appointment (for the performance of fixed-term work or filling a position due to the failure of a public competition). People also moved to the positions of the new career model by way of attestation (67 employees).

3.4.2 Labour turnover at the University

The staff turnover rates were lower in 2020 than in recent years. The total staff turnover in the university in 2020 was 8.1% (11.7% in 2019, 12.2% in 2018 and 12.6% in 2017) and 2.2% of this was voluntary turnover (4.1% in 2019 and 4.8% in 2018). The voluntary turnover of academic staff was 0.4% (2.2% in 2019 and 1.1% in 2018) and the voluntary turnover of non-academic staff was 4.2% (6.2% in 2019 and 8.8% in 2018).[29] This was probably also affected by the SARS-CoV-2 pandemic, which made employees more cautious and changing jobs may have also been more difficult than in previous years. The staff turnover at the university from 2016–2020 is shown on Figure 8.

[29] The total turnover includes all terminated employment relationships, on the initiative of both the employee and the employer. Voluntary turnover includes the termination of the employment relationship upon the initiative of the employee or upon the agreement of the parties.

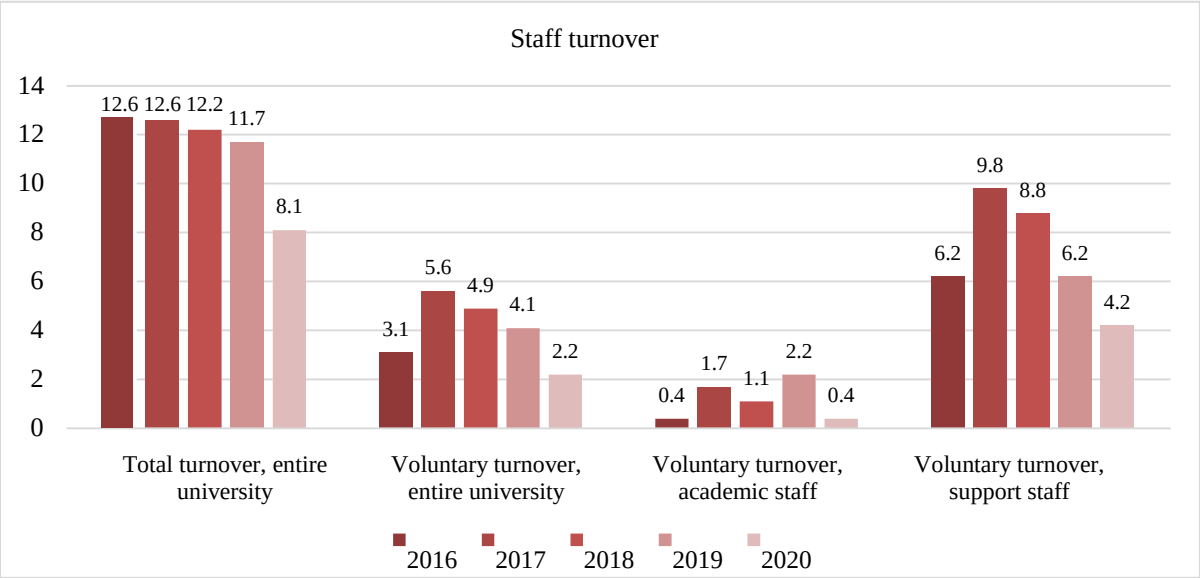


Figure 8. Staff turnover at the university from 2016–2020

3.4.3 Remuneration of employees

Personnel expenses comprised 68.4% of the University's expenses in 2020 (63.7% in 2019, 62,3% in 2018 and 59.4% in 2017). The average basic salary of academic staff (total of for the positions of both the old and new career models) has increased slightly in comparison with the previous year: The average basic salary of academic employees was 2,070 euros in 2020 (2,000 euros in 2019, 1,818 euros in 2018, 1,621 euros in 2017 and 1,546 euros in 2016. The proportion of variable salary in the total salary was 9%, which is on the same scale as in previous years (8% in 2019, 10% in 2018, 9% in 2017 and 9% in 2016).

The University continued to compensate 100% of average salary to staff members for the second and third day on sick leave, remuneration for the days spent on child care leave was paid on the basis of the staff member's average salary and it was possible to apply for a funeral allowance of 250 euros.

Satisfaction of employees with remuneration

The employee satisfaction survey focuses on the satisfaction of employees with remuneration in two aspects: satisfaction with salaries and satisfaction with the correspondence of the remuneration to their contribution. Satisfaction is measured on a seven-point scale. Employees are the most satisfied with the content of work and cooperation with immediate colleagues. They are the most critical about their remuneration, more specifically its correspondence to their work contribution. In general, the differences in the average indicators of academic and non-academic employees have decreased compared to 2019.

Satisfaction with remuneration is increasing: the average satisfaction of employees with their remuneration was 4.1 in 2020, 3.69 in 2019 and 3.60 in 2018. The satisfaction of academic staff members with their remuneration is 3.97 (3.45 in 2019 and 3.3 in 2018) and the satisfaction of non-academic staff is 4.34 (4.01 in 2019 and 3.94 in 2018).

The satisfaction of employees with the correspondence of their remuneration to their contribution has increased over the years and was 4.52 in 2020 (4.22 in 2019, 4.13 in 2018 and 3.76 in 2017), incl. the satisfaction of academic staff is 4.37 (3.98 in 2019, 3.88 in 2018 and 3.29 in 2017) and the satisfaction of non-academic staff is 4.77 (4.52 in 2019, 4.47 in 2018 and 4.32 in 2017).

The trend in the free replies where employees are asked to describe what could change in their work in the coming years are changing. The most frequent proposals in previous years have been related to the workload and the balance between the remuneration and workload, the largest number of proposals in 2020 were related to day-to-day management and work organisation (40% of the proposals), and the

issues related to feedback, inclusion and recognition were mentioned the most. 29% of the submitted responses were related to remuneration and 27% to the balance of remuneration and workload. Approximately 12% of the responses focused on the uncertainties concerning the future.

3.4.4 Staff development

The network of supporting the professional development of employees established in 2019 prepared the staff development principles of the University in order to plan and organise staff development activities more systematically and comprehensively. Among others, the principles are necessary because the activities and responsibilities in the field are divided between different units and a common understanding of the objectives of staff development and agreements for the organisation of activities are required for the better functioning of the system.

The main staff development activities in 2020 were related to language training and other activities supporting internationalisation, the development of general working skills as well as teaching and supervision skills.

The number of formal and refresher training courses in English and Estonian was the biggest. Interest in higher-level courses of conversational English was bigger. Estonian language courses were offered at beginner and medium levels and were also aimed at international academic employees, who are expected to start learning Estonian upon the commencement of employment on the basis of indefinite employment contracts and achieve the B1 proficiency level in three years and the B2 level in five years. The series of intercultural communication training continued. The goal of the training was to better understand different cultures and to make the communication process as pleasant and smooth as possible for our foreign colleagues and students.

The usual training in the University's information systems and databases, the speech and voice training for academic staff, the information hours about attestation, training in the interpretation and organisation of performance appraisals in unit and visual presentation training was also carried out in order to support the general work-related skills. The employees of support units could participate in the summer day, where the circular economy model was introduced and the issue of environmental sustainability in the University's environment was discussed. In individual cases, the employees of the University used the opportunity to participate in the formal education subjects offered by the University in order to improve their professional skills.

The cross-school lecturer's researchLIFE project, which is aimed at studying and developing teaching on the basis of science and experiencing the best practices, commenced in the field of teaching and supervision skills. Training aimed at teachers was organised in the topics of curriculum development, supervision of student work, assessment and feedback, and teaching methods.

Remote work became a new area of training because of the SARS-CoV-2 pandemic. Virtual chats were organised for introducing this, where the University's employees and an external expert discussed various topics related to remote work. The chats held in this format can also be viewed online.

A lot of training events and development activities took place online because of the SARS-CoV-2 pandemic. For example, whilst the number of participants in language training was somewhat smaller than in previous years, as online learning were not suitable for all students, using the online format created ended up creating additional participation options, as everyone could take part from any place with an Internet connection.

3.4.5 Employee mobility

The Archimedes Foundation allocated 178,500 euros to TU for the 2019/2020 study year within the scope of the Erasmus+ programme, which was used to cover the travel expenses of 170 employees (incl. 90 teaching trips and 80 training trips). All mobility in 2020 was funded from this amount.

As expected, the SARS-CoV-2 pandemic had a significant impact on employee mobility. Due to the emergency that started in March 2020, it was impossible for employees to be mobile for a long time and the majority of the planned mobility – 39 training and teaching events in total – was cancelled. This involved a lot of work and administration in order to recover, among others, the travel and accommodation expenses already incurred. The European Commission proposed the option of virtual

mobility as of early October, which means that both teaching and training could only be carried out virtually and no support was paid. However, interest in virtual mobility was modest, because the bureaucracy associated with this was no longer compensated by travelling and face-to-face communication. This was also influenced by the fact that the reorganisation of on-site studies at the university into virtual environments increased the usual workload, and the integration of virtual instruction into the partner's timetable was not always easy, and the technical capability of partners in carrying out virtual cooperation is not always high either.

