§ 1. Scope of regulation and application

(1) This Act provides for the following:
1) the bases of organisation of studies at the level of higher education;
2) the rights and obligations upon studying at the level of higher education;
3) the bases of the operations of education institutions organising studies at the level of higher education (hereinafter higher education institution).

(2) This Act applies to a higher education institution regardless of its form of ownership.

(3) The status, purpose, functions, bases of operation and management bodies of a public university are provided for in an Act governing the university.

(4) The provisions of the Administrative Procedure Act apply to administrative proceedings prescribed in this Act, taking into account the differences arising from this Act.

§ 2. Higher education system

(1) Studies at the level of higher education follow the evidence-based approach as a result of which the student acquires knowledge, skills and attitudes that are necessary for active contribution to society, work, research and development, and lifelong learning.

(2) A student is a person studying at the level of higher education on the terms and conditions provided for in this Act from admission to studies (matriculation) until exclusion from studies (exmatriculation).

(3) Studies at the level of higher education are organised by universities and professional higher education institutions that have been granted the right to organise studies at the level of higher education in accordance with the procedure established in this Act.

(4) The head and employees of a higher education institution, including academic staff, organise studies and, together with students, create a study environment that supports cooperation and learning.

(5) Social partners and other stakeholders participate in shaping studies that meet the needs of society and in developing study programmes related to their fields of activity, and support the organisation of studies in other suitable ways.

Chapter 2
Studies at Level of Higher Education

§ 3. Principles of studies at level of higher education

(1) Studies at the level of higher education consist of three levels:
1) the first level involves bachelor’s studies and studies in professional higher education;
2) the second level involves master’s studies;
3) the third level involves doctoral studies.
The basis for studies at the level of higher education is a study programme that provides for the objectives and learning outcomes of the studies, the standard duration of the programme, the standard workload, the conditions of commencement of the studies, the list of courses, the possibilities of specialisation, and the conditions of completion of the studies.

The language of instruction of the study programmes of the first and second level of higher education is Estonian or, by a decision of the higher education institution, a foreign language, provided that it is necessary for ensuring the quality of the studies or the availability of specialists with higher education and the resources required for the studies in the foreign language are available.

By a regulation, the Government of the Republic establishes the higher education standard setting out the following:
1) the uniform requirements applicable to studies at the level of higher education;
2) the principles of recognition of prior learning and work experience;
3) the general requirements applicable to academic staff and the principles of establishing special requirements;
4) the learning outcomes of studies at the level of higher education;
5) the study programme groups serving as the basis for the classification of study programmes and the right to provide education as well as other bases of classification of study programmes.

The Ministry of Education and Research verifies the compliance of a study programme with the requirements provided by legislation and registers a compliant study programme in the Estonian education information system.

A higher education institution establishes the grounds for the organisation of studies on the basis of the higher education standard specified in subsection 4 of this section.

§ 4. Academic year

(1) The workload of one academic year of studies at the level of higher education is 60 credits and one credit corresponds to 26 hours of work by the student.

(2) An academic year consists of twelve months ten of which are study months. The study months are divided into two semesters.

§ 5. Bachelor’s studies and studies in professional higher education

(1) In bachelor’s studies and studies in professional higher education, the student deepens their general educational knowledge, acquires the basic knowledge and skills of the field as well as knowledge, skills and attitudes required for employment, independent work and master’s studies.

(2) In studies in professional higher education, the student acquires, in addition to those specified in subsection 1 of this section, also the knowledge, skills and attitudes for employment in a specific profession.

(3) The workload of bachelor’s studies and studies in professional higher education is 180–240 credits and the standard duration of the study programme is three to four academic years.

(4) Midwifery studies and nursing studies are studies in professional higher education. The workload of midwifery studies is 270 credits and the standard duration of the study programme is four and a half academic years. The workload of nursing studies is 210 credits and the standard duration of the study programme is three and a half academic years.

(5) The framework requirements for midwifery studies and nursing studies are established by a regulation of the Government of the Republic.

(6) A bachelor’s degree is conferred upon a student who has completed bachelor’s studies or studies in professional higher education.

§ 6. Master’s studies

(1) In master’s studies, the student deepens their knowledge and skills of the specialisation and acquires knowledge, skills and attitudes required for employment, independent work and doctoral studies.

(2) The workload of master’s studies is 60–120 credits and the standard duration of the study programme is one to two academic years.

(3) A master’s degree is conferred upon a student who has completed master’s studies.

§ 7. Integrated bachelor’s and master’s studies

(1) Studies of medicine, veterinary medicine, pharmacy, dentistry, architecture, civil engineering and teaching in primary school are organised in the form of integrated bachelor’s and master’s studies.
(2) The workload under medicine and veterinary medicine programmes is 360 credits and the standard duration of the study programme is six academic years. The workload of under pharmacy, dentistry, architecture, civil engineering and primary school teacher programmes is 300 credits and the standard duration of the study programme is five academic years.

(3) The framework requirements for the studies of medicine, veterinary medicine, pharmacy, dentistry, architecture and civil engineering are established by a regulation of the Government of the Republic.

(4) The framework requirements for teacher training are established by a regulation of the minister responsible for the field.

(5) A master’s degree is conferred upon a student who has completed integrated bachelor’s and master’s studies.

(6) The clinical training of medical studies is organised in Tartu University Hospital.

§ 8. Doctoral studies

(1) In doctoral studies, the student acquires knowledge, skills and attitudes required for independent research, development or professional creative work.

(2) The standard duration of doctoral studies is three to four academic years.

(3) For the purpose of assessment of progress in studies and research, a doctoral student undergoes regular evaluations on the conditions and in accordance with the procedure established by the university.

(4) A doctoral degree is conferred upon a student who has completed doctoral studies.

§ 9. Applying for right to organise studies

(1) A higher education institution may organise studies at the level of higher education where it has been granted the right to organise such studies to the extent of a respective study programme group and studies or to the extent of a master’s programme in a professional higher education institution.

(2) In order to obtain the right to organise studies, a higher education institution submits to the Ministry of Education and Research at least nine months before the start of the academic year an application containing the following:
   1) information on the study programmes based on which the studies are to be organised;
   2) information on the academic staff organising the studies and their qualifications;
   3) information on the infrastructure required for the studies and research, and on the sources of financing the studies;
   4) reasons for the need to organise the studies, including information about the target group and proposals made by professional associations and associations of specialisations.

