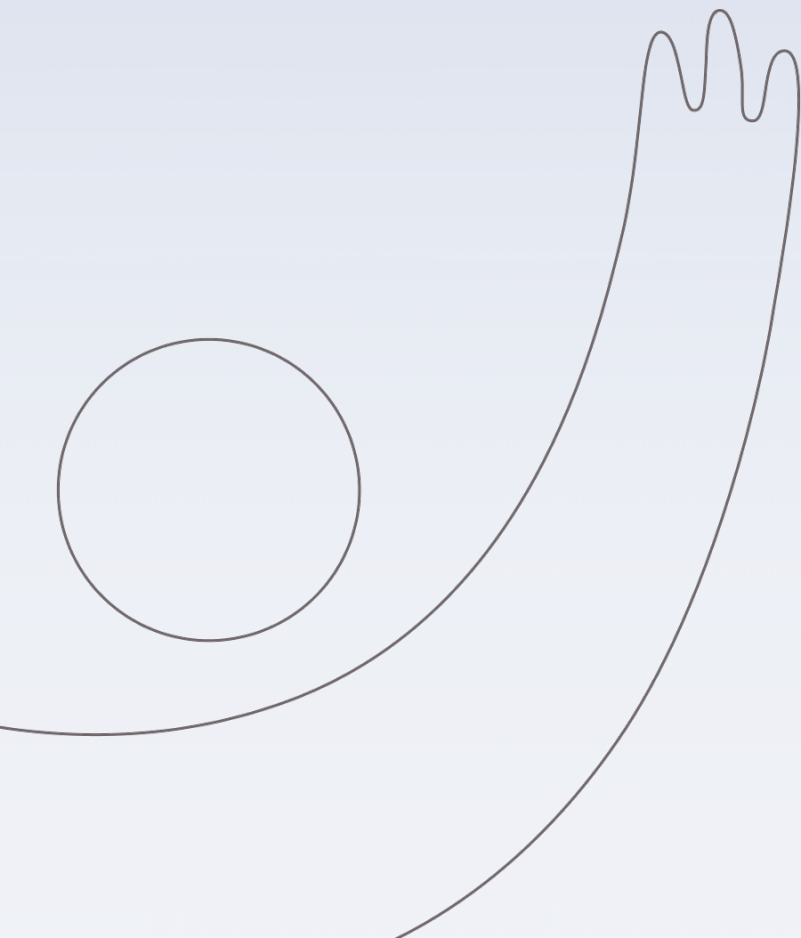


Estonian Refugee Council

Annual Report of 2023



beginning of the reporting year: 01.01.2023
end of the reporting year: 31.12.2023

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Activity report

Foreword

2023 proved to be a turbulent year in the global community, marking the one-year anniversary of the war in Ukraine, renewed conflicts in Armenia and Gaza, earthquakes in Türkiye and Syria, and a steady increase in the number of displaced people worldwide. In the face of these crises, we need the **courage to respond**.

In 2023, Estonian Refugee Council (ERC) rose to the occasion and addressed the unmet needs of people affected by crises. Working on the ground in Estonia, Ukraine, Armenia, Georgia, Jordan, and Türkiye, we provided humanitarian assistance and promoted durable solutions to **hundreds of thousands of people in need**.

This work is done under the guidance of and in line with humanitarian principles – those of humanity, neutrality, impartiality, and independence. We don't shy away from innovation and experimentation, finding and trying out new and oftentimes digitised ways for making assistance timelier and more effective.

ERC's work is divided into three programmatic areas: emergency response, economic recovery, and protection and empowerment.

Under the emergency response pillar, we responded at scale to the ongoing war in Ukraine, providing cash-based as well as in-kind assistance to most-affected communities close to the frontline and in the most hard-to-reach areas. Over the course of the year, more than 100 000 people received multi-purpose cash assistance and other types of much-needed assistance in Ukraine. At the same time, we responded to the earthquake in Türkiye, the displacement of people from Nagorno-Karabakh to Armenia, and assisted refugees arriving to Georgia and Estonia.

Under the economic recovery pillar, we helped displaced and other crisis-affected people to rebuild their livelihoods and recover from shocks in a sustainable manner. We supported the launch of new small businesses in Ukraine and Estonia through tailor-made entrepreneurship programmes, gain effective access to the labour market through employability programmes in Estonia, and helped establish smart and climate-friendly agricultural activities in the water-scarce areas of Jordan.

Under the pillar of protection and empowerment, we provided refugees with timely and accurate information and individual counselling and carried out activities supporting community empowerment and mental well-being in Estonia. Additionally, we started new initiatives amplifying the voices of displaced people and directly advocated for the rights and

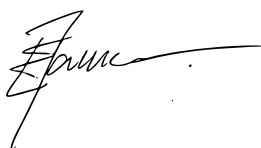
well-being of displaced people in Estonia as well as Georgia.