Eighty-three Erasmus+ mobilities were taken into account in 2020 (207 in 2019, 113 in 2018 and 144 in 2017), 55 of which were cases training and 28 cases were teaching mobility. Six training and 12 teaching mobilities were held physically and 23 training mobilities were held virtually. The number of cancelled training mobilities was 26.

The restrictions related to the SARS-CoV-2 pandemic also drastically reduced the share of academic employees who had worked abroad for a long time. This indicator was 0.92% in 2020 (10.47% in 2019 and 12.63% in 2018).

3.5 Marketing and image development

2020 marks a year of crisis and replanning in marketing and communication activities. Despite the turbulent changes in society, the established plans were still executed.

3.5.1 Marketing of formal education, open learning and continuing education

The objectives related to formal education, open learning and continuing education at Tallinn University, which were supported by marketing and communications in 2020, were the same as in 2019:

1. increased competition and the number of students (including international students) admitted with higher admission results to marketed tuition-based (incl. in English) study programmes in areas of responsibility;
2. increased financial volume of open learning;
3. increased financial volume of continuing education and knowledge-based services.

The admissions campaign of 2020 was an updated version of the campaign of 2019: the three sub-messages of the message "A new era needs..." were used to attract the attention of people focused on new solutions in a situation of crisis. The message "A new era needs a new kind of leaders" refers to a rapidly developing university, which belongs among the top 5% in the world. The message "A new era needs a new kind of pioneers" speaks to those who want to understand people, technology and the environment as a whole. The message "A new era needs a new kind of guides" continues identifying the University as a carrier of educational institution.

The campaign was carried out in social media (Facebook, Instagram, YouTube), as Google Display advertisements, in outdoor media (digital screens and bus stops), advertisements in Estonian and Russian radio stations, as content marketing articles in Delfi, on Äripäev radio (special show "Tallinn University on air") on YouTube as a weekly clip from the University's youtuber, in the social media channels and information lists of the Estonian Association of Student Representations. In addition to the campaign, academic units also carried out marketing activities arising from the specific priorities of the units, which were centrally supported with money as well as knowledge and skills.

In addition to the campaign, advertising activities were carried out all year round in the Google network as well as in Estonia and on six international target markets: Finland, Russia, Turkey, Ukraine, Georgia and Latvia. The year-round advertising campaign of continuing education went on and separate campaigns for open degree studies and the student academy were carried out twice a year.

Until the start of the corona crisis, the TU continued participating in education fairs, county information and career days, visiting schools where it organised information hours, lectures and workshops to introduce the university, welcoming groups at the University to introduce the campus and the specialities, and the organisation of marketing events (such as open days, student shadowing). The student academy project launched to support marketing, the international summer and winter school and the programme of student deputies were launched. The suitable marketing activities were moved to the web when the crisis started in spring – virtual visits to the school and introductions of specialities

were offered.

The University is represented in the most commonly used education portals and information was also actively forwarded to potential students and continuing education learners via social media and newsletters. Many events were held to introduce specialities and training courses. In addition to the open day, the information evenings of MA studies continued and their goal was to introduce the options of studying for an MA degree at all of the TU schools. Because of the corona situation, they were organised 100% virtually, while information events introducing the general conditions of admission at the BA and MA levels to the target group were also held in order to give applicants a sense of security in the changed situation and to offer a direct session questions and answers on the open platform.

The biggest development of the web was the creation and implementation of a training module: the TÕIS, which had performed the function of a training calendar so far remained a registration environment, but the marketing outputs of training are now presented on a separately created website format, which offers additional options via searching, sorting via target groups as well as creating connections. In the case of training, it's also possible to present all of the substantive information from the trainer to the volume of the training in a user-friendly manner.

3.5.2 Image-building of Tallinn University

In 2020, communication activities supported the following objectives related to image development and membership at Tallinn University:

1. the University is more visible and reputable among target groups and the public media environment (above all with regard to the RDC achievements);
2. satisfaction with the movement of information in units and the University has improved.

Presentation of internal information on the basis of sections, which streamlines the presentation of information and makes finding information easier for target groups, was implemented in order to improve the movement of internal information.

Crisis communication became one of the most important aspects in the University's communication in the corona situation in spring, and it played a particularly big role in internal communication. Prompt information on decisions was given to employees and students alike in Estonian and English with as little delay as possible. In addition to informing by letter, a continuously updated landing page that specified the rules related to the SARS-CoV-2 situation was added to the external web and it has remained in use for the entire duration of the spread of the virus. Virtual briefing session were organised in spring and autumn for informing employees and students and for open questions.

Several events, the occurrence of which had become questionable due to the circumstances, were carried despite the difficult times. The new Vita Building of the University was opened with a ceremony before the start of the social restrictions and both students and the staff contributed to its cultural programme. The usual version of the Tallinn University Day was cancelled due to the restrictions, but the recognition ceremony was carried out at the opening of the academic year – Rector Tiit Land passed on his duties to Acting Rector Priit Reiska at the same event. Flexibility in terms of dates allowed the University to organise all of the planned graduation ceremonies (in the courtyard for the first time), and an additional graduation ceremony was held in August for the graduates whose studies continued in summer. The restrictions was also taken into account in the organisation of the doctoral conferment ceremony.

In spring 2020 the Tallinn University initiated the online advisory series "Expert on Air", which is a good example of the high commitment of researchers, their activation capability and excellent cooperation with communication specialists at a critical moment in time. The initiative for the series came from researchers, the marketing and communication team quickly found an output with the biggest possible audience and a suitable platform, and the technical team helped develop a professional webpage from a Zoom seminar, which is still running today. The series continued in autumn 2020 with a broader goal that popularises science in order to raise various interesting issues in the society and communicate information on research outcomes. Attention has been paid to experts in their own fields, so that they can talk about and share what they are doing and what the results of their research have been in the areas of health, politics, education, art, law, etc. The series won national research populariser prize awarded by the ETAg.

The implementation of the communication plan of the rector's election started in the second half of the year. The plan consisted of the thematic opening of the election platforms of both candidates in the written and audiovisual formats and communicating them to the University's membership, as well as communication with the media and introducing the candidates outside the University.

The staff of the University rated the reputation of TU as an employer in 2020 with the average score of 4.83 (4.52 in 2019) in a satisfaction poll[30], whilst the average score given by academic staff was 4.76 (4.3 in 2019) and the score given by non-academic staff was 4.96 (s(4.82 in 2019). The average responses to the statement "I am proud that I work at TU" was 5.42 (5.32 in 2019 and 5,05 in 2018) – 5.38 in the case of academic staff (5.16 in 2019 and 4.89 in 2018) and 5.5 in the case of non-academic staff (5.55 in 2019 and 5.25 in 2018).

3.6 Financial activities

The Tallinn University's budget in 2020 was 39.9 million euros, which decreased by 1.97 million euros (4.7%) in comparison with 2019 (Table 17). Of the total volume of the 2020 budget, the budget of academic units made up 62% and includes six schools and one college (Figure 9). The budget of support units made up 26.7% of the budget and includes the units ensuring central support services, revenue earning support units and university-wide activities. The grants passed through by the University as the leading partner for the operating expenses of targeted financing in the amount of 1.37 million euros have not been included in the budget expenditure. There we no significant changes in the proportions of the budget division in comparison with 2019.

Table 17. Comparison of Tallinn University budget structure in 2019 and 2020 (thousand euros)

	2019 budget	**Implementation of the budget for 2019**		**2020 budget**	**Implementation of the budget for 2020**		**Comparison 2019-2020**
Academic units	24,433	24,197	57.8%	24,923	24,735	62.0%	538
Support units and university-wide activities	12,168	11,990	28.6%	12,499	10,667	26.7%	-1,323
Depreciation and impairment of fixed assets	2,084	1,883	4.5%	1,840	1,869	4.7%	-14
Academic Library	1,523	1,825	4.4%	2,074	2,065	5.2%	240
Funds	1,587	774	1.8%	1,185	902	2.3%	128
Supervisory board	0	0	0.0%	56	56	0.1%	56
Rectorate	430	455	1.1%	461	463	1.2%	8
Student body	156	145	0.3%	161	119	0.3%	-26
Profit/loss	-1,698	608	1.5%	-1912	-973	-2.4%	-1,581
TOTAL	**40,683**	**41,877**	**100.0%**	**41,287**	**39,904**	**100.0%**	**-1,973**

[30] The satisfaction of staff members is measured on a seven-point scale.