(3) The Ministry of Education and Research reviews the application within seven months. Involving the Higher Education Quality Agency specified in § 37 of this Act, it is assessed whether the quality of the studies meets the requirements for studies at the level of higher education and whether the resources and sustainability required for the studies are sufficient.

(4) The costs of the expert assessment specified in subsection 3 of this section are borne by the applicant.

(5) Where it has been decided not to grant a higher education institution the right to organise studies or where the right to organise studies has been revoked in accordance with the procedure provided for in § 10 of this Act, the higher education institution can no longer reapply for the right to organise studies in the same study programme group and level before a year has passed from the adoption of the respective decision.

§ 10. Granting and revoking right to organise studies

(1) Based on the results of an expert assessment specified in subsection 3 of § 9 of this Act, the minister responsible for the field may:
   1) grant a higher education institution the right to organise studies for an unspecified term where the compliance of the studies, including academic staff, with the requirements as well as the sufficiency and sustainability of the resources required for the studies has been established;
   2) grant a higher education institution the right to organise studies for one to three years where deficiencies that can be eliminated within that time limit have been identified in the compliance of the studies with the requirements or in the sufficiency or sustainability of the resources required for the studies;
   3) refuse to grant the right to organise studies where the studies do not comply with the requirements or the resources required for the studies are not or the sustainability required for the studies is not sufficient.
Where the right to organise studies in the same study programme group should be granted to a higher education institution for one to three years for the third time, the minister responsible for the field makes a decision not to grant the right to organise studies.

In the case specified in clause 3 of subsection 1 or subsection 2 of this section, the minister responsible for the field may, where justified, renew the effective right to organise studies on the assumption that students pursuing their studies are able to complete the studies within the standard duration of the study programme, and prohibit the admission of students by the higher education institution.

The minister responsible for the field has the right to revoke the right to organise studies where:
1) the unlawfulness of the actions of the higher education institution has been identified in the course of supervision and the violations are not eliminated;
2) in the course of supervision it has been identified that the quality of the studies has considerably deteriorated or the management, work organisation, teaching and research activities, the environment of teaching, learning and research in the higher education institution does not meet the requirements;
3) the higher education institution has not participated in a quality assessment provided for in this Act or has been refused accreditation following institutional accreditation;
4) the research activities of a research field serving as the basis for doctoral studies receives a negative evaluation;
5) teaching has not been commenced within 12 months after granting the right to organise studies or teaching has been suspended for 12 consecutive months.

§ 11. Joint study programme

Higher education institutions may open a joint study programme where:
1) all the higher education institutions participating in the programme hold the right to organise studies at the given level of higher education, except in the case of opening a master’s programme in a professional higher education institution;
2) the foreign higher education institution participating in the programme holds the right to organise studies at a level equivalent to the level of higher education at which studies are organised in Estonia;
3) at least one higher education institution participating in the programme holds the right to organise studies in the study programme group to which the programme belongs;
4) the Estonian higher education institutions participating in the programme hold the right to organise studies in the study programme group based on which they participate in the programme; and
5) the studies organised by the foreign higher education institution participating in the programme meet the requirements of the foreign country and the graduation documents issued by it are recognised by the competent authority of the foreign country.

The higher education institutions participating in the joint study programme conclude a cooperation agreement that regulates the rights and obligations of students studying on the basis of the programme, the organisation of studies, the division of the responsibilities of the higher education institutions participating in the programme and other matters that are necessary for teaching and learning on the basis of the programme.

The Ministry of Education and Research checks the compliance of the joint study programme and cooperation agreement with the requirements and, where necessary, organises an expert assessment of the programme, involving the Higher Education Quality Agency.

Where the joint study programme and the cooperation agreement meet the requirements, the Ministry of Education and Research registers the programme in the Estonian education information system.

Where a higher education institution participating in a joint study programme does not hold the right to organise studies in the study programme group to which the programme belongs, the minister responsible for the field grants the higher education institution the right within the scope of the programme.

Chapter 3
Studying at Level of Higher Education

§ 12. General requirements for applying for studies at level of higher education

1) A person who has secondary education or equivalent qualifications has the right to apply for admission to bachelor’s studies and studies in professional higher education.

2) A person who holds a bachelor’s degree or equivalent qualifications has the right to apply for admission to master’s studies.

3) A person who holds a master’s degree or equivalent qualifications has the right to apply for admission to doctoral studies.
§ 13. Admission to studies at level of higher education

(1) In accordance with § 12 of this Act, the higher education institution establishes and publishes the criteria of admission to studies at the level of higher education, including the minimum requirements of the level of the skills of the language of instruction.

(2) Where justified, the higher education institution may set a maximum limit of students to be admitted to a study programme keeping in mind, above all, the quality of the studies and the resources required for the organisation of the studies, and fill the student places based on the applicants’ ranking in fulfilling the admission criteria.

(3) Upon filling student places, the higher education institution may group persons in cases where it is justified in view of the characteristics of the study programme and the special needs of the students, and establish different grounds of assessment of compliance with the admission criteria for different groups. Upon assessment of compliance with the admission criteria, persons are not grouped based on whether the higher education institution has the right to charge tuition from them.

(4) The following person is admitted as a student:
1) who meets the admission criteria established by the higher education institution; or
2) who meets the admission criteria established by the higher education institution and holds an admission-ensuring ranking where the higher education institution fills student places based on rankings.

§ 14. Full-time, part-time and external studies

(1) In higher education, studies can be pursued full-time or part-time.

(2) In full-time studies, the student is required to cumulatively reach at least 75 per cent of the workload prescribed by the study programme by the end of each academic year.

(3) In part-time studies, the student is required to cumulatively reach 50–75 per cent of the workload prescribed by the study programme by the end of each academic year.

(4) The higher education institution can specify the programmes:
1) that are provided only full-time or, in the cases determined upon allocation of support specified in §§ 43 and 45 of this Act, only part-time;
2) whereby full-time or part-time studies are subject to higher workload requirements.

(5) Upon enrolling in the higher education institution, the student decides whether they will study full-time or part-time in the first academic year, unless the study programme allows for studying only full-time or part-time.

(6) As of the second academic year, the student is transferred from full-time studies to part-time studies or vice versa, depending on the extent to which the student has cumulatively completed the study programme in each academic year.