This work was made possible by our dedicated team of 120 staff members spanning different countries, who have stepped up and had the courage to respond even in unsecure circumstances. With them, we strive to provide effective and timely assistance to those in need, constantly innovating and learning in the process.

We like to say that **a refugee is an ordinary person in an extraordinary situation**. We aim to make this extraordinary situation as short-lived and as dignified as possible.

Eero Janson

Director of ERC

A handwritten signature in black ink, appearing to read 'Eero Janson', with a long horizontal stroke extending to the right.

*A refugee is an ordinary person
in an extraordinary situation*



Estonian Refugee Council

Vision and mission

We envision a world where people displaced or at risk of being displaced by conflict or disaster can live with dignity. Our mission is to stand up for the rights and well-being of people suffering from acute and protracted crises through our humanitarian response, economic recovery, protection and community empowerment initiatives.

Ambition

We take action during and after situations of acute and protracted crises, providing need-based support to people most affected by these crises, most notably refugees, internally displaced people, and people who remain in unsafe and hard-to-reach areas. We are a rights-based organisation and committed to the principles of humanity, neutrality, independence and impartiality.

Geographic focus

We operate in countries hit by acute and protracted crises with humanitarian and early recovery (nexus) programming as well as in Estonia and regionally in the EU with refugee response programming. We have operational presence in Europe, Caucasus, and the Middle East, and are ready to strategically expand our coverage to countries where the needs correspond with our capacity and expertise and in cases where our involvement has a clear added value to the existing response.

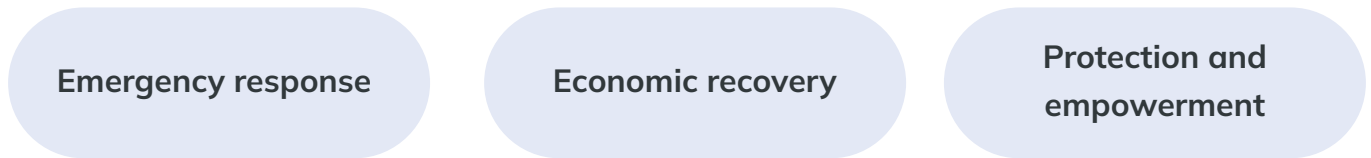
Programmatic focus

We implement a core set of programmes with tailored modalities which are designed based on the needs and capacities of crisis-affected people and the best, evidence-based knowledge available. Through our programmes, we provide assistance to meet immediate humanitarian needs and contribute to durable solutions for crisis-affected communities. In addition to providing direct assistance to people in need, we work with communities at large and help them advocate for their rights and well-being.

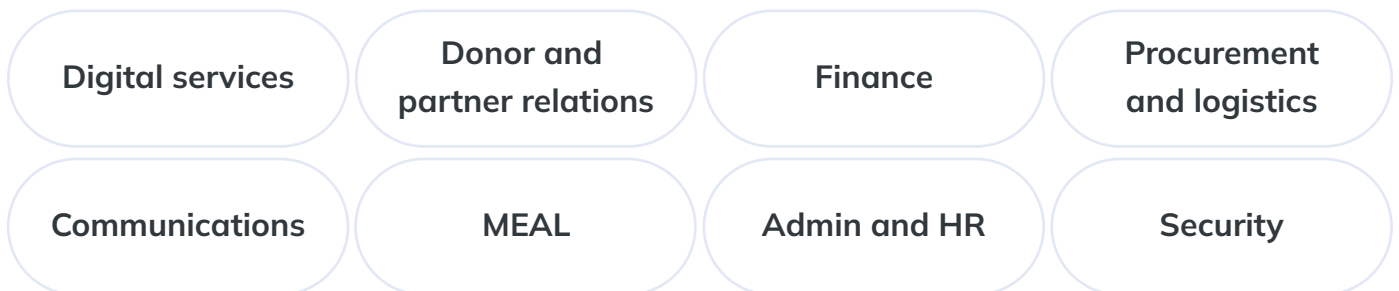
Our programming keeps in mind the different needs of population groups based on their age, gender, disability, socioeconomic status, and other social identity markers. We maintain the readiness to respond to sudden-onset crisis situations in countries where we are already operational. We are an internationally recognized and certified humanitarian and early recovery actor.

Organisational structure

Our work is divided into three programmatic areas:



Our programmatic work is supported by eight departments:



The organisation is managed by a 10-member extended Board, consisting of the Director of the Estonian Refugee Council, Country Directors, the Head of Donor and Partner Relations, Head of Communications, Head of Human Resources, and Head of Finance.

Affiliations

We are members of the European Council on Refugees and Exiles (ECRE), the Active Learning Network for Accountability and Performance (ALNAP), the Network of Estonian Nonprofit Organizations, the Estonian Roundtable for Development Cooperation (AKÜ), and the the Roundtable of Estonian Refugee Organisations.