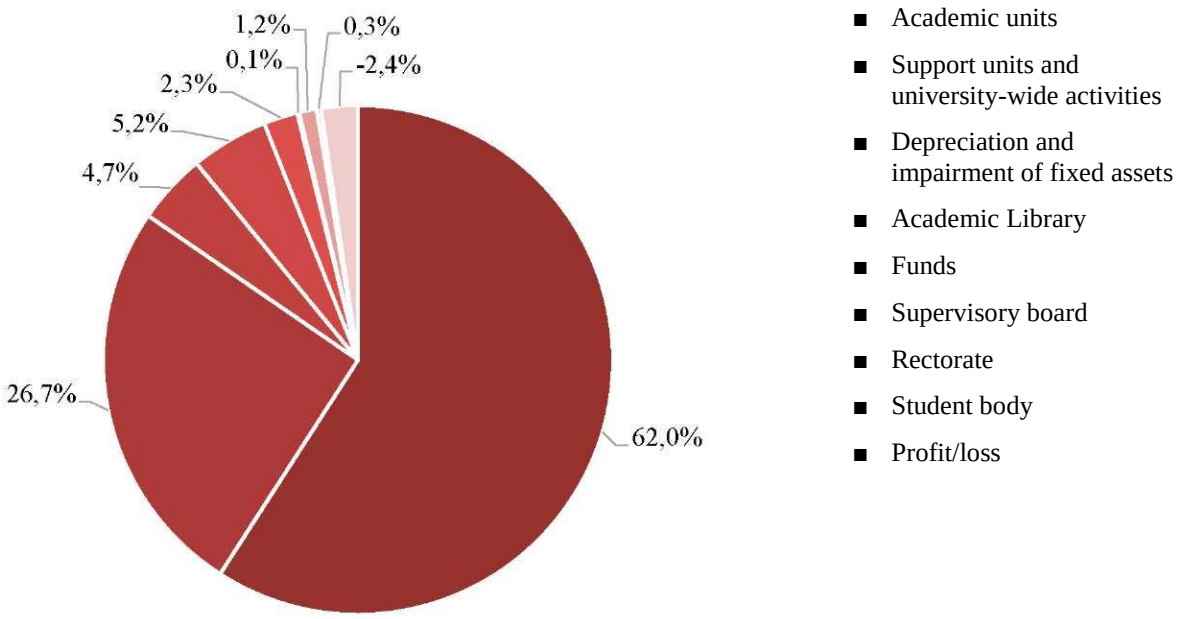


Figure 9. Proportions of TU budget structure in 2020

The University's revenue base is made up of revenue from the operating grant allocated by the MER, study income outside activity support, baseline research funding income, other RDC income, and other income (Table 18).

Table 18. Comparison of the University's budget revenue in 2019 and 2020 (thousand euros)

Revenue item	2019 budget	Implementation of the budget for 2019		2020 budget	Implementation of the budget for 2020		Comparison 2019-2020
Study activities	24,993	25,049	59.8%	24,785	25,096	62.9%	47
Research and development	14,902	15,995	38.2%	15,628	14,188	35.6%	-1,807
Other income	788	833	2.0%	874	620	1.6%	-213
TOTAL	**40,683**	**41,877**	**100.0%**	**41,287**	**39,904**	**100.0%**	**-1,973**

Pursuant to the funding agreement between the Ministry of Education and Research and the University for 2020, the amount of the operating grant allocated in 2020 was 20.62 million euros, incl. allocations for specific purposes in the amount of 1.86 million euros. The total volume of targeted allocations decreased by 0.26 million euros compared to 2019, because no targeted funds were allocated for special education teacher training in 2019. The operating grants allocated to academic units and the treasury increased by 0.44 million euros. The targeted allocations the operating grants of 2020 are the funds allocated to the organisation of teacher training, allocation to the University's library, grants to PhD students and the scholarship fund of students. In December 2020, the Ministry of Education and Research and the University signed an annex to the financing agreement in the amount of 0.45 million euros, adding targeted allocations for supporting regional studies, opening additional student places in special education and the curriculum of inclusive education. The University will draw down the additional allocations and recognise them as revenue from 2021-2023.

Study revenue outside activity support includes the service fees of formal education, revenue from continuing education, performance fees of PhD studies and other study activity income. Revenue from educational activities outside the operating grant decreased in 2020 by 17 million euros or 0.4% when compared to 2019.

The revenue from research, development and creative (RDC) activities includes the baseline research funding distributed by the Ministry of Education and Research, the revenue from research, development and creative activities funded by domestic (incl. the research grants funded by the state) and foreign financiers, and the revenue earned from the service contracts related to research, development and creative activities.

RDC income decreased in 2020 by 1.81 million or 11.3% in comparison with 2019. Revenue from government grants decreased by 1.03 million euros and revenue from service contracts by 0.9 million

euros. The grants passed through by the University as the leading partner for the operating expenses of targeted financing in the amount of 1.37 million euros have not been included in the budget revenue.

Other revenue includes the lease and rent income earned by units, the revenue earned by the Academic Library, the revenue of the TU Conference Centre, the sale of the books published, and the allocations for specific purposes outside the operating grant, which are education allowances and the allocation for covering student loans. Other revenue decreased by 0.21 million euros or 25.5% in 2020 when compared to 2019, incl. rent and lease revenue by 0.14 million euros or 30.5%.

Table 19. Comparison of the University's accounting expenses in 2019 and 2020 (thousands euros)

Cost item	2019		2020		Comparison 2019-2020
Grants issued	4,090	9.8%	4,673	11.1%	583
Operating expenses	7,575	18.1%	5,808	13.7%	-1,767
Staff costs	26,677	63.6%	28,910	68.4%	2,233
Depreciation and impairment of fixed assets	1,883	4.5%	1,869	4.4%	-14
Other operating expenses	1,663	4.0%	936	2.2%	-727
Financial income and expenses	36	0.1%	52	0.1%	16
TOTAL	**41,924**	**100.0%**	**42,248**	**100.0%**	**324**

The volume of expenses increased in 2020 by 0.32 million euros or 0.8% in comparison with 2019 (Table 19). There is a significant increase of 2.23 million euros in the row of labour costs. At the same time, management costs decreased by 1.77 million euros (incl. travel costs by 0.72 million euros) and other costs that are mainly related to management costs by 0.73 million euros.

Table 20. Main financial indicators from 2018–2020 (thousand euros)

Financial indicators	2018	2019	2020	Comparison 2018-2020
Operating income	40,625	42,533	41,274	1.6%
Operating expenses	38,415	40,005	40,326	5.0%
Depreciation of fixed assets	2,457	1,883	1,869	-23.9%
Total operating expenses	40,872	41,888	42,195	3.2%
Profit/loss for financial year	-248	608	-973	292.3%
Balance sheet volume	53,122	58,779	61,171	15.2%
Current assets	8,157	10,006	13,258	62.5%
Fixed assets	44,965	48,773	47,913	6.6%
Current liabilities	8,613	9,824	17,933	108.2%
Long-term liabilities	4,417	8,256	3,511	-20.5%
Working capital	-456	182	325[31]	78.6%
Loans payable	4,834	8,133	7,969	64.9%
Net assets	40,091	40,699	39,727	-0.9%

Working capital covered by credit limit (see Note 10) is positive (Table 20). In comparison with 2019, the volume of the University's current assets increased by 3.25 million euros and the overall solvency level improved moderately (Tables 20 and 21).

Table 21. Main ratios from 2018–2020

Ratios	2018	2019	2020
Operating income / operating expenses	100.6%	98.6%	102.2%
Loans/ Operating income	11.9%	19.1%	19.3%
Fixed assets / Balance sheet total	84.6%	83.0%	78.3%
Current assets / current liabilities	94.7%	101.9%	102.5%[32]
Net assets /Balance sheet total	75.5%	69.2%	64.9%
Loans / Balance sheet volume	9.1%	13.8%	13.0%

[31] The book value without conditional liabilities is -4,675

[32] The value of the ratio without conditional liabilities is 73.9%

3.7 Impact of the external environment on management, membership and finances

One of the remuneration principles of the University is to take into account the salary level of positions in the salary market, if possible. In order to obtain an overview of the salary level, the University exchanges salary data with other Estonian public universities (reference data on the remuneration of academic positions) and takes part in the compensation surveys held by Fontes (comparison of the salary level on non-academic positions with the salary market in Tallinn and Harju county).

The remuneration of academic employees was analysed on the basis of the date for 2019. The average salaries at universities continued to rise and the average increase was 8.6% (5.5% in 2018). The total average salary increased in all positions and was 2,181 euros (2,008 euros in 2017). The increase in average salary was the highest in the positions of junior researcher (13%) and professor (12%). The increase in average salary across universities was the smallest in the position of teacher (7%). The total average salary of the academic staff of TU increased by 8.5% and was 2,127 euros (1,960 euros in 2018). TalTech was the salary leader in respect of most positions in terms of the remuneration of academic positions. The UT was the salary leader among research professors and the TU in the remuneration of teachers. The TU lagged behind the average the most in the remuneration of junior researchers (6%).

The remuneration of non-academic positions was analysed on the basis of data gathered in spring 2020. According to the Fontes earnings survey, the remuneration of the University's non-academic positions as a whole was still lower than the average of the salary market and the trends in the remuneration for work at the University compared to the salary market has remained the same as in previous years. The trend continued where the University's salaries were relatively competitive in respect of less complicated positions and the salary paid for more complicated work was remained below the remuneration paid on the salary market to a larger extent.

A good preview of the general developments of the operating environment and the expected financial and economic impact can be obtained from the State Budget Strategy 2022-2025[33]. The objective of the State Budget Strategy and the Stability Programme is to express the government's policy in compliance with the requirements of the Stability and Growth Pact (SGP). The State Budget Strategy is the government's central strategic document, which connects the state's needs and priorities, and the financial possibilities, i.e. the fiscal framework. The main aspects of the state budget policy for the next four years, a forecast of economic development, the priorities of the Government of the Republic, an analysis of performance areas, objectives with performance indicators and main policy changes as well as the plan for funding areas of government are presented in the budget strategy.

The budget strategy describes the priorities of the Government of the Republic and highlights the most important development activities to be carried out for the achievement of the priorities of the next four years. Important activities for the next years are also described by performance areas and indicators and their target levels are presented for the next four years.