(7) The student’s standard period of study usually corresponds to the standard duration of the study programme. The student’s standard period of study is extended:
1) by the duration of an academic leave of absence;
2) by the semester during which the student studied abroad and whereby the higher education institution recognises the courses completed abroad to the extent of at least 15 credits;
3) where the student whose skills of Estonian as the language of instruction do not meet the requirements for studying at the level of higher education, by up to one academic year in the event of intensively learning the official language on the conditions and in accordance with the procedure established on the basis of subsection 8 of this section;
4) in an event provided for in the study programme, whereby the duration of the practical training under the student’s study programme exceeds six months, by the duration of the practical training.

(8) The conditions of and procedure for the intensive learning of the official language are established by a regulation of the minister responsible for the field.

(9) The higher education institution has the right to organise external studies whereby the workload of a person pursuing the external studies, without taking into account the final paper, final examination or completion of practical training, is lower than in the case of part-time studies. A person pursuing external studies must meet the admission criteria of the study programme and, on the conditions and in accordance with the procedure established by the higher education institution, has the right to defend their final paper and take the final examination. A person pursuing external studies is not considered a student.
§ 15. Student’s rights and obligations

(1) The student has the right to:
   1) conditions necessary for studying, including to a safe study environment that supports the attainment of the learning outcomes;
   2) receive information needed for completing the study programme;
   3) receive study and career counselling;
   4) give feedback on the content of the studies, the quality of teaching and the organisation of the studies, and contest decisions concerning the organisation of studies;
   5) elect representatives and be elected to the collegial representative bodies of the higher education institution;
   6) every academic year get a holiday of at least two months, except in a professional higher education institution for national defence;
   7) take an academic leave of absence in accordance with the procedure established by the higher education institution usually for up to one year, plus for up to two years for health reasons, for up to a year in the case of conscription or alternative service, and for taking care of a child until the child reaches the age of three years;
   8) receive state scholarships on the conditions and in accordance with the procedure established on the basis of subsection 4 of this section.

(2) Where the higher education institution’s right to organise studies terminates and teaching based on the respective study programme is terminated, the higher education institution ensures in cooperation with the Ministry of Education and Research that the students pursuing the programme can continue their studies at the same or another higher education institution in the same or a similar field of study.

(3) The student is required to:
   1) complete the study programme;
   2) responsibly use the study facilities, including teaching materials and learning aids;
   3) in the studies, follow the academic ethical principles and the good study practice;
   4) follow other terms and conditions of organisation of studies established by the higher education institution.

(4) The types and amounts of state scholarships for students and the general conditions of and procedure for granting them are established by a regulation of the minister responsible for the field.

(5) A person has the right to request that their prior learning and work experience be recognised on the conditions and in accordance with the procedure established by the higher education institution.

§ 16. Compensation of study expenses

(1) No tuition for pursuing an Estonian study programme is charged from a full-time student who cumulatively obtains the required level of credits every semester.

(2) Where a full-time student pursuing an Estonian study programme has not cumulatively obtained the required level of credits by the end of the semester, the higher education institution may charge a fee for the missing credits to the extent of the maximum limit established by the Government of the Republic.

(3) The maximum limits of the fees charged for credits at the level of higher education are established by a regulation of the Government of the Republic.

(4) The higher education institution does not charge the fee specified in subsection 2 of this section from a student who has not fulfilled the requirements specified in subsection 1 of this section where the student continues pursuing the same study programme and:
   1) has a moderate, severe or profound disability;
   2) is a parent or guardian of a child under the age of seven years or of a child with a disability; or
   3) has studied abroad, provided that the higher education institution takes into account the courses completed there to the extent of at least 15 credits as part of completion of their study programme regarding the semester of studies abroad and the following semester.

(5) Where no tuition is charged from the student for the studies, the higher education institution does not have the right to charge from the student an admission fee or a fee for performances required for admission.

(6) The compensation of study expenses, in other words, a fee to the extent of the entire study programme may be charged from a student who:
   1) studies part-time, unless the student meets the conditions specified in clauses 1 and 2 of subsection 4 of this section or enrols part-time;
   2) does not study on the basis of an Estonian study programme;
   3) has already pursued tuition-free studies at the same level in higher education to the extent of at least half of the standard duration of the study programme and the time that has passed from the admission to the studies is shorter than the triple or, in the case of integrated bachelor’s studies and master’s studies, the double standard duration of the programme;
   4) in a two-year period, has been excluded from and readmitted to the same study programme;
   5) must compensate for the study expenses on the conditions and in accordance with the procedure provided for in the Police and Border Guard Act, the Imprisonment Act or the Military Service Act;
6) enrolls in a private higher education institution on the basis of such a study programme whose study expenses are not covered from activity support or targeted support.

7) Upon funding a higher education institution, study programme groups or study programmes for which the higher education institution does not have the right to charge tuition from students may be agreed on. The higher education institution ensures informing students of such agreements.

8) The higher education institution sets tuition rates and the rate and condition of compensation of study expenses at least four months before the start of the academic year. The rate of compensation of the study expenses of a student who has already enrolled may be raised by the higher education institution by up to ten per cent in comparison with the preceding academic year.

§ 17. Exclusion from studies at level of higher education

The higher education institution excludes from the studies at the level of higher education a student who:
1) has completed the study programme in full;
2) applies for the exclusion on their own initiative;
3) does not make progress in their studies;
4) does not perform the obligations arising from subsections 2 and 6 of § 16 of this Act;
5) has seriously breached the conditions of and procedure for the organisation of studies;
6) harms other students or other persons with their behaviour;
7) has committed a serious indecent act;
8) is discharged from active service while studying in a professional higher education institution for national defence.

§ 18. Student body and student council

(1) The students of a higher education institution form the student body whose democratically elected representative body is the student council.

(2) The student body exercises the students’ right to self-government and independently decides and organises matters of student life based on the students’ interests, needs, rights and obligations, supporting the development of the students into enterprising and responsible citizens.

(3) The student body has articles of association approved by it in accordance with the procedure established in the articles of association or statutes of the higher education institution.

(4) The student body has the right to:
1) form representative, executive and supervisory bodies as well as unions and organisations with other student bodies on the without having the status of a legal person specified in § 5 of the Non-Profit Associations Act and in subsection 2 of § 5 of the Foundations Act;
2) become a member of international organisations or pursue cooperation with them;
3) make proposals for improving the organisation of studies and management in the higher education institution and regularly participate in the respective activities in the higher education institution.