Our work is based on the principles of the ethical code of Estonian non-governmental organisations and humanitarian principles. When collecting donations, we follow the good practice of collecting donations. Estonian Refugee Council has been awarded the quality mark of “Friend of volunteers”.

Estonian Refugee Council has been certified as an organisation following the humanitarian principles and project management standards and has signed the Framework Partnership Agreement (FPA) with the European Union. Additionally, ERC is a strategic partner to the Estonian Ministry of Foreign Affairs in provision of humanitarian assistance.



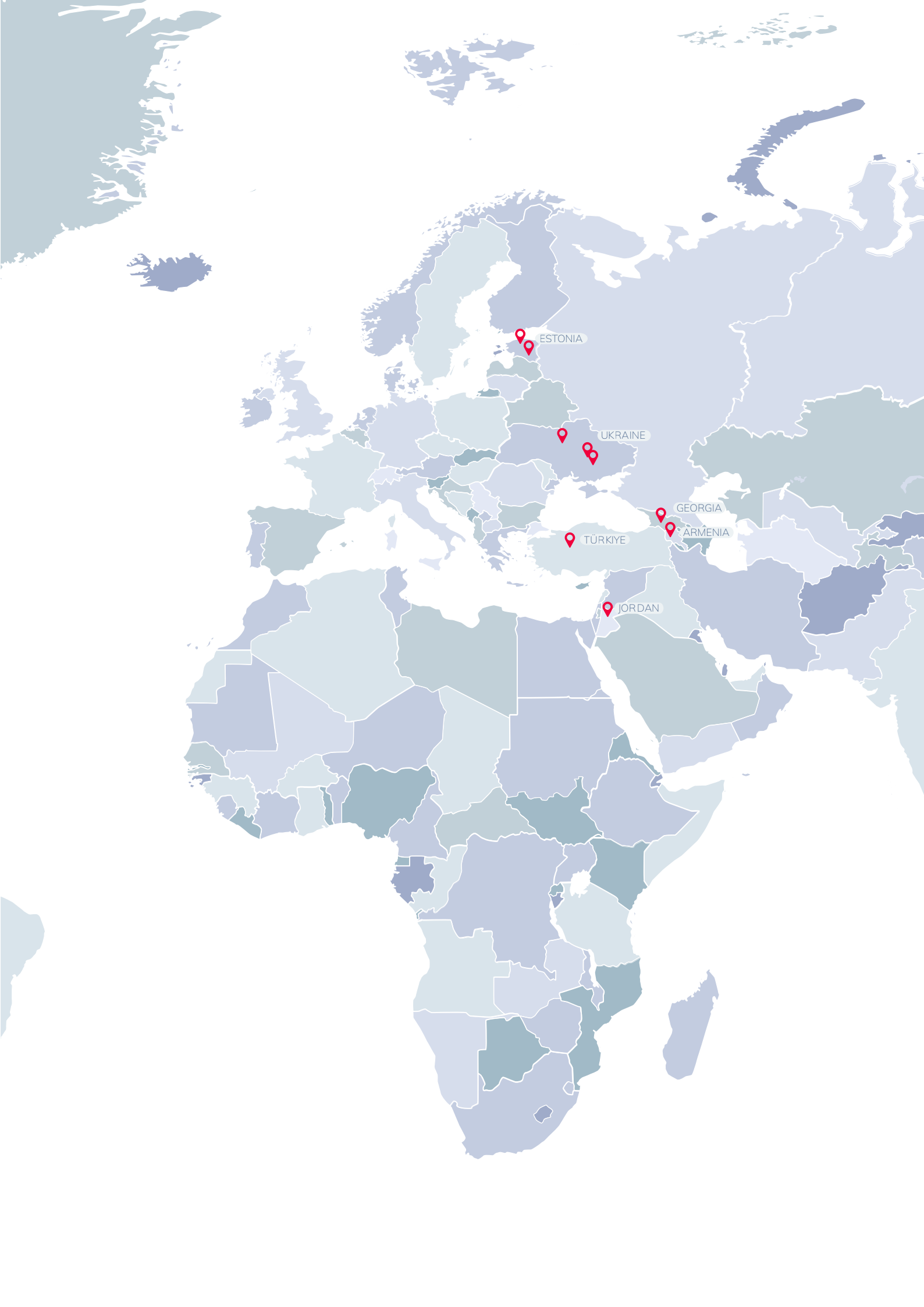
ESTONIAN
REFUGEE
COUNCIL



ESTONIAN
REFUGEE
COUNCIL

2023 in numbers

- We established our offices in **two new countries**: Armenia and Georgia.
- We operated in **6 countries**.
- We collected private and corporate donations worth **482,675** euros.
- We provided multi-purpose cash assistance to **nearly 60,000 people** in Ukraine, totaling over 11 million euros in value.
- We reached **nearly 23,000 people**, totaling over 3 million euros, with cash for heating assistance in Ukraine to support their needs during the cold season.
- We distributed over **35,000 food packages** in Ukraine.
- We supported over **50 families** in Ukraine with emergency livelihoods support.
- We supported **over 150 women** in Estonia and Ukraine with supporting or developing a sustainable micro-business.
- We established **20 hydroponic greenhouses** in Jordan, supporting the livelihoods of a total of 34 households, as some are shared among multiple families.
- We established **two community councils** in Georgia, empowering the voices of displaced people.
- We organised more than 600 trainings in Estonia, with **over 11,000 participants**.
- We hosted over 300 community events to support the adaptation of refugees in Estonia, attended by **nearly 5000 people**.
- We conducted **over 800 protection monitoring interviews**, mapping the needs and challenges of refugees in Estonia.
- We organised five summer camps, attended by **over 120 children and youngsters** in Estonia.
- We launched the MindSpring programme in Estonia and formed over 20 groups, supporting the mental wellbeing of **over 160 people**.



ESTONIA

UKRAINE

GEORGIA

ARMENIA

TÜRKIYE

JORDAN

Overview of the country operations

Armenia

Since September 19, 2023, over **115,000 people** forced to leave Nagorno-Karabakh have arrived in Armenia. Additionally, as of mid-2023, there were over **34,000 refugees** living in Armenia. Considering the country's economic fragility and vulnerability to external shocks, the crisis has also affected a significant portion of the host community. An estimated 8% of Armenia's population requires humanitarian aid.

In September 2023, we established the Estonian Refugee Council's representative office in Armenia to ensure appropriate and sustainable response to the needs of refugees and other displaced people.

Read our needs assessment on Armenia:

[Crisis, Resilience & Long-Term Solutions: Mapping the Needs of Displaced People Living in Armenia](#)

With the support of Estonian Ministry of Foreign Affairs, we initiated a **cash-assistance programme** in Armenia in 2023 to enable those who left Nagorno-Karabakh to meet their basic needs. Our focus was on vulnerable people over the age of 70 in the Shirak, Lori, Tavush, and Kotayk regions.