Objective of the performance are "Smart and active people": Estonian people have the knowledge, skills and attitudes that make it possible to perform themselves in their personal life, work and society and support the promotion of Estonian life and global sustainable development. Broad development opportunities, security and firms support for young people create the Estonia and young people want to carry forward.

Objective of the education and youth programme: Estonian people have the knowledge, skills and attitudes that make it possible to perform themselves in their personal life, work and society and support the promotion of Estonian life and global sustainable development. Broad development opportunities, security and firms support for young people create the Estonia and young people want to take forward.

Important activities for achievement of goals for 2022-2025:

- a traineeship system in vocational and higher education is promoted. The implementation of systemic organisation of traineeship in vocational and higher education institutions is supported

[33] https://www.rahandusministeerium.ee/system/files_force/document_files/riigi_eelarvestrateegia_2022-2025_ja_stabiilsusprogramm_2021_1.pdf?download=1

and on-the-job training is developed;
- the principles of financing higher education are analysed and proposals for raising private funds in higher education are developed;
- a reform of doctoral studies, which will transform PhD students into junior researchers, will be prepared to increase the efficiency of PhD studies. The payment of doctoral grants will continue until then;
- attention is given to raising the volume and quality of higher education in the fields of production and technology, and increasing its conformity to the labour market;
- activities for the development of micro-qualifications in higher and vocational education will be continued;
- the principles of language and internationalisation of higher education will be developed and applied in cooperation with higher education institutions, which will ensure the functioning of Estonian as a language of higher education and research.

Objective of the performance area of research and development, and entrepreneurship: Estonian research, development, innovation and entrepreneurship increase the well-being and economic productivity of the Estonian society by offering competitive and sustainable solutions to the development needs of Estonia and the world.

Objective of the research system programme: Estonian research is high-level, influential and diverse.

Important activities for achievement of goals for 2022–2025:
- research and development are funded at least to the extent of 1% of GDP and the ratio of research grants to baseline financing will be maintained at 50:50. Sufficient baseline financing is a prerequisite for the sustainable functioning of R&D institutions, the development and implementation of an academic career model that is flexible, takes into account the diversity of academic work and offers diverse development and greater stability, guaranteeing the infrastructure required for the research at institutions, and for closer cooperation between companies and research institutions. The transition from baseline financing to operating grants of R&D institutions is planned as of 2023 similarly to the operating grants for higher education. 80% of an operating grant is the base share calculated on the basis of prior funding and 20% is the performance share, the allocation criteria of which include the contribution of R&D institutions to the development of the society and the economy in addition to the outcomes of research and development. The results and developments that institutions should primarily focus on will be discussed with the institutions similar to the process of performance-based funding of higher education.
- In order to ensure the next generation of young scientists, providing support to increasing the attractiveness of PhD studies and the implementation of the reform of PhD studies (movement of PhD students to the position of junior researcher) will continue. The increase in the number of people with PhD degrees, especially outside universities, is a prerequisite for boosting Estonia's economic growth and for moving towards higher added value. The position of a PhD student in the research career will be clarified as a result of the reform, incl. the contractual position of a junior researcher will be guaranteed to PhD students in universities or R&D institutions. The effectiveness of PhD studies will increase, the studies will be better connected to the needs of the society and the conduct of PhD studies in cooperation with entrepreneurship and positively evaluated research institutions will be promoted.
- Supporting the operation of research centres of excellence will continue in order support the interdisciplinary cooperation of top-level research groups. Research centres of excellence play an important role in Estonian science, as they include the research groups of several research institutions, promote cooperation in Estonia and internationally, support the development of young scientists and help popularise the research results.
- The development of research infrastructure of national importance and ensuring the accessibility of infrastructure services to enterprises and public sector institutions, incl. institutions of professional higher education, will continue.
- Supporting the activities of research internationalisation will be continued. The development of a more efficient strategic participation plan will continue, incl. in respect of research cooperation

with third countries, in order to increase the impact of participation in international research cooperation and realise its potential. The preferences of Estonia for participation in EU partnerships, missions and international research infrastructures are developed and participation therein is supported.
- A system for the organisation and supervision of research ethics will be established and implemented in cooperation with research institutions and organisations of scientists.

3.8 Opinion of the Rectorate on membership and finances

The implemented new management model has created opportunities for broader inclusion. The Rectorate highly values the contribution made by the members of the university to the efforts arising from the emergency and is pleased that, in spite of a complicated year, we've done well. We are pleased to admit that the Tallinn University remains highly valued as an employer. The success and performance of the University are evidenced by the increasing trends of strategic key indicators and the good position in international rankings.

The financial-economic position of Tallinn University is good and the outlook is stable. Challenges in the next years are related to:
- overcoming the impact caused by the outbreak of the SARS-CoV-2 virus and the emergency;
- moderation of the further increase in the share of payroll;
- reduction of the volatility of the volume of RDC projects.

The main focus of investments is on the University's information system and their interaction. Investing capital in the infrastructure required for the achievement of the University's objective must continue as well.

ANNUAL FINANCIAL STATEMENTS

Balance Sheet

(euros)	Note	31.12.2020	31.12.2019
ASSETS			
Current assets			
Cash	2	9,120,601	6,199,943
Receivables and prepayments	3	4,068,726	3,744,525
Inventories	4	69,062	61,677
Total current assets		**13,258,389**	**10,006,145**
Fixed assets			
Investment properties	5	2,035,823	2,035,823
Property, plant and equipment	6	45,218,191	46,159,683
Intangible assets	7	658,979	577,652
Total fixed assets		**47,912,993**	**48,773,158**
TOTAL ASSETS		**61,171,382**	**58,779,303**
LIABLITIES AND NET ASSETS			
Current liabilities			
Loans payable	8	4,481,820	163,636
Payables and prepayments	9	13,451,484	9,660,457
Total current liabilities		**17,933,304**	**9,824,093**
Long-term liabilities			
Long-term loans payable	8	3,487,217	7,969,037
Supplier payables		0	264,918
Other non-current payables		24,230	21,764
Total non-current liabilities		**3,511,447**	**8,255,719**
Total liabilities		**21,444,750**	**18,079,812**
Net assets			
Retained earnings		40,699,491	40,091,175
Profit/loss for financial year		-972,859	608,316
TOTAL NET ASSETS		**39,726,631**	**40,699,491**
TOTAL LIABILITIES AND NET ASSETS		**61,171,382**	**58,779,303**

Income Statement

(euros)		2020	2019
Operating income			
Revenue from operating activities	11	5,579,999	7,029,690
Operational funding grants	12	25,033,548	25,285,385
Grants related to income	13	10,377,320	9,704,389
Grants related to assets	13	227,923	424,297
Other income	14	55,331	89,002
Total operating revenue		**41,274,122**	**42,532,762**
Operating expenses			
Grants issued	15	4,673,020	4,090,399
Operating expenses	16	5,807,697	7,574,841
Staff costs	17	28,909,527	26,677,143
Depreciation and impairment of fixed assets	6, 7	1,868,694	1,882,529
Other operating expenses	18	936,153	1,663,448
Total operating expenses		**42,195,091**	**41,888,360**
Profit/loss for reporting period		**-920,968**	**644,402**
Long-term liabilities			
Interest income		5,234	562
Interest income		-57,126	-36,648
Total financial income and expenses		**-51,891**	**-36,086**
Profit/loss for financial year		**-972,859**	**608,316**

Cash Flow Statement

(euros)	Note	2020	2019
Cash flows from operating activities			
Operating profit/loss		**-920,968**	**644,402**
Adjustments			
Depreciation and impairment of fixed assets	6, 7	1,868,694	1,882,529
Value-added tax expenses for the acquisition of non-current assets		55,743	93,263
Grants received for the acquisition of non-current assets	13	-227,923	-424,297
Adjusted profit/loss from operating activities		**775,545**	**2,195,897**
Change in trade receivables	3	171,808	-245,556
Change in receivables of grants related to income		160,200	430,419
Change in other receivables		-22,757	3,400
Change in prepaid taxes and taxes refundable	3	57,707	-67,029
Change in prepaid grants	3	-732,073	-316,068
Change in other prepayments		11,631	-11,233
Change in inventories	4	-7,386	5,433
Total net change of current assets related to operating activities		**-360,870**	**-204,034**
Change in supplier payables	9	-306,788	-44,652
Change in payables to employees	9	365,478	45,833
Change in taxes, duties and penalties payable	9	141,810	44,511
Change in liabilities of grants related to income	9	-135,414	-410,866
Change in other liabilities		120,488	-14,813
Change in prepayments of grants received	9	3,634,677	1,867,464
Change in other received prepayments	9	-29,224	50,543
Change in long-term liabilities		-262,452	0
Net change of liabilities related to operating activities		**3,528,575**	**1,538,020**
Total net change of current assets related to operating activities		**3,943,250**	**3,533,283**
Cash flow from investing activities			
Paid upon acquisition of property, plant and equipment, and intangible assets		-1,063,792	-5,571,828
Grants received for the acquisition of non-current assets		257,207	427,811
Received interests and other financial income		4,754	359
Total cash flow from investing activities		**-801,831**	**-5,143,658**
Cash flow from financing activities			
Loans raised		0	3,790,164
Repaid loans	8	-163,636	-491,051
Interest paid		-57,126	-36,649
Total cash flow from financing activities		**-220,762**	**3,262,464**
Total cash flow		**2,920,658**	**1,652,088**
Cash and cash equivalents at beginning of the period		6,199,943	4,547,854
Cash and cash equivalents at end of the period		9,120,601	6,199,943
Change in cash and cash equivalents		**2,920,658**	**1,652,088**