(5) Funds for the activities of the assemblies and structural units of the student body and for the attainment of their purposes are allocated in the budget of the higher education institution.

§ 19. Documents certifying higher education

(1) After a study programme at the level of higher education has been completed in full, the higher education institution issues to the graduate a diploma along with Estonian and English diploma supplements in proof of the academic degree. Documents certifying higher education are issued to the graduate without charge.

(2) The following is issued to a person who has completed a joint study programme in full:
1) a joint diploma certifying higher education, which is issued in accordance with the procedure provided for in subsection 1 of this section by the higher education institutions participating in the joint study programme; or
2) where a foreign higher education institution participates in the joint study programme, another joint diploma in addition to the one specified in subsection 1 of this section is issued in accordance with the procedure agreed on in the joint study programme cooperation agreement.

(3) The higher education institution may decide that an English diploma supplement is issued to a graduate of bachelor’s studies or studies in professional higher education only where a person has requested it.

(4) The uniform grading system and the conditions of and procedure for issuing diplomas and diploma supplements are established by a regulation of the minister responsible for the field.
Chapter 4
Higher Education Institutions

§ 20. University

(1) A university is an education, creative, research and development institution that, on the conditions and in accordance with the procedure established in this Act, has been granted the right to organise studies at the three levels of higher education. Doctoral studies are based on positively evaluated research and development.

(2) The mission of a university is to advance science, culture and lifelong learning, to provide society with necessary services that are based on education, research and creative activities, and to support the development of students into responsible and enterprising citizens. Universities cooperate with other education establishments and the entire society, supporting the development of society, internationalisation and the continuance of national culture via research, development and creative activities.

(3) The word ‘ülikool’ [university] or its foreign-language equivalent may be used in its name by a university whose research and development in multiple broad fields of research have been positively evaluated and where studies are organised in multiple broad fields of study at all levels of higher education.

§ 21. Professional higher education institution

(1) A professional higher education institution is an education establishment that, in accordance with the procedure provided for in this Act, has been granted the right to organise studies in professional higher education and where at least two thirds of persons pursuing formal education study at a level of higher education, unless otherwise provided for upon allocation of the support specified in § 45 of this Act.

(2) The mission of a professional higher education institution is to advance lifelong learning that meets the needs of the labour market, to provide services involving studies and development, to carry out applied research, and to support the development of students into responsible and enterprising citizens. Professional higher education institutions cooperate with other education establishments and the entire society, supporting the development of society via development activities, innovation and applied research in their field.

(3) In a professional higher education institution, master’s studies may be organised in the same study programme group as the studies in professional higher education.

(4) In a professional higher education institution, vocational training may be provided in the same study programme group as the studies in professional higher education on the basis of a study programme whose learning outcomes correspond to the fifth level of the qualification framework established in the Professions Act. Vocational training of the fourth level may be provided in a professional higher education institution for public defence or in a professional higher education institution organising studies in the field of health and well-being.

(5) The provisions of the Vocational Educational Institutions Act governing study programmes, organisation of studies, teachers, funding, right to carry out vocational training and assessment of the quality of vocational training apply to the organisation of vocational training in a professional higher education institution.

Division 1
Public University

§ 22. Legal status of public university

(1) A university in public law (public university) is a legal person governed by public law. The status, purpose, functions, bases of operation and management bodies of a public university are provided for in an Act governing the university.

(2) The Riigikogu decides the foundation, merger, division and closure of a public university. Upon closing a university, the liquidation procedure is followed in accordance with the General Part of the Civil Code Act.

Division 2
State-owned Professional Higher Education Institution

§ 23. Legal status and statutes of state-owned professional higher education institution

(1) A state-owned professional higher education institution is a state institution governed by the Ministry of Education and Research.
A professional higher education institution for public defence is a state institution governed by the Ministry of the Interior.

A professional higher education institution for national defence is a structural unit of the Defence Forces in the area of government of the Ministry of Defence.

A state-owned professional higher education institution has statutes that are established by a regulation of the minister responsible for the field.

§ 24. Rector of state-owned professional higher education institution

A state-owned professional higher education institution is directed by a rector.

The rector of a state-owned professional higher education institution holds at least a master’s degree or equivalent qualifications. Where master’s studies are organised in a professional higher education institution, the rector of the institution must hold a doctorate or equal qualifications or, in a professional higher education institution for public defence, a master’s degree and at least five years of management experience in the field of public defence.

The rector of a state-owned professional higher education institution is elected by way of a public competition for a term of up to five years. The minister directing the ministry under whose area of government the state-owned professional higher education institution belongs or the authorised representative of the minister concludes an employment contract with the rector.

The conditions of and procedure for election of the rector of a state-owned professional higher education institution are established by a regulation of the minister directing the ministry under whose area of government the state-owned professional higher education institution belongs.

After the rector of a state-owned professional higher education institution has been released from office, the rector has the right to take up a position in the professional higher education institution, which is equivalent to the position held by them before being elected as rector.

The exceptions specified in clause 4 of subsection 1 and subsections 2–5 of this section do not apply to the rector of a professional higher education institution for national defence.

§ 25. Council of state-owned professional higher education institution

The highest collegial decision-making body of a state-owned professional higher education institution is the council whose rules of formation, procedural rules and duties are laid down in the statutes of the institution.

The council of a state-owned professional higher education institution has the following members:
1) the rector who is also the chair of the council;
2) the vice rector or vice rectors;
3) representatives of the academic staff;
4) representatives of the student body who amount to at least one-fifth of the council;
5) other persons prescribed by the statutes.

The council of a state-owned professional higher education institution:
1) adopts the development plan of the institution, coordinating it beforehand with the ministry under whose area of government the institution belongs;
2) taking into account subsection 4 of § 3 of this Act, establishes study organisation procedures, including the conditions of and procedure for admission to and exclusion from the institution, the minimum requirements for the level of proficiency of the language of instruction for the purposes of assessing the sufficiency of a foreigner’s skills of the language of instruction, and the conditions of and procedure for recognition of prior learning and work experience;
3) establishes procedures concerning the academic staff, including the qualification requirements and the conditions of and procedure for evaluation, and elects the ordinary academic staff;
4) decides other matters placed within its competence by this Act and the statutes of the institution.

§ 26. Assembly of councillors of state-owned professional higher education institution

The assembly of councillors of a state-owned professional higher education institution is an advisory body that makes proposals to the rector, the council and the ministry in whose area of government the institution belongs regarding the development of the institution.