In 2024, our focus is on supporting the long-term well-being of the vulnerable people in Armenia. We are preparing for the launch of Community Councils programme to empower and capacitate the refugees from Nagorno-Karabakh to effectively address the needs and challenges of their communities. Additionally we will focus on long-term livelihoods initiatives, helping people resume, recover or establish home-based economic activities.



Estonia

As of the end of 2023, there were **over 42,000 people** in Estonia who had been granted international protection. The vast majority of them arrived in Estonia after February 2022, fleeing the war in Ukraine and leaving their homes behind. In addition, there is a large number of Ukrainians in similar situations to refugees in Estonia who have not officially registered as beneficiaries of temporary protection.

We help people affected by humanitarian crises in adapting to their new environment and support local communities in welcoming those who have arrived in Estonia, aiming to make our society more cohesive, diverse, and hospitable.

Protection and empowerment

The most extensive programmatic area in Estonia is Protection and Empowerment. We support the adaptation of crisis-affected people through counselling, community activities, and mental health programmes. Additionally, we systematically advocate for the rights of refugees and raise awareness among locals about the issues related to forced migration.

People with refugee backgrounds need essential information and support to rebuild their lives in a new environment. We provide counselling service and adaptation trainings to facilitate the smooth integration and self-sufficiency of refugees in Estonia.

- We provide counselling for refugees and the people assisting them at the Estonian Refugee Council's office in Tallinn, and via email or phone. Additionally, counselling services are available through Viber, WhatsApp, and Telegram channels.



- We offer support person service across Estonia.
- We conduct adaptation trainings on five key topics: the education system, entrepreneurship, legal matters in Estonia and Ukraine, employment, and digital skills. Additionally, in 2023, we conducted state-led adaptation programme trainings for the beneficiaries of international and temporary protection in Estonia. We organised more than **600 trainings** throughout 2023, with over **11,000 participants**.

We create informational materials for refugees, professionals working with refugees, and host communities

- In 2023, we conducted focus group interviews and developed a framework for creating innovative and culturally sensitive materials about sexual health for migrants and the professionals working with them.
- We continued to use our board game "Diamond Island" to facilitate discussions on integration in schools and held training sessions for educators on how to address topics on migration and forced displacement. We prepared a methodological guide for using the game in youth work.

"Diamond Island" is a board game designed to raise awareness of migration-related issues and help young people aged 12–19 learn about the challenges of adaptation and integration.

We organise community events, various group activities, and children's and youth camps across Estonia to support refugees in adapting to their new environment and to involve locals in embracing them into the community.

- In 2023, we hosted over **300 community events**, attended by **nearly 5000 people** with refugee backgrounds. The events are designed for women, men, or families, offering opportunities to learn about Estonia, connect with the locals, acquire language skills, and feel part of the community.
- During the summer, we organised five camps, attended by over **120 children and youngsters**.