Statement of changes in net assets

(euros)	
Retained earnings as at **31.12.2018**	**40,091,175**
Surplus for 2019	608,316
Retained earnings as at **31.12.2019**	**40,699,491**
Surplus for 2020	-972,859
Retained earnings as at **31.12.2020**	**39,726,632**

Notes to annual financial statements

NOTE 1. Accounting principles

General information

The 2020 financial statements (hereinafter the report) of Tallinn University (hereinafter the University) have been prepared in accordance with the Estonian financial reporting standard, the main requirements of which are established in the Accounting Act that are supplemented by the requirements set forth in the Public Sector Financial Accounting and Reporting Guidelines (hereinafter the General Rules). The report has been prepared based on the continuity principle of the activities of the University. The financial year commenced on 1 January 2020 and finished on 31 December 2020. The numerical indicators of the financial statements have been presented in euros. According to § 29 (4) of the Accounting Act, the University has not prepared consolidated financial statements, as the balance sheet total and sales revenue of the University do not exceed 5% of the balance sheet total and sales revenue of the University as a consolidating unit.

Cash and cash equivalents

Cash in hand and bank account balances are considered as cash and cash equivalents in the financial statements. Overdraft is recognised as short-term loans payable in the balance sheet.

Division of assets and liabilities into short and long term

Assets and liabilities are divided into short and long term in the balance sheet proceeding from whether the estimated possession of asset or liability lasts up to one year or longer calculated from the date of the balance sheet.

Receivables and prepayments

Trade receivables, accrued income and other short- and long-term receivables (incl. loans receivable, deposits) are recognised at the adjusted acquisition cost. The adjusted cost of short-term receivables is generally equal to the nominal value of the receivables (less any write-downs) and therefore short-term receivables are recognised in the balance sheet in the amounts likely to be received. The financial assets are initially recognised at the fair value of the receivable fee to calculate the adjusted cost of non-current financial assets, by calculating the interest income in the next periods by using the effective interest rate method.

Outstanding receivables are assessed by the approximate method. On the application of the approximation method, receivables which are 90-180 days past due are written down by 50% and receivables which are more than 180 days past due are written down in full (100%). Doubtful receivables are carried in the trade receivables ledger until they are collected or considered uncollectible and written off the balance sheet.

When it appears that the collection of a receivable is unrealistic, the receivable is considered uncollectible and written off the balance sheet. A receivable is considered uncollectible when the University has no means for collecting it (the debtor has been liquidated or bankrupt and the assets in the bankrupt's estate are insufficient for settling the debt, etc.) or when the costs of collecting the receivable would exceed the estimated income from its collection.

When a doubtful receivable is subsequently collected, the previously recognised impairment loss is reversed by reducing expenses from the impairment of receivables during the period in which the item is collected.

Inventories

Inventories are assets that are held for sale in the course of ordinary economic activities; that are currently produced for sale in the course of ordinary economic activities; or the materials or accessories that are consumed in the production process or in the provision of services. Inventories encompass not only goods purchased for sale, materials, work in progress and finished goods but also equipment and real estate held for resale and capitalised expenses directly attributable to the provisions of services for which revenue cannot yet be recognised using the stage of completion method. Inventories are initially

recognised at it acquisition cost, which consists of purchase costs and other costs incurred in bringing the inventories to their present location and condition.

Borrowing costs are not included in the cost of inventories and, in line of the General Rules, non-coverable levies and taxes paid in the acquisition of inventories are recorded as an expense.

The goods are expensed by using the FIFO method. Stock is recognised in the balance sheet at the acquisition cost or net realisable value, whichever is lower.

Subsidiaries

A subsidiary is a company whose activities are controlled by the University. A subsidiary is deemed to be under the control of the parent company if the parent company holds, either directly or indirectly, more than 50% of the voting shares of the subsidiary or is otherwise able to control the operating and financial policies of the subsidiary.

The term 'subsidiary' also covers non-corporate entities (foundations and non-profit associations). Control and significant influence in non-commercial undertakings is determined on the basis of whether the assets of the non-commercial undertaking transfer to the parent company upon its liquidation. When the parent has control of a foundation or a non-profit association (generally over 50% of voting rights), the holding is recognised as 100%.

The subsidiary is initially recognised at its cost which is later adjusted with the write-downs resulting from the decrease in value.

Information on the subsidiaries has been provided in Note 21.

Affiliates

Affiliates are entities over which the University or its subsidiary has a significant influence but not control. Significant influence is generally presumed to exist when the University or its subsidiary owns 20% to 50% of the voting rights in an entity.

If the University or its subsidiary has a significant influence over the foundations or non-profit associations (in general 20-50% of the voting rights), the share or also financial investment are not recognised in the balance sheet. The contributions to the target capital of the object of share are recognised as the expenses of the given grants.

An affiliate is initially recognised at its cost which is later adjusted with the write-downs resulting from the decrease in value.

Information on the affiliates has been provided in Note 21.

Investment properties

Investment properties are properties (land, building or part of a building) that are leased by the University to a non-public sector entity to earn rental income or held for capital appreciation and not used in its primary activities by any public sector entity. Buildings and premises used by public sector entity are recognised as the items of property, plant and equipment.

An investment property is first recognised at its acquisition cost, which also includes the expenses directly related to acquisition (i.e. notary fees, state fees, payments to advisers and other expenses without which the transaction would probably not have taken place). The acquisition cost of investment property does not include the borrowing costs and, in line with the General Rules, non-recoverable levies and taxes incurred on the acquisition of investment property are recognised as an expense. According to the General Rules, after initial recognition, investment property is recognised at cost less any accumulated depreciation and any impairment losses.

Depreciation is calculated based on the straight-line method. Each investment property is assigned a depreciation rate that corresponds to its useful life. Where an investment property consists of significant parts that have different useful lives, the parts are accounted for separately and assigned depreciation rates that correspond to their useful lives.

Subsequent costs on an investment property are added to the acquisition cost of the property if it is

probable that future economic benefits associated with the costs will flow to the University and the costs can be measured reliably. The costs of day-to-day maintenance and repair of investment properties are recognised as an expense as incurred. When part of an investment property is replaced, the cost of the new part is added to the acquisition cost of the property if it meets the definition of investment property and the recognition criteria and the residual value of the replaced part is written off the balance sheet.

Recognition of an investment property on the balance sheet is discontinued when the property is sold or removed from use and the property is not expected to generate any economic gains in the future. Gains and losses arising from the derecognition of investment property are recognised in the income statement of the period in which the property is derecognised under "Other income" or "Other expenses" respectively.

An investment property is reclassified on the balance sheet if the purpose for which it is used changes. From the date of reclassification, the investment property is accounted for using the accounting principles applied to the class of assets the property was transferred to.

Property, plant and equipment and intangible assets

Property, plant and equipment are the assets which the University uses for meeting its statutory responsibilities, rendering services or administrative purposes and expects to use for a period exceeding one year and which have a cost of at least 5,000 euros.

Regardless of the size of acquisition cost, land, books and publications of library are recognised. Regardless of the cost, the objects of artistic, historical and scientific value which does not decrease in time can be recognised.

Property, plant and equipment are recognised at cost which comprises the purchase price and other costs directly attributable to the acquisition. According to the General Rules value-added tax, other taxes and duties are not capitalized to the acquisition cost of property, plant and equipment. Items of property, plant and equipment are further on recognised in the balance sheet at its cost, less accumulated depreciation and any accumulated impairment losses.

The costs related to improvements are added to the acquisition cost of property, plant and equipment only if these meet the definition of property, plant and equipment and criteria for recognition of assets in the balance sheet and the cost of expenses is at least the amount stipulated as the minimum of capitalization of property, plant and equipment of the General Rules. The costs related to current maintenance and repairs are recognised as expenses of the period in the statement of financial performance.

If an item of tangible fixed assets consists of separable components of different useful lives, those components are registered in the accounting as separate asset items and separate depreciation rates are assigned to them according to their useful lives.

Depreciation is calculated by using the straight-line depreciation method.

Depreciation is accounted for starting from the month of taking the assets into use. The latter is performed up to full depreciation, transfer or final removal of assets from use. The objects of unfinished construction are not depreciated. The depreciation rates and final values are reviewed at the end of each financial year. The changed assessments are recognised retroactively in the financial year.

The aim of depreciation rates is to ensure the compliance of depreciation accounting with useful life and use of property, plant and equipment.

Depreciation of property, plant and equipment and intangible assets is calculated by using the following deprecation rates:

Group of property, plant and equipment	Depreciation rate, %
Buildings	1,5–5
Facilities	2,5-10
Plant and equipment	10-20
Inventory	10-50

Computer equipment	33-50
Intangible assets	5-50

The books and publications of library, lands, objects with artistic, historical and scientific value which is not decreasing in time are not depreciated.

If it occurs that the actual useful life of assets is considerably different from the initially assessed one, the depreciation period is changed. The remaining useful life of the asset is assessed for this purpose a least during the annual stocktake.