The minister of the ministry under whose area of government the professional higher education institution belongs:
1) establishes the grounds of and the procedure for formation of the assembly of councillors of the state-owned professional higher education institution, and
2) appoints members of the assembly of councillors.

§ 27. Merger of state-owned professional higher education institution with public university

(1) On the proposal of the minister of the ministry under whose area of government a professional higher education institution belongs, the Government of the Republic has the right to permit the merger of a state-owned professional higher education institution with a public university.

(2) The minister of the ministry under whose area of government the professional higher education institution belongs decides the requesting of the permit specified in subsection 1 of this section from the Government of the Republic jointly with the council and the assembly of councillors of the professional higher education institution and the university.

(3) The Government of the Republic grants the permit to merge the state-owned professional higher education institution with the public university where it is more practical to perform the functions imposed on the professional higher education institution as a university and authorises the minister of the ministry under whose area of government the institution belongs to conclude a merger agreement.

(4) The merger agreement sets out the rights of the students upon continuing their studies, the conditions of continuance of the employment of the staff of the professional higher education institution, the transfer of the state-owned assets, things, rights and obligations, including contracts, of the professional higher education institution, and other matters required for the merger.

Division 3
Private Higher Education Institutions

§ 28. Legal status of private higher education institution

(1) A private higher education institution is a university or a professional higher education institution.

(2) A private higher education institution is an institution of a legal person in private law (hereinafter owner).

(3) The owner of a private higher education institution is the holder of the rights and obligations of the private higher education institution.

§ 29. Requirements for owner of private school

(1) The owner of a university may be a public limited company, private limited company, foundation or non-profit association whose share capital or equity capital is at least 640,000 euros.

(2) The owner of a professional higher education institution may be a public limited company, private limited company, foundation or non-profit association whose share capital or owner’s equity is at least 380,000 euros.

(3) Where the net assets of a public limited company are or the share capital of a private limited company is below the minimum provided for in this section, § 301 or § 176 of the Commercial Code is applied to it, respectively.

(4) Where the net assets of a foundation or non-profit association are smaller than the minimum owner’s equity provided for in this section, the supervisory board of the foundation or the general meeting of the non-profit association decides:
1) the measures as a result of which the net assets would amount to at least the minimum owner’s equity of a foundation or non-profit association provided for in this section;
2) the winding-up, merger or division of the foundation or non-profit association; or
3) the filing of a bankruptcy petition.

(5) Where the owner of a private higher education institution has an auditor, the auditor immediately informs the Ministry of Education and Research of circumstances disclosed to the auditor in the course of their professional activities, which have resulted or could result in:
1) the discontinuation of the activities of the private higher education institution due to its economic situation;
2) a negative opinion or an opinion with comments by a certified auditor on the annual accounts of the private higher education institution;
3) a situation attributable to the economic situation due to which the private higher education institution is unable to perform its obligations or there is a threat of such a situation;
4) considerable material harm to the owner of the private higher education institution, the private higher education institution itself or its students due to the acts of the head or an employee of the private higher education institution.
The owner of a private higher education institution has a separate budget for the institution and it is separated from the accounts of other institutions and undertakings.

§ 30. Requirements for private higher education institution

(1) The owner of a private higher education institution:
1) sets development goals and objectives for the institution, and
2) establishes the statutes of the private professional higher education institution or the articles of association of the private university, which sets out the key terms and conditions of ensuring the quality of teaching and learning, the key terms and conditions of ensuring the effectiveness of the activities of the education institution, the place of organisation of studies, the detailed rights and obligations of the students and employees, including academic staff, the detailed bases of the organisation of studies, and the division of the competence of the management bodies.

(2) The languages of instruction in a private higher education institution are decided by the owner of the institution.

(3) The language of communication in a private higher education institution is Estonian. In a private higher education institution where the language of instruction is not Estonian, the language of instruction of the institution or another foreign language may be used as the internal language of communication besides Estonian.

(4) Before the start of teaching and learning, the student and the owner of the private higher education institution conclude a contract setting out the following:
1) the study programme based on which instruction is provided;
2) the place of study;
3) the conditions of and procedure for compensation of the student’s study expenses;
4) the obligations of the owner of the private higher education institution in ensuring the continuance of the student’s studies in the event where the institution’s right to organise studies at the level of higher education is revoked;
5) where necessary, other terms and conditions which the owner of the private higher education institution creates for ensuring high-quality teaching and learning at the level of higher education.

(5) The owner of a private higher education institution informs the students and employees of the institution and the Ministry of Education and Research of the winding up of the activities of the institution at least six months in advance.

§ 31. Private higher education institution’s right to organise studies

(1) An undertaking that has been granted an activity licence on the conditions and in accordance with the procedure provided for in this section has the right to organise studies at the level of higher education.

(2) The Ministry of Education and Research processes an application for the activity licence of a private higher education institution within six months. The General Part of the Economic Activities Code Act applies to the processing of the application, taking account of the variations provided for in this Act.

(3) The owner of a private higher education institution applies for a private higher education institution activity licence, adding the following to the application in addition to the information specified in subsection 2 of § 9 of this Act:
1) the data and documents specified in the General Part of the Economic Activities Code Act;
2) the articles of association or statutes of the private higher education institution;
3) where the applicant is a private legal person in foundation and the right to organise studies at the level of higher education is being applied for the first time, a copy of the foundation agreement or foundation resolution of the owner of the private higher education institution authenticated by a notary;

(4) In addition to the information specified in subsection 3 of § 9 of this Act, it is checked, upon granting an activity licence, whether:
1) the private higher education institution meets the requirements for processing sensitive personal data arising from the Personal Data Protection Act;
2) the private higher education institution and the owner of the private higher education institution meet the requirements established by this Act.

(5) The Ministry of Education and Research may, in addition to the grounds laid down in § 10 of this Act and in the General Part of the Economic Activities Code Act, refuse to grant an activity licence where the applicant has non-staggered tax arrears.

(6) The Ministry of Education and Research may, in addition to the grounds laid down in this Act and in the General Part of the Economic Activities Code Act, revoke an activity licence also where the owner of the
private higher education institution has been declared bankrupt on the grounds and in accordance with the procedure provided for in the Bankruptcy Act.