We often see that the community groups we have initiated continue to meet even after the programme ends. A great example is the Estonian-Ukrainian football team SRL, which was formed after the series of games organised by ERC. The Karpaty Tartu football club also started playing in the Estonian futsal league.



Every year, we organise events for the local community to raise awareness of forced migration.

- On June 20th, we celebrated World Refugee Day in Tallinn and hosted a community festival in collaboration with the Estonian Human Rights Centre, the International Women's Network in Estonia, and Sveta Bar.
- In December we organised a discussion circle and a free screening of the film "Shadow Game" to highlight the 75th anniversary of the Universal Declaration of Human Rights.
- We held a Christmas market at our office in Tallinn, giving entrepreneurs with refugee backgrounds an opportunity to sell their products.

We offer mental health support to crisis-affected people.

- In 2023 we launched the MindSpring programme to support refugees across Estonia. We offer the MindSpring programme to three target groups: parents, youngsters, and children. The first groups started in March 2023, and by the end of the year, **over 20 groups** had been formed. The sessions took place all over Estonia, with over **160 participants** in total. *MindSpring is a group-based programme recognised by the European Commission, aimed at supporting refugees in adapting to life in a foreign country. The group meetings are led by trained coaches with similar experiences, backgrounds, and languages as the participants, who understand their issues, thereby creating trust and a sense of security.*
- **We continued to offer NET therapy.** *NET (Narrative Exposure Therapy) is a short-term and evidence-based therapy aimed at restoring psychosocial functioning after a traumatic experience.*

We advocate for the rights and well-being of refugees at the local, national, and international levels.

- We continuously gather feedback from refugees to identify good practices in the field, as well as the challenges they are facing and the violations of their rights. In total, we conducted **over 800 protection monitoring interviews** throughout the year.
- We also resumed convening the Roundtable of Estonian Refugee Organisations.

Collecting information helps us identify shortcomings and gaps in services provided to refugees and develop solutions to enhance quality. We provided input for various reports, made proposals for legislative changes, and submitted input on refugee rights and interests to various ministries, commissions, and organisations.

Humanitarian assistance

In the first half of 2023, we still responded to an acute crisis in Estonia, and until April, we provided school support grants to all refugee children starting school in Estonia. In 2023, a total of **370 children** received the support. Together with previous efforts, we have supported a total of 5016 children, with a total amount of 250,700 euros.

The school support grant helps families purchase essential school supplies, which constitute a significant portion of the family budget. The size of each grant was 50 euros. The year-long support programme has been the most extensive cash-based assistance programme that the Estonian Refugee Council has offered in Estonia so far.

We held a **humanitarian assistance conference** in Tallinn, bringing together experts from around the world. Taking place on November 9th, the conference focused on discussions revolved around macro trends in the sector:

- Humanitarian assistance increasingly shifting towards cash-based methods;
- The growing importance of data-driven approaches and digitalisation;
- The localisation of humanitarian assistance.





Economic recovery

We support the self-sufficiency of crisis-affected people by assisting them in starting small businesses or finding a suitable job. We are focused on sustainable solutions so that participants can achieve self-sufficiency and secure a stable income for themselves and their families after the program concludes.

- We continued with our "Empowering Women" entrepreneurship programme in collaboration with Garage48. Within the programme, we assist women from refugee backgrounds start or develop their micro-enterprises, aiming to improve their independent and long-term livelihoods.
- The inaugural round of "Empowering Women" started in 2022, and by January 2023, the program had already supported **10 thriving women-led enterprises**. In September, we launched the next round of the programme, and at the concluding event in October, top 16 business ideas were rewarded, continuing their journey in a 6-month mentorship programme.
- We launched a four-month entrepreneurship programme called "Boost". Over **30 Ukrainians**, ranging in experience, received support to develop or advance their businesses. At the end of the programme, the jury selected three top participants who were awarded a 1000-euro grant each to further advance their businesses.
- We coordinated an employability programme to assist and prepare participants for securing employment in Estonia.

In 2024, we continue to ensure that refugees have access to relevant and timely information for settling and adapting in Estonia and continue to work towards supporting strong and cohesive communities. Since maintaining good mental health is essential for successful adaptation, we will integrate a mental health component into all our activities. Continuing with our entrepreneurship and employability programmes, we strive to provide equal opportunities for the economic self-sufficiency of people from refugee backgrounds.

Our activities in Estonia are supported by UNHCR, the European Union, ESTDEV, the Council of Europe Development Bank (CEB), the Estonian Social Insurance Board, the Asylum, Migration and Integration Fund (AMIF), the Estonian Ministry of Culture, the Ministry of Interior, the Ministry of Social Affairs, the US Embassy in Estonia, Erasmus+, and the Active Citizens Fund (ACF).