Pursuant to subsection 42 (2) of the Guideline of Financial Accounting and Reporting in the Public Sector, a specialist how knows the asset makes a proposal for the establishment of the depreciation rate on the basis of the estimated useful life of the asset.

The condition of the buildings of Tallinn University located in Tallinn (hereinafter the Buildings) is very good. For example, the oldest building of the Tallinn University campus located at Narva mnt 25 was built in 1938 and it is under heritage conservation. The building is a well-preserved house with architecture characteristic of the late 1930s, which was designed by architects Alar Kotli and Erika Nõva. The useful life of buildings as of 1 January 2019 is 66 years instead of the former 50 years. The depreciation rate of buildings arising from this is 1.515151% per year.

Library collections

Subsection 41 (2) 2) of the General Rules stipulates that regardless of the acquisition cost, the publications can be recognised as items of property, plant and equipment as an exception in these public libraries where the storage and lending of publications for public is the core activity. Items acquired for library collections are recognised as items of property, plant and equipment in an aggregated set. Accounting on the units, titles and cost are kept in the library's information system ESTER. The library collection items the value of which cannot be measured reliably are accounted for in unit terms in the information system ESTER-i (at zero value). The library collections are fully expensed, if these are removed from use or it becomes apparent that they have been lost. The value of library collections recognised in the balance sheet is not depreciated.

Intangible assets

Intangible assets are non-monetary assets without physical substance distinguishable from other assets, used within a longer period than one year and the acquisition cost of which exceeds the threshold for recognition of non-current assets. Intangible asset object (software, rights of use, other intangible assets) is recognised in the balance sheet, if the assets can be controlled by the University; the future economic benefit received from its use is probable, the acquisition cost of assets is reliably measurable and assets do not result from the expenses made within the group to research and development activities. Research and development costs are recognised as expenses when incurred. Intangible assets are initially recognised at cost, comprising the purchase price and any costs directly attributable to the acquisition.

After initial recognition, intangible assets are recognised at cost less any accumulated depreciation and any impairment losses.

All intangible assets are assumed to have finite useful lives. Intangible assets are depreciated on a straight-line basis over their estimated useful lives. Each intangible asset is assigned a depreciation rate that corresponds to its useful life. If the useful life of intangible assets cannot be reliably assessed, it is presumed that the useful life lasts up to 10 years. On each reporting date the justification of depreciation periods and method of assets is assessed.

The following depreciation rates were used for the calculation of the depreciation of intangible assets in the University in 2020: 5–50%.

Impairment of assets

The University as the public sector entity applying the General Rules does not carry out impairment tests or write down assets to their recoverable amount in the case of non-current assets needed to provide public services if the asset value has not been impaired due to damage or other reasons partially or fully due to removal from use. In other cases, the items of property, plant and equipment with unlimited

useful life and in case of assets to be depreciated the occurrence of circumstances referring to the potential decrease in value of assets are assessed. If such indication exists, the coverable value of assets is assessed and compared with book value.

An impairment loss is recognised in the amount by which the book value of assets exceeds its coverable value. The coverable value of assets is the fair value of assets less sales expenses or its usage value, depending on which is higher. The coverable value is assessed for the purpose of assessment of decrease in value of assets either per single asset object or the smallest possible asset group for which cash flows can be differentiated. The write-down of assets is recognised as the expenses of the reporting period.

In case of assets once written down, the probability whether the coverable value of assets has meanwhile increased is assessed on each following reporting date. If, as a result of value test it occurs that the coverable value of assets or asset group (cash generating unit) has increased above the residual book value, the earlier write-down is cancelled and the residual book value is increased up to the amount which would have been created, considering the normal depreciation during interim years. A reversal of an impairment loss is recognised in the statement of financial performance by reducing expenses from impairment losses.

Financial liabilities

Financial liabilities (trade payables, borrowings, accrued expenses and other current and non-current payables), excl. derivative instruments with negative fair value are initially recognised at cost that is the fair value of the fee received for financial liability. Further recognition is carried out based on adjusted cost method.

The adjusted cost of financial liabilities is in general equal to their nominal value, thus all financial liabilities are recognised in the amount subject to payment in the balance sheet.

The interest expenses related to the financial liabilities are recognised on an accrual basis as period expenses at the entry "Financial income and expenses" of the statement of financial performance. Recognition of a financial liability is terminated in the balance sheet, if this is paid, cancelled or expired.

Leases

In the case of operating lease, the leasable assets are recognised by the lessor in its balance sheet. Operating lease payments are recognised on a straight-line basis within lease period as income by the lessor and as expenses by the lessee.

The assets leased under operating lease terms are recognised in the balance sheet by normal procedure, similarly to other non-current assets. Operating lease payments are recognised as income evenly within the lease period.

University as the lessee – in the case of operating lease, the lease payments of assets are recognised on an accrual basis as period expenses over the lease term in the statement of financial performance.

University as the lessor – assets leased out under operating lease terms are recognised in the balance sheet by normal procedure, similarly to other assets to be recognised in the balance sheet of the University. Assets leased out are depreciated using depreciation policies that are applied to similar assets by the University. Operating lease payments are recognized as income on a straight-line basis over the lease term.

Tax accounting

Tallinn University uses the combined method of direct accounting and proportional deduction in deducting input value-added tax. The relation of taxable sales and total sales is set based on the sales of the previous calendar year. The proportion is adjusted at the end of the calendar year, proceeding from the relation of taxable sales and total sales of this calendar year. The value-added tax direct accounting method is used only as to taxable sales and the activities with only taxable sales.

Revenue recognition

Revenue is recognised on an accrual basis.

Revenue from the sale of goods and provision of services in the course of normal operating activities is recognised at the fair value of received or receivable fee, considering all write-downs and benefits made.

Revenue from the provision of training services constitutes tuition fee revenue collected by the University from its regular study and open academy students, participants in continuing education programme, etc. Revenue is recognised in the period in which the service is rendered.

Revenue from the sales of services is recognised after the provision of the service or, if the service is provided over a longer period of time, in compliance with the percentage of completion method. Revenue from the sale of services to be rendered over an extended period of time is recognised based on the stage of completion of the service to be rendered on the date of the balance sheet, provided that the final result of the transaction involving the provision of service (i.e. revenue and costs related to the transaction) can be reliably estimated and the receipt of the fee from the transaction is probable. If the final result of the transaction or project involving the provision of service could not be reliably estimated, but it is probable that the University can cover at least the expenses related to the service, the revenue is recognised only within the scope of actual expenses related to the fulfilment of the contract.

Revenue from sale of goods is recognised when all material risks related to the ownership have been transferred from the seller to the purchaser, the sales revenue and costs related to the transaction are reliably measurable and the receipt of fee from the transaction is probable.

Interest income is recognised when its collection is probable and the amount of income can be measured reliably. Interest income is recognised by using the effective interest method.

Cost recognition

Costs are recognised on an accrual basis. The non-refundable taxes and duties paid in the acquisition of non-current assets, incl. value-added tax are recognised at the moment of acquisition as expenses under "Other operating expenses" in the income statement.

Grants

Grants include the means received (supports received) for which neither goods nor services are given in exchange and the means given (given, mediated supports) for which neither goods nor services are received in exchange. Grants are recognised on the basis of principles provided in the General Rules.

Grants are divided as follows:

- government grants (hereinafter grants) – the grants received and given for the certain project-based purpose, in case of which its aim with milestones for following the fulfilment of the objective, time schedule and financial budget are set and the provider of grant requires detailed reporting on the use of money from the receiver and the cash surplus should be repaid to the provider;
- operating funding grants – received and given supports granted to the receiver proceeding from its statutory tasks and objectives set in the development documents.

The types of grants are:

- domestic grants;
- international grants.

A grant is recognised in the balance sheet upon the transfer or receipt of money or on the date when the receivables, liabilities, income and expenses related to the grant are recognised.

Grants are classified into grants related to income and grants related to assets. The main condition for grants related to assets is that the University as the grant recipient has to purchase, build or otherwise acquire a certain asset. A grant is recognised as income in the period in which the operating expenses are incurred or the non-current asset is acquired unless the conditions of the grant involve the risk that the grant may be reclaimed or may not be received. Operational funding is recognised as income when the cash has been received.

If the provider or intermediary of the grant provides a grant using simplified reimbursement of expenditures (standardized unit costs, payments of specific amounts, reimbursements of indirect expenditures compensated at a uniform rate) without requiring expense documents, grant income is recognised in the period in which the grant is provided.

Grants received and grants passed through are differentiated in the income statement upon the recognition of grants. Grants passed through are grants received for passing on to another party, not for covering own operating expenses or acquiring assets. In the case of intermediation, income from grants received for passing on equals expenses from grants passed on.

Non-monetary grants are recognised at the fair value of received goods and services. Assets received from other public sector entities by way of non-monetary grants are recognised at their fair value or if this cannot be determined, at their residual value indicated by the transferor.

When it appears that some conditions attaching to the grant have not been met and the University as the grant intermediary or recipient is liable to the grant provider for the recipient's compliance with the contractual conditions and use of the funds for their designated purpose, the University recognises at the date the breach of contract is identified a receivable from the grant recipient and/or a liability to the grant provider, and reduces income from grants received and/or expenses from grants provided.