§ 32. Management of private higher education institution

(1) Within the limits of the authorisation granted by the owner of the private higher education institution, the private higher education institution is managed by a rector and a council.

(2) The owner of the private higher education institution may appoint as the rector a person who:
1) meets the requirements provided for in subsection 2 of § 24 of this Act in the case of a private professional higher education institution;
2) holds or has held a professorship in the case of a private university.

(3) The council of a private higher education institution consists of the rector, representatives of the academic staff who amount to at least one-fifth of the members of the council, representatives of the students who amount to at least one-fifth of the members of the council, representatives of the owner of the private higher education institution, and other persons appointed by the owner.

(4) The authority and duties of the management bodies of the private higher education institution, the procedure for the appointment, election and removal of their members, and the duration of the authority of the members are determined by the owner of the private higher education institution in the statutes or the articles of association.

(5) In addition to those specified in this section, the owner of the private higher education institution may form other management bodies of the institution.

Chapter 5
Academic Staff

§ 33. Academic staff positions

(1) ‘Academic staff position’ means a position held by a person whose employment duties are related to teaching or to research, development or creative activities or both at the level of higher education.

(2) ‘Professor’ means an academic staff position the holder of which is usually required to have a doctorate and whose main employment duties involve research, development or creative activities of an international level and the management of such activities, organisation of studies and teaching in the field, and the supervision of students and academic staff.

(3) ‘Lecturer’ means an academic staff position the main employment duties of the holder of which are related to teaching in one or multiple levels of higher education.

(4) ‘Research fellow’ means an academic staff position the holder of which is usually required to have a doctorate and whose main employment duties involve research and development; thereby a junior research fellow participating in research is required to have a supervisor.

(5) ‘Teacher’ means an academic staff position the main employment duties of the holder of which are related to teaching in the two lower levels of higher education.

(6) The employer establishes the grades of academic staff positions, the conditions of and procedure for filling the positions, and the requirements applicable to academic staff.

(7) An academic staff position of a higher education institution for national defence may, on the basis of the Military Service Act, be filled by an active serviceman who is evaluated on the conditions and in accordance with the procedure provided for in § 35 of this Act and who is removed from the academic staff position in the event of not passing the evaluation.

§ 34. Employment relations of academic staff

(1) Academic staff have the status of an ordinary staff member or a visiting staff member.

(2) An ordinary academic staff member meets the requirements applicable to an academic staff position. An ordinary academic staff member is elected by way of a public competition or, where justified, assumes the position in another manner on the conditions and in accordance with the procedure established by the employer.

(3) A fixed-term employment contract may be concluded with an ordinary academic staff member for up to five years where:
1) a competition for filling the academic staff position has failed, until the position is filled by way of a competition, or
2) the work to be performed in the academic staff position is of fixed-term character.
(4) To provide an academic staff member with the security of employment, a tenure, in other words, guaranteed permanent employment of an ordinary academic staff member may be established on the conditions and in accordance with the procedure established by the employer, which is funded from a stable funding measure usually allocated from the state budget.

(5) Without announcing a competition, a distinguished creative person or researcher or a distinguished practitioner of a specialisation may be invited to teach or to research as a visiting academic staff member for up to five years.

(6) The employer has the right to conclude a fixed-term employment contract with a person for up to five years for the performance of management functions related to the academic activities of the higher education institution.

(7) Where a consecutive fixed-term employment contract is concluded with the performance of management functions related to the academic activities of the higher education institution or with a visiting academic staff member or where such employment contracts are renewed, the employment relationship does not transform into an employment relationship established for an unspecified term.

§ 35. Evaluation of ordinary academic staff

(1) ‘Evaluation’ means periodical assessment of the work performance of an academic staff member and compliance of the staff member with the requirements applicable to the position for the purpose of supporting the development and career opportunities of the staff member, and determining the suitability of the evaluated staff member for the position.

(2) The employer evaluates an academic staff member at least once every five years of employment.

(3) The employer may apply a procedure different from the one provided for in this section to the evaluation of a tenured academic staff member.

(4) Where an academic staff member does not pass an evaluation, the employment contract concluded with them may be terminated extraordinarily on the conditions and in accordance with the procedure provided for in the Employment Contracts Act.

§ 36. Free semester, holiday and emeritus status

(1) An ordinary academic staff member has the right to, once every five years, get a semester free of teaching duties, during which their employment duties include their professional skills improvement, research and development or creative work.

(2) The employer establishes the duration of the annual holiday of academic staff, listing in which positions the annual holiday is 42 calendar days and in which positions it is 56 calendar days. An academic staff member and the employer or the parties to a collective agreement may agree on a different duration of the annual holiday.

(3) The employer may grant the emeritus status to an academic staff member that has worked for it a long time and reached the retirement age in order to support the withdrawal of the staff member from active teaching and research and development activities, and grant them emeritus remuneration.

(4) Where the academic staff member accepts the emeritus status, the employer has the right to ordinarily terminate the employment contract on the basis of which the staff member is employed, notifying the staff member thereof at least two month in advance.

Chapter 6
Assessment of Quality

§ 37. Organisation of higher education quality assessment

(1) To assess the quality of higher education, institutional accreditation and thematic quality assessments are carried out in higher education institutions.

(2) Higher education quality assessments are organised and carried out by the Higher Education Quality Agency in accordance with international principles.

(3) The Higher Education Quality Agency has an assessment council that consists of higher education experts and higher education quality assurance experts, including an expert of each field of study, and at least one student.
(4) Besides the members of the assessment council, the Higher Education Quality Agency also involves other persons in its activities, establishes and publishes the conditions of and procedures for quality assessments, and regularly undergoes an internationally recognised external assessment.

(5) The minister responsible for the field has the right to authorise a state-owned foundation to perform the functions specified in subsection 1 of this section and an administrative contract is concluded with the foundation for such purpose. The Ministry of Education and Research exercises supervision over the performance of the administrative contract.

(6) Where the functions specified in subsection 1 of this section are performed by a foundation, the council of the foundation establishes, taking into account the requirements provided for in subsections 3 to 5 of this section, the conditions of and procedure for the formation of the assessment council, nomination of candidates to the assessment council, determines the number of the members of the assessment council and approves the membership of the assessment council.

(7) Where an administrative contract specified in subsection 5 of this section has not been concluded or it has been terminated, the Ministry of Education and Research organises the performance of the functions specified in subsection 6.