Georgia

In the last 30 years, Georgia has faced two major internal displacement crises. There are currently over **290,000 internally displaced people** in Georgia. Despite 16 years passing since the last crisis, the displaced people are still facing significant socio-economic challenges. Additionally, many Ukrainians who have been forced to leave their homes have found refuge in Georgia – currently, there are **over 27,000 Ukrainian refugees and asylum seekers** in the country, highlighting the need for external support in assisting the people affected by conflicts and displacement.

We have been operating in Georgia since 2020. In September 2023, we established our representative office in Tbilisi. Having an on-site office significantly enhances our response capability and allows us to tailor our services to meet specific regional needs more effectively.

Read our needs assessments on Georgia:

[Challenges & Aspirations: A Detailed Look at Refugee Needs in Georgia](#)

[Understanding Displacement in Georgia: An In-Depth Analysis of IDP Needs](#)

With support from the Estonian Ministry of Foreign Affairs, we started a **winterisation cash assistance** programme in 2023 to help Ukrainian refugees cope with harsh conditions of the cold season.

In 2023, we initiated a programme **covering medical expenses** and enabling access to essential healthcare for Ukrainian refugees, also funded by the Estonian MFA.





Since 2023, we have been supporting civil society and empowering the voices of displaced people and refugees in Georgia through our community councils programme. With support from ESTDEV we established **two community councils** in Georgia, allowing conflict-affected people to collectively find solutions to their problems and advocate for their rights. In the first stage of the programme, internally displaced people and Ukrainian refugees participated, and the second stage starting in 2024, is tailored for refugees of all backgrounds.

Listen to ERC's podcast:

[Solidarity in Georgia: IDPs helping Ukrainian refugees](#)



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In December 2023, driven by the community councils, we organised a **conference** in Georgia, bringing together government representatives, local authorities, NGOs, embassy officials, media representatives with displaced people and Ukrainian refugees to discuss the needs and potential solutions of their communities.

In 2024, we continue supporting the community councils in Georgia to ensure that the voices of internally displaced people and refugees are heard. Additionally, we will support small-scale livelihoods activities, helping refugees from Ukraine generate sustainable income, meet the subsistence standards and reduce their dependency on humanitarian cash assistance.

Jordan

In the past decade, Jordan has hosted **over a million people** displaced from Syria, with about half officially registered as refugees. While being one of the largest hosts, Jordan is also one of the world's most water-scarce countries and requires support to cope with both the water and displacement crises.

We have been operating in Jordan since 2018. In Jordan, we help female-headed households through our economic recovery activities in achieving food security, adapting to climate change, and attaining self-reliance.

With support from ESTDEV, we established a learning centre near Ar-Ramtha in northern part of Jordan to support Syrian refugees and vulnerable local communities.

- To date, we have trained **100 women** and established **20 hydroponic greenhouses**, enabling people to grow food for their own consumption or generate income by selling produce.
- A total of **34 households** benefit from these greenhouses, as some are shared among multiple families simultaneously.

Hydroponics is an environmentally friendly agricultural method that helps conserve both water and nutrients, enabling robust crop production even with limited water resources.

In 2024, we will continue with the next phase of the programme, further developing our learning centre and providing training for 40 people, 16 of whom will receive support to establish hydroponic greenhouses on their own plots. Additionally, we will conduct hydroponics training for four women-led community organisations to increase knowledge of water-efficient agricultural methods throughout the region.



Türkiye

In February 2023, Türkiye and Syria were struck by two powerful earthquakes, claiming approximately 60,000 lives and leaving millions homeless. With over **3 million refugees**, Türkiye is among the largest host countries. The earthquakes severely impacted vulnerable communities — according to UNHCR, the earthquake affected a region in Türkiye which was home to 1.75 million refugees.

We have been operating in Türkiye since 2016, primarily providing mental health support to Syrian refugees.

Following the earthquakes in 2023, we responded promptly in collaboration with GoSwift, providing **in-kind assistance** to the affected people, addressing their immediate needs, including tents, blankets, portable stoves, and generators.

We made all purchases directly on-site in Türkiye to support the functioning of the local market and provide emergency assistance as quickly and efficiently as possible.

A year after the devastating earthquakes, the situation of millions of affected people has further deteriorated, with vulnerable communities in urgent need of continued support. Currently, we are working towards establishing a local representation of the Estonian Refugee Council in Türkiye to enhance our capacity to respond.



Ukraine

Since February 24, 2022, millions of Ukrainians have been forced to flee their homes, resulting in the largest displacement of people in Europe since World War II. Approximately 4 million people have been internally displaced within Ukraine, and an estimated 3.3 million people remain in the occupied areas of eastern Ukraine, unwilling or unable to leave due to heightened security risks, destruction of bridges and roads, and lack of resources or information. According to UNHCR, **over 14.6 million people**, roughly 40% of Ukraine's population, will need humanitarian assistance in 2024.

We have supported people affected by the war in Ukraine since 2014, adapting our aid services according to the evolving situation and people's needs. Our goal is to provide timely, effective, and needs-based assistance to people living in war-torn areas and displaced people who have had to leave their homes.