Foreign currency transactions

The transactions denominated in foreign currency are recognised based on the foreign currency exchange rates of the European Central Bank officially valid on the date of the transaction.

Cash Flow Statement

In preparing the cash flow statement, the proceeds and payments, changes in receivable and liabilities have been recognised according to their purpose as cash flows from operating, investing and financing activities.

Related parties

The highest collegial decision-making body of the University since 1 January 2020 is the Council. The related parties in this report are the members of the TU Council, Senate and the Rectorate, directors and their closest family members (incl. a domestic partner, spouse or child) and the related legal entities.

The annual report discloses information on the transactions made with related persons that do not comply with the legal acts or internal documents of the accounting liable person or general requirements or market terms.

Contingent assets

The liabilities of providing a grant assumed on the basis of contract and claims pertaining to the receipt of grants are recognised previously as contingent liabilities and receivables.

Provisions and contingent liabilities

The provision is recognised when the University has a legal or constructive obligation resulting from the obligating event taken place before the date of balance sheet and the realization of liability is probable and this amount can be reliably measured. A provision is recognised on the balance sheet in an amount which, in the opinion of the management, is required for the satisfaction of the provision-related liability as of the balance sheet date. A provision is recognised at discounted value if it is likely to be realised more than 12 months after the balance sheet date, unless the impact of discounting is insignificant.

Other possible or existing obligations, the settlement of which is less than likely or the related expenditures of which cannot be determined with sufficient reliability, are disclosed in the notes to the financial statements as contingent liabilities.

Off-balance sheet low value assets

The assets with the useful life of over one year, but with the acquisition cost below 5000 euros are expensed at the moment of recording. The expensed small assets with the acquisition cost of 640 up to

4 999.99 euros are accounted for off-statement of financial position.

Subsequent events

All adjusting events having taken place before the confirmation of the annual report, but after the date of report have been recognised in the report. The impact of no-adjusting events is disclosed in the notes of the annual report, if these are important.

Note 2. Cash and cash equivalents

(euros)	31.12.2020	31.12.2019
Cash	5,943	6,528
Bank accounts	9,114,658	6,193,415
Total	**9,120,601**	**6,199,943**

Note 3 Receivables and prepayments

(euros)	Note	31.12.2020	31.12.2019
Trade receivables		385,053	553,850
Doubtful trade receivables		-21,259	-18,248
Unreceived grants related to income		2,000,016	2,160,216
Unreceived grants related to assets		65,287	94,570
Other receivables		83,298	60,540
Grants prepaid		1,335,756	603,683
Prepaid future expenses		179,199	190,830
Prepaid taxes and taxes refundable	20	41,376	36,993
Total:		**4,068,726**	**3,682,435**

Unreceived grants:	31.12.2020	31.12.2019
Financier		
Ministry of Education and Research	781,013	832,873
European Commission	471,923	446,610
Other financiers	423,268	645,978
Estonian Research Council	189,615	138,276
Environmental Investment Centre	160,825	73,928
Archimedes Foundation	38,659	42,999
Innove Foundation	0	74,122
Long-term liabilities	**2,065,302**	**2,254,786**

Prepaid government grants:	31.12.2020	31.12.2019
Financier		
Other financiers	1,223,793	603,683
University of Tartu	62,479	0
National Institute of Chemical Physics and Biophysics	49,484	0
Total	**1,335,756**	**603,683**

Note 4 Inventories

(euros)	31.12.2020	31.12.2019
Materials	3,081	3,694
Goods purchased for resale	65,981	57,982
Total	**69,062**	**61,677**

Note 5. Investment properties

(euros)	
Balance as at 31.12.2019	**31.12.2019**
Land	2,035,823
Balance as at 31.12.2020	**31.12.2020**
Land	2,035,823

The land is on lease as a car park.

Lease income 2019:	72,893
Lease income 2020:	42,864

Note 6. Property, plant and equipment

(euros)	Land	Buildings	Plant and equipment	Other inventory	Non-depreciable property, plant and equipment	Assets under construction	Total
Acquisition cost 31.12.2018	2,131,016	54,233,598	4,348,743	2,659,189	3,493,267	1,491,136	68,356,949
Accumulated depreciation 31.12.2018	0	-20,436,835	-3,280,061	-2,278,012	0	0	-25,994,908
Residual value 31.12.2018	**2,131,016**	**33,796,763**	**1,068,682**	**381,177**	**3,493,267**	**1,491,136**	**42,362,041**
Acquisitions and improvements	0	15,128	259,846	2,975	58,642	5,247,915	5,584,506
Depreciation for financial year and debt discount	0	-1,204,651	-374,992	-190,693	0	0	-1,770,336
Other write-offs at residual value	0	0	-4,364	-1,002	-11,163	0	-16,529
Reclassification	0	1,235,656	13,701	165,212	0	-1,414,569	0
TOTAL MOVEMENTS	**0**	**46,133**	**-105,809**	**-23,508**	**47,479**	**3,833,346**	**3,797,641**
Acquisition cost 31.12.2019	2,131,016	55,484,382	4,575,757	2,819,857	3,540,746	5,324,482	73,876,241
Accumulated depreciation 31.12.2019	0	-21,641,485	-3,612,885	-2,462,188	0	0	-27,716,558
Residual value 31.12.2019	**2,131,016**	**33,842,897**	**962,872**	**357,669**	**3,540,746**	**5,324,482**	**46,159,683**
Acquisitions and improvements	0	29,990	196,536	0	54,267	597,967	878,760
Depreciation and write-off of the financial year	0	-1,254,166	-358,550	-126,255	0	0	-1,738,971
Other write-offs at residual value	0	0	771	0	-5,781	0	-5,010
Reclassification	0	5,483,838	63,757	261,204	0	-5,885,069	-76,270
TOTAL MOVEMENTS	**0**	**4,259,662**	**-97,487**	**134,949**	**48,486**	**-5,287,102**	**-941,492**
Acquisition cost 31.12.2020	2,131,016	60,998,210	4,821,763	3,081,061	3,589,232	37,380	74,658,663
Accumulated depreciation 31.12.2020	0	-22,895,651	-3,956,378	-2,588,443	0	0	-29,440,472
Residual value 31.12.2020	**2,131,016**	**38,102,559**	**865,386**	**492,618**	**3,589,232**	**37,380**	**45,218,191**

Note 7. Intangible assets

(euros)	Software and licences	Total
Acquisition cost 31.12.2018	1,148,938	1,148,938
Accumulated depreciation 31.12.2018	-581,405	-581,405
Residual value 31.12.2018	**567,533**	**567,533**
Acquisitions and improvements	105,783	105,783
Depreciation and write-down	-95,664	-95,664
TOTAL MOVEMENTS	**10,119**	**10,119**
Acquisition cost 31.12.2019	1,246,220	1,246,220
Accumulated depreciation 31.12.2019	-668,568	-668,568
Residual value 31.12.2019	**577,652**	**577,652**
Acquisitions and improvements	111,264	111,264
Depreciation and write-down	-106,207	-106,207
Reclassification	76,270	76,270
TOTAL MOVEMENTS	**81,327**	**81,327**
Acquisition cost 31.12.2020	1,433,755	1,433,755
Accumulated depreciation 31.12.2020	-774,776	-774,776
Residual value 31.12.2020	**658,979**	**658,979**

Note 8. Loans payable

(euros)	Balance at 31.12.2020	Repayment date Within 12 months	Within 2-5 years	Currency	Interest rate
Loan No 1	4,481,820	4,481,820	0	EUR	0.895% + 3 months EURIBOR
Loan No 2	3,487,217	0	3,487,217	EUR	0.72% + 3 months EURIBOR
Total	**7,969,037**	**4,481,820**		**3,487,217**	
Incl. long-term loans payable	3,487,217				
Incl. short-term loans payable	4,481,820				

(euros)	Balance at 31.12.2019	Repayment date Within 12 months	Within 2-5 years	Currency	Interest rate
Loan No 1	4,645,456	163,636	4,481,820	EUR	0.895% + 3 months EURIBOR
Loan No 2	3,487,217	0	3,487,217	EUR	0.72% + 3 months EURIBOR
Total	**8,132,673**	**163,636**	**7,969,037**		
Incl. long-term loans payable	7,969,037				
Incl. short-term loans payable	163,636				

Note 9. Payables and prepayments

(euros)	Note	31.12.2020	31.12.2019
Trade payables		588,785	895,573
Payables to staff		1,133,593	768,114
Taxes payable	20	1,312,705	1,170,895
Payable of grants related to income		109,053	244,467
Other payables		184,390	63,902
Received prepayments of grants related to income		9,790,155	6,155,479
Other received prepayments and income		332,802	362,027
Total		**13,451,484**	**9,660,457**

Payable of grants related to income:

Financier	31.12.2020	31.12.2019
Other financiers	86,063	239,825
Haapsalu Neurological Rehabilitation Centre	11,511	4,642
University of Tartu	11,480	0
Total	**109,053**	**244,467**

Received prepayments of grants related to income

Financier	31.12.2020	31.12.2019
European Commission	4,575,203	2,449,143
Archimedes Foundation	2,183,449	1,660,888
Ministry of Education and Research	608,603	0
Estonian Research Council	460,811	205,718
Ministry of Foreign Affairs	251,000	237,148
Ministry of the Interior	92,483	0
Ministry of Environment	56,290	0
Information Technology Foundation for Education	0	46,631
Other financiers (41 transaction partners in 2020)	1,562,317	1,555,951
Total	**9,790,155**	**6,155,479**

Note 10. Contingent liabilities

On 2 November 2020, the University entered into a loan agreement with Swedbank AS with a limit of 5,000,000 euros and the term for drawing down the loan is 30 June 2021. The purpose of the loan is to refinance the existing loans and to finance investments and current assets.