§ 38. Institutional accreditation

(1) ‘Institutional accreditation’ means an external assessment in the course of which the compliance of the management, work organisation, teaching and research activities, and of the teaching, learning and research environment of a higher education institution with the goals, objectives and development plan of the institution is assessed.

(2) An institution of professional higher education ensures that the Higher Education Quality Agency or a competent foreign quality agency acting in concert with the Higher Education Quality Agency organises an institutional accreditation of the higher education institution at least once in seven years or, in the event specified in clause 2 of subsection 3 of this section, within the time limit set by the Higher Education Quality Agency.

(3) Following the institutional accreditation, the Higher Education Quality Agency makes an assessment that the management, work organisation, teaching and research activities, and the teaching, learning and research environment of the higher education institution:
1) meet the requirements, and accredits the higher education institution for seven years;
2) have deficiencies, and gives instructions for eliminating these and accredits the higher education institution for three years;
3) does not meet the requirements, and refuses to accredit the higher education institution.

(4) Where the higher education institution should be accredited for three years for the third time, the Higher Education Quality Agency makes a decision not to accredit the higher education institution.

(5) In the event specified in clause 3 of subsection 3 and in subsection 4 of this section, the minister responsible for the field:
1) gives the higher education institution a time limit of up to two years for elimination of the deficiencies identified in the course of the institutional accreditation and for participation in institutional accreditation again, or
2) revokes the right to organise studies granted to the higher education institution.

(6) Expenses related to the institutional accreditation are covered from the state budget or, at the request of the higher education institution, from the budget of the higher education institution. In the event of the involvement of a competent foreign quality agency, the expenses are covered from the state budget to the extent of the expenses of a national accreditation.

§ 39. Thematic assessment

(1) The Ministry of Education and Research has the right to initiate thematic assessments for the purpose of preparation of higher education policy decisions and measures or for the assessment of their impact and implementation as well as for giving feedback to the higher education institution.

(2) The theme and timetable of the thematic assessment and the institutions participating in the assessment are approved by a directive of the minister responsible for the field, thereby also involving the Higher Education Quality Agency.

(3) The costs of the thematic assessment are covered from the state budget via the budget of the Ministry of Education and Research.

Chapter 7
Funding

§ 40. Organisation of funding

(1) A higher education institution may receive support from the state budget, income from compensation of study expenses, income from the provision of paid services arising from its primary activity, income from research and development, and other income.

(2) For the purposes of this Chapter, ‘support from the state budget’ means activity support and targeted support allocated to higher education institutions via the budget of the Ministry of Research and Development.

§ 41. Activity support

(1) ‘Activity support’ means support granted to public universities and state-owned professional higher education institutions for the purpose of organisation and development of high-quality studies at the level of higher education and for pursuing the mission of the higher education institution.

(2) The activity support budget is divided between baseline funding to the extent of at least 80 per cent and performance-based funding to the extent of up to 20 per cent.

(3) Upon baseline funding, the proportion of each higher education institution is calculated by taking into account the activity support allocated to the institution in the three calendar years preceding the calendar year of allocation of the activity support and the total activity support allocated to higher education institutions in the same period.

(4) By a decision of the minister responsible for the field, the following may be taken into account upon forming the proportion specified in subsection 3 of this section:
   1) the targeted support allocated to the higher education institution;
   2) a change of the structure or size of the higher education institution.

(5) Upon performance-based funding, the performance of the obligations of the higher education institution to date and the following performance indicators are taken into account:
   1) indicators of the quality of teaching and learning, including international mobility indicators and the indicators of the organisation of studies in the fields of responsibility of the higher education institution;
   2) indicators of the effectiveness of teaching and learning, including indicators of the effectiveness of participating in studies and indicators of the income earned from education activities;
   3) indicators supporting the development of society, including indicators of the employment of and the continuance of studies by graduates.

(6) The clarifications of the performance indicators taken into account upon performance-based funding, their weight and the bases of calculation of performance-based funding are established by a regulation of the minister responsible for the field.

§ 42. Targeted support

(1) ‘Targeted support’ means additional support granted to a higher education institution, where necessary, for carrying out activities arising from the strategic goals of the state in studies at the level of higher education and for allocating the doctoral studies’ performance pay.

(2) The size of the doctoral studies’ performance pay is calculated on the basis of the number of doctorates defended in the higher education institution and the rate of the doctoral studies’ performance pay.

(3) The rate of the doctoral studies’ performance pay and the procedure for the calculation of the performance pay are established by a regulation of the minister responsible for the field.

§ 43. Allocation of support to public university

(1) The minister responsible for the field concludes with the university an administrative contract for three to five years, setting out the university’s obligations based on its mission, goals, objectives and the needs of the state as well as the allocation of support for the performance of these obligations.

(2) A funding agreement is concluded each calendar year as an annex to the administrative contract for the purpose of allocating support to the university.

(3) The following is agreed on in the administrative contract:
1) the main obligations of the university in connection with the scope, quality and effectiveness of the organisation of studies at the level of higher education, including the fields of responsibility of the university and the goals and objectives of the activity support and targeted support;
2) the exceptions to the university’s right to demand that a student compensate for their study expenses;
3) the study programmes based on which the university is allowed to organise only part-time studies;
4) the bases of calculation of the doctoral student support fund;
5) the bases of allocation of the student scholarship fund;
6) the conditions of allocation of other funds, where necessary;
7) the form of reporting.

(4) The minister responsible for the field holds negotiations with the university over the administrative contract and funding agreement to be concluded with the university, following the strategic goals of the state and taking into account the university’s mission, goals, objectives, tasks and functions, the expected need for highly educated specialists in the labour market, the proposals of the ministries, associations of local authorities, registered professional associations and registered specialisation associations, and the funds allocated in the state budget to the organisation of studies at the level of higher education.

§ 44. Budget and financial plan of public university

(1) A balanced budget that must comply with the financial plan, the rules of the budgetary position established in § 6 of the State Budget Act, the net debt burden rules set out in § 10 of the State Budget Act and the restrictions set out in § 11 of the State Budget Act is drawn up with regard to all the revenue and expenditure of the public university.

(2) The public university draws up an annual financial plan that serves as the basis for drawing up the budget of the university. The financial plan is drawn up and submitted in accordance with the requirements provided for in § 12 of the State Budget Act.