The limit has not been drawn down as at 31 December 2020 and the loan agreement is not recognised in the balance sheet.

Note 11. Revenue from operating activities

(euros)	Note	2020	2019
Revenue from the provision of training service		4,020,376	4,406,411
Revenue from research and development activities		941,638	1,840,214
Other revenue from educational activities		99,226	87,648
Lease and rent	5, 19	309,051	444,446
Sale of other products and services		209,708	250,971
Total		**5,579,999**	**7,029,690**

Revenue from operating activities is divided by geographical districts as follows:

(euros)	2020	2019
Estonia	5,337,310	6,364,428
European Union Member States	207,151	500,708
Other states	35,539	164,554
Total	**5,579,999**	**7,029,690**

Note 12. Operational funding grants

(euros)	2020	2019
State budget funding grant	20,975,970	20,555,448
Baseline financing from the state budget	3,058,093	2,933,107
Education allowances and student loans from the state budget	30,507	44,318
State budget funding for research activities	816,778	1,347,972
Other operational funding grants	152,200	404,540
Total	**25,033,548**	**25,285,385**

Note 13. Grants related to income and assets

(euros)	2020	2019
Domestic grants related to income	3,127,620	1,946,545
International grants related to income	7,249,701	7,757,844
Total grants related to income	**10,377,320**	**9,704,389**
Domestic grants related to assets	35,590	0
International grants related to assets	192,333	424,297
Total grants related to assets	**227,923**	**424,297**
Total	**10,605,243**	**10,128,686**

Financiers:	2020	2019
Ministry of Education and Research	2,583,351	2,079,875
Estonian Research Council	2,058,050	1,587,473
European Commission	1,675,067	1,308,996
Archimedes Foundation	1,207,914	1,911,617
Information Technology Foundation for Education	301,578	195,831
Ministry of Foreign Affairs	249,931	291,509
Ministry of Finance	161,706	130,934
Environmental Investment Centre	104,514	86,502
Other financiers (62 transaction partners in 2020)	2,263,132	2,535,949
Total	**10,605,243**	**10,128,686**

Note 14. Other income

(euros)	2020	2019
Income from the sale of inventories	36,275	37,316
Other income	19,057	51,685
Total	**55,331**	**89,002**

Note 15. Grants issued

(euros)	2020	2019
Education allowances and scholarships	3,061,737	3,170,675
Grants, pass-through	1,359,013	655,593
Membership fees and other grants given	252,270	264,131
Total	**4,673,020**	**4,090,399**

Note 16. Operating expenses

(euros)	2020	2019
Management expenses of properties, buildings and premises	1,376,957	1,659,728
Administration costs	496,146	818,682
incl. audit fees	7,403	19,300
Travelling expenses	104,422	827,514
Expenses of teaching materials and third party training	907,310	967,856
Other expenses compensated to third persons, other expenses	4,795	329,249
Communications, culture and leisure expenses	590,951	692,114
Information and communication technology costs	749,106	611,573
Research and development	472,064	444,777
Inventory management costs	341,764	309,321
Expenses of library items	323,042	245,270
Training expenses of own employees (incl. training trips)	209,368	436,088
Other consumables	111,893	129,070
Vehicle management costs	57,693	82,270
Catering and medical expenses	41,594	19,564
Miscellaneous management expenses	20,593	1,762
Total	**5,807,697**	**7,574,841**

Note 17. Labour expenses

(euros)	2020	2019
Salaries of employees	19,868,481	18,182,281
Salaries of contractual employees	1,573,139	1,455,902
Fringe benefits	179,965	292,174
Tax expenses related to labour expenses	7,290,724	6,777,173
Capitalisation of labour expenses	-2,782	-30,387
Total	**28,909,527**	**26,677,143**
Average number of employees per year reduced to full-time equivalent	840	813
Average number of employees with contracts under Law of Obligations	204	208

Note 18. Other operating expenses

(euros)	2020	2019
Value-added tax expenses	878,252	1,634,886
Land tax expense	30,430	30,449
Other tax expenses	6,003	4,835
Expenses of doubtful accounts receivable	9,437	-9,741
Other extraordinary expenses	12032	3,019
Total	**936,153**	**1,663,448**

Note 19. Operating lease

University as the lessee	2020	2019
Car lease expenses	18,344	24,047
IT assets lease expenses	1,007	2,594

University as the lessor	2020	2019
Lease income on premises and other assets	266,187	371,554

Note 20. Taxes receivable and taxes payable

	31.12.2020		31.12.2019	
(euros)	Prepayment	Payable	Prepayment	Payable
Value added tax		54,010	62,091	
Corporate income tax		7,995		18,734
Personal income tax		411,288		367,093
Social tax		743,477		695,352
Mandatory funded pension		33,658		30,475
Unemployment insurance premium		49,416		44,411
Other taxes receivable and payable		12,861		14,831
Prepayment account balances	41,376		36,993	
Total	**41,376**	**1,312,705**	**99,083**	**1,170,895**

Note 21. Related parties

(euros)	2020	2019
Remuneration of Council members	55,924	0
Fees of the Senate members	3,664	0
Total	59,587	0

There is no obligation to pay severance to the members of the Tallinn University Council when they leave.

In 2020, no transactions were made with related parties which are not compliant with the legal acts or general requirements of internal documents of the accounting liable person or market conditions.

Note 22. Shares in foundations and non-profit associations, private limited company

The University has dominant influence over the following foundations, non-profit associations and a private limited company:

Tallinn University is a founder member:	**Code of transaction partner**	**TU influence**
MTÜ Dormitorium	603501	Dominant
MTÜ Tallinna Ülikooli Spordiklubi	603502	Dominant
MTÜ Eesti Digikeskus	609701	Significant
SA Enn Soosaare	800301	Significant
Läänemaa Elukeskkonna Tuleviku-uuringute SA	609302	Significant
SA Virumaa Kompetentsikeskus (bankrupt)	591305	Significant
MTÜ Dormitorium is a founding member of:		
E-Kyla Arendus OÜ	609401	Significant

All units are located in Estonia.

Note 23. Off-balance sheet assets

(euros)	31.12.2020	31.12.2019
Small assets	3,597,599	3,317,653

Note 24. Off-balance sheet receivables

Domestic receivables (euros)	Source	31.12.2020	31.12.2019
Ministry of Education and Research	28	1,898,713	2,245,088
Archimedes Foundation	39	1,372,546	884,962
Ministry of Education and Research	27	759,127	1,256,187
Ministry of Environment	39	588,095	0
Ministry of Finance	28	518,326	0
Ministry of Education and Research	60	261,605	0
Ministry of Foreign Affairs	60	135,421	211,242
Ministry of the Interior	39	100,000	0
Environmental Investment Centre	39	89,801	160,219
Ministry of Education and Research	39	69,921	0
Environmental Investment Centre	60	3,312	17,120
Archimedes Foundation	28	0	707,260
HITSA	60	0	289,196
Archimedes Foundation	60	0	13,662
Total:		**5,796,867**	**5,784,937**

International funding receivables (euros)	Source	Project	31.12.2020	31.12.2019
Research Executive Agency (REA) / H2020 WIDESPREAD-03-2017	39	CUDAN	1,237,701	1,291,750
European Research Council Executive Agency (ERCEA)/ERC-2019-STG	39	TRANSLATING MEMORIES	975,000	0
Research Executive Agency (REA)/H2020-WIDESPREAD-03-2018: Twinning	39	SEIS	774,470	193,618
European Research Council Executive Agency (ERCEA) / Horizon 2020	39	BETWEEN THE TIMES	596,386	926,250
Research Executive Agency (REA)/ H2020-WIDESPREAD-2018-2020 / H2020-WIDESPREAD-2020-5	39	ScreenME-Net	316,607	0
Education, Audiovisual and Culture Executive Agency / Erasmus+ Capacity Building	39	DITECH	282,767	0

DG for Communications Networks, Content and Technology / H2020-SC6-TRANSFORMATIONS-2018-2019-2020	39	iHub4Schools	248,969	0
Research Executive Agency (REA) / H2020-WIDESPREAD-2018-2020 / H2020-WIDESPREAD-2020-5	39	YouthLife	223,075	0
Research Executive Agency (REA)/ H2020- WIDESPREAD- 2018-2020	39	MIRNet	200,000	200,000
Research Executive Agency (REA) / H2020-WF-2018-2020 / H2020-WF-02-2019	39	MetDect	49,768	0
European Commission/Horizon 2020	39	CEITER	0	371,748

Signatures to Annual Report 2020

The annual report of Tallinn University for the financial year which ended on 31 December 2020 consists of the management report and the financial statements.

The Acting Rector of Tallinn University has reviewed the annual report and approved it for submission to the Council.

/digitally signed/
Priit Reiska
Acting Rector

/digitally signed/
Kurmet Ojamaa
Chief Financial Officer

/digitally signed/
Evelyn Lillipuu
Head of the Finance Office