§ 45. Allocation of support to state-owned professional higher education institution

(1) The obligations of the state-owned professional higher education institution and the allocation of activity support and targeted support to the institution are approved by a directive of the minister responsible for the field, taking into account, among other things, the expected need for highly educated specialists in the labour market and the proposals of the ministries, associations of local authorities, registered professional associations and registered specialisation associations.

(2) Teaching and learning in the professional higher education institution for public order is financed by the Ministry of the Interior. Those public service study programmes whose area of application falls outside the area of government of the Ministry of the Interior may also be financed by the person or authority that commissioned the respective study programme.

(3) The conditions of and procedure for financing a professional higher education institution for public defence are established by a regulation of the minister responsible for the field.

(4) Teaching and learning in a professional higher education institution for national defence is financed from the budget of the area of government of the Ministry of Defence.

§ 46. Allocation of support to private higher education institution

(1) A private higher education institution may receive activity support and targeted support where the allocation of support is necessary, taking into account the strategic goals of the state and the expected need for highly educated specialists in the labour market.

(2) Activity support allocated to a private higher education institution may be used only for teaching and for investments related to studies.

(3) Where activity support is allocated to a private higher education institution, a student of a study programme that receives the activity support has the right to study without compensating for the study expenses in accordance with the conditions provided for in § 16 of this Act.

(4) A contract is concluded with the owner of the private school for the purpose of allocation of the support.

Chapter 8
Implementing Provisions

§ 47. Graduation from professional higher education institution

(1) Upon completion of the study programme, a bachelor’s degree is awarded on the conditions and in accordance with the procedure specified in § 19 of this Act to a student admitted to studies in professional higher education as of academic year 2019/2020.
(2) Upon completion of the study programme, a professional higher education diploma is issued on the conditions and in accordance with the procedure specified in § 19 of this Act to a student admitted to studies in professional higher education before academic year 2019/2020.

§ 48. Validity of rights to provide instruction and termination of assessment of quality of study programme groups

(1) A higher education institution that holds the right to provide instruction established by the Government of the Republic in the higher education standard is granted by the minister responsible for the field the right of organise studies on the basis of subsection 1 of § 10 of this Act.

(2) In the event specified in subsection 1 of this section, the minister responsible for the field relies on the right to provide instruction granted by the Government of the Republic and the time limits of provision of such instruction, and § 9 of this Act is not applied to the granting of the right to organise studies.

(3) The right to provide instruction granted before the entry into force of this Act in the higher education standard established by the Government of the Republic remains in force until the minister responsible for the field grants the higher education institution the right to organise studies on the conditions specified in subsection 2 of this section.

(4) Where, as a result of a previous quality assessment carried out on the basis of the Universities Act, the Instructions of Professional Higher Education Act or Private Schools Act, a term of less than seven years was set to the assessment of the quality of a study programme group of a higher education institution, the Higher Education Quality Agency carries out a new assessment on the conditions of and in accordance with the procedure for the assessment of the quality of the study programme group in force before the entry into force of this Act.

§ 49. List of academic staff positions and application of variations of employment contracts of academic staff

(1) The employer brings the provisions governing academic staff into compliance with this Act within one years after the entry into force of this Act.

(2) Associate professor and assistant employment contracts concluded before the entry into force of this Act remain in force until the date of expiry or termination of the employment contract as a result of an evaluation. Where an academic staff member is evaluated positively, the higher education institution gives the person, based on the assessment given to them upon evaluation, an opportunity to commence work in another academic staff position. Where a positively evaluated academic staff member does not accept another academic staff position, the employment contract is terminated on the ground specified in subsection 1 of § 89 of the Employment Contracts Act.

(3) Employment contracts concluded before the entry into force of this Act for the purpose of performing management functions related to the academic activities of the higher education institution remain in force until the end of the time limit specified therein, but not for more than five years after the entry into force of this Act.

(4) Within six months after the entry force of this Act, the employer establishes the duration of the annual holiday of an academic staff member, listing the positions in which the annual holiday is 42 calendar days and in which it is 56 calendar days.

(5) The holiday arrangement specified in subsection 2 of § 36 of this Act applies to an academic staff member with whom an employment contract is concluded after the establishment of such arrangement. An academic staff member with whom an employment contract was concluded before the establishment of the holiday arrangement specified in subsection 2 of § 36 of this Act has the right to receive a holiday on the conditions and in accordance with the procedure provided for in the employment contract concluded with them.

(6) A fixed-term employment contract concluded with a member of ordinary teaching staff or research staff before 1 January 2015 remains in force on the conditions and in accordance with the procedure established therein until the expiry of the term specified in the employment contract.

(7) An employment relationship established with a member of ordinary teaching staff or research staff since 1 January 2015 is considered as having been established for an unspecified period from the beginning where at least two consecutive fixed-term employment contracts for the performance of similar work have been concluded with the same person or a prior fixed-term employment contract has been renewed more than once in five years. The conclusion of fixed-term employment contracts is deemed consecutive where the time between the expiry of one employment contract and the conclusion of the next employment contract does not exceed two months.
(8) Where on 1 January 2015 a person had a valid fixed-term employment contract for holding a professorship and after the said date the person reaches the eleventh year of employment with the same university as a professor and the person has been evaluated on the conditions and in accordance with the procedure established by the council of the university, an employment contract is concluded with the person for an unspecified term without announcing a competition.

(9) The title of professor emeritus and associate professor emeritus awarded before the entry into force of this Act and the remuneration granted to these title holders remain in force on the conditions and in accordance with the procedure effective at the time of making these decisions. An employment contract concluded with a professor emeritus or an associate professor emeritus before the entry into force of this Act remains in force on the conditions and in accordance with the procedure provided for therein.

§ 50. Validity of administrative agreement made with university for allocation of activity support

(1) An administrative agreement made with a public university before the entry into force of this Act remains in force until the parties have performed their obligations under the agreement.

(2) The conditions and procedure provided for in this Act apply to the funding agreement made with a public university after the entry into force of this Act.

§ 51–§ 57.[Provisions amending other Acts have been omitted from this translation.]

§ 58. Repeal of Institutions of Professional Higher Education Act

The Institutions of Professional Higher Education Act is repealed.

§ 59–§ 66.[Provisions amending other Acts have been omitted from this translation.]

§ 67. Repeal of Universities Act

The Universities Act is repealed.

§ 68. Entry into force of Act

This Act enters into force on 1 September 2019.

Eiki Nestor
President of the Riigikogu