Humanitarian assistance

We continue to support vulnerable people in frontline, conflict-affected, and hard-to-reach areas with cash-based humanitarian assistance.





Why cash-based assistance? Cash-based assistance allows people affected by crises to purchase exactly what they need most at a critical moment. It's a quick, cost-effective, and dignified measure that we use in areas where markets are functioning. The support is primarily used to purchase food, drinking water, medicines, hygiene items, or to cover temporary accommodation costs.

In 2023, we provided multi-purpose cash assistance to **nearly 60,000 people**, totaling over 11 million euros in value. In 2022-2023 we have supported over a quarter of a million people with multi-purpose cash assistance – our aid has reached nearly 260,000 people, totaling around 48 million euros in value.

Listen to ERC's podcast:

[Cash Assistance in Ukraine](#)



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The assistance is provided for three months, with support of 3600 Ukrainian hryvnias per household member per month, equivalent to about 92 euros. Registration for assistance is carried out through Estonian Refugee Council's local registration points or via online application platform. Currently, our focus is on assisting those in need in frontline areas in Zaporizhzhia, Donetsk, Luhansk, Kharkiv, Kherson, and Mykolaiv Oblasts.

We are part of the Joint Market Monitoring Initiative (JMMI), through which we assist the humanitarian community in maintaining a consistent overview of market conditions and the price levels of essential goods in Ukraine. Through JMMI, we can better prepare our cash-based assistance programs and direct them to the areas where help is most needed. Our data collection scope covers Zaporizhzhia, Kherson, and Donetsk Oblasts.

We reached **nearly 23,000 people**, totaling over 3 million euros, with cash for heating assistance to support their needs during the cold season.

The cash for heating assistance is intended for people not connected to central heating systems or affected by attacks on the energy infrastructure. Assistance is provided to vulnerable families living in rural areas and suburbs, enabling them to purchase solid fuels such as coal, firewood, briquettes, or pellets, or to cover the costs of gas heating. The assistance is available in the same regions as our multi-purpose cash assistance programme.

We have distributed more than **35,000 food packages** to people in need in Kharkiv, Donetsk, Kherson and Zaporizhzhia regions.

Listen to ERC's podcast:
[Food Security in Ukraine](#)



In summer, we supported people affected by the explosion of the Kakhovka Dam with both cash-based assistance and food assistance.



Economic recovery

We help people affected by the war in Ukraine secure sustainable livelihoods by supporting them in starting or developing crisis-resilient micro-businesses.

- Over the course of the year, **more than 100 women** participated in the "Empowering Women" programme. **More than 40 entrepreneurs** or teams received asset-based grants and mentorship for the further development of their businesses. In 2023, we distributed grants totaling nearly 56,000 euros.
- At the end of the year, we started the fifth round of the programme to support women in the Cherkasy, Kirovohrad, and Poltava regions.
- We provide emergency livelihoods support to vulnerable people in the Zaporizhzhia, Mykolaiv, and Kharkiv regions, helping them generate new sources of income and achieve the subsistence minimum, by starting or continuing with commercial activities in the field of agriculture, food production and various micro-services. The amount of the support varies depending on the activity, up to 33,000 Ukrainian hryvnias or approximately 800 euros. Throughout the year, we supported **over 50 families** with emergency livelihoods support.



In the third year of the full-scale invasion, people in Ukraine continue to need both urgent humanitarian assistance and long-term support to rebuild their lives. Estonian Refugee Council continues to support the population affected by the war in Ukraine through cash-based aid programmes – we provide both multi-purpose cash assistance, aimed at alleviating immediate needs, and targeted cash assistance, such as support for the reconstruction of war-affected homes or for the purchase of solid fuels. Additionally, we help launch small businesses and assist in developing agriculture-based livelihoods. In 2024, ERC remains one of the largest providers of cash-based aid in eastern and southern Ukraine.

Our programmes in Ukraine are funded by the European Union, USAID's Bureau for Humanitarian Assistance (BHA), Ukraine Humanitarian Fund (UHF) managed by UN OCHA, and the Estonian Ministry of Foreign Affairs. Acted is the leading partner for the ECHO and USAID/BHA funded projects.

Financing

Financing

The Estonian Refugee Council's income in 2023 was **22.66 million euros**. ERC's programmes and projects are mostly financed by **institutional donors**, covering **95%** of ERC's income in 2023. The institutional donors were divided as follows:

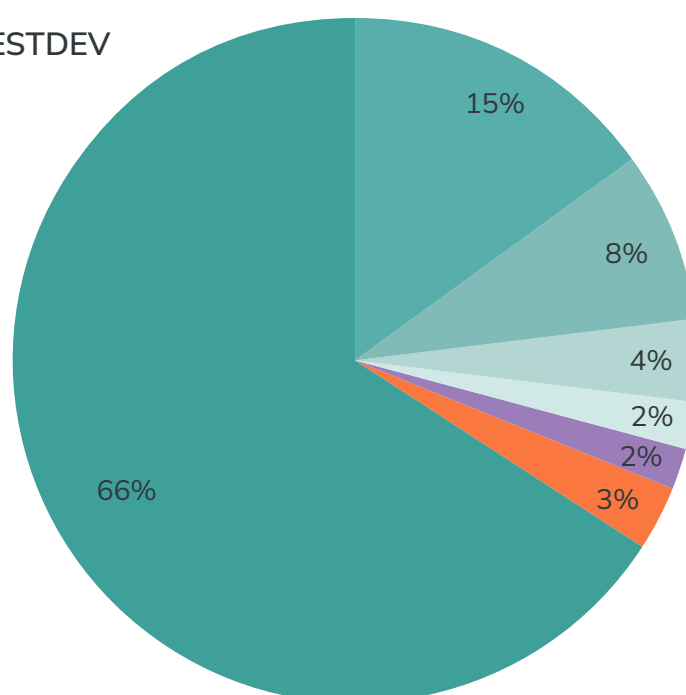
- 66%** European Union
14.86 million
- 15%** Ukraine Humanitarian Fund through UN OCHA
3.434 million
- 8%** USAID's Bureau for Humanitarian Assistance (BHA)
1.746 million
- 4%** Estonian Ministry of Foreign Affairs, ESTDEV
0.876 million
- 2%** Others
0.53 million

Private and corporate donations

accounted for **2%** of ERC's income in 2023, totaling **0.482 million euros**.

Public procurements and other sales income

for providing services to refugees in Estonia made up the remaining **3%** of ERC's income, totaling **0.732 million euros**.



Financial ratios	Formula	2023	2022
Current ratio	Current assets / current liabilities	1.22	2.21
Proportion of total revenue from received grants and donations	Grants and donations / total revenue	0.97	0.99
Proportion of total expenses allocated to grants and donations distributed as humanitarian aid and to project partners	Distributed grants and donations / total expenses	0.81	0.75
ROE	(net surplus / total net assets) · 100	80%	89%

The annual accounts

Statement of financial position

(In Euros)

	31.12.2023	31.12.2022	Note
Assets			
Current assets			
Cash and cash equivalents	5 106 226	3 022 096	
Receivables and prepayments	16 290 482	265 817	2
Total current assets	21 396 708	3 287 913	
Non-current assets			
Investments in subsidiaries and associates	19 040	2 500	4, 13
Receivables and prepayments	0	1 000	2
Property, plant and equipment	57 686	18 988	5
Intangible assets	762	306	
Total non-current assets	77 488	22 794	
Total assets	21 474 196	3 310 707	
Liabilities and net assets			
Liabilities			
Current liabilities			
Payables and prepayments	502 800	213 552	6
Grants with special terms	17 030 870	1 287 085	8
Total current liabilities	17 533 670	1 500 637	
Non-current liabilities			
Payables and prepayments	0	1 025 337	6
Total non-current liabilities	0	1 025 337	
Total liabilities	17 533 670	2 525 974	
Net assets			
Accumulated surpluses (deficits) from previous periods	784 733	87 576	
Surplus (deficit) for the period	3 155 793	697 157	
Total net assets	3 940 526	784 733	
Total liabilities and net assets	21 474 196	3 310 707	

Statement of revenues and expenses

(In Euros)

	2023	2022	Note
Revenue			
Grants and donations	21 931 513	21 655 597	8
Business income	732 426	209 823	9
Other income	2 505	0	
Total revenue	22 666 444	21 865 420	
Expenses			
Direct cost of projects financed by grants for special purposes	-17 745 827	-17 003 286	10
Other operating expense	-725 319	-4 086 830	11
Employee expense	-546 849	-138 336	12
Depreciation and impairment loss (reversal)	-65 554	-4 259	5
Other expenses	-5 998	-235	
Total expenses	-19 089 547	-21 232 946	
Surplus (deficit) from operating activities	3 576 897	632 474	
Interest income	167	127	
Other financial income and expense	-421 271	64 556	
Net surplus (deficit) for the period	3 155 793	697 157	

Statement of cash flows

(In Euros)

	2023	2022	Note
Cash flows from operating activities			
Receipts from grants and donations	482 675	6 399 229	8
Receipts of sales of goods and rendering of services	823 150	209 823	9, 2
Receipts from other operating revenue	2 255	0	
Payments of grants and donations	-13 871 600	-3 342 862	10, 11
Payments to employees	-2 542 938	-801 659	12
Proceeds from grants with special terms	21 046 363	15 955 259	8
Other cash flows from operating activities	-3 318 083	-16 085 842	8, 10, 11
Total cash flows from operating activities	2 621 822	2 333 948	
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	-103 798	-23 553	5
Proceeds from sales of property, plant and equipment and intangible assets	250	0	5
Loans given	-13 040	-1 000	13
Interest received	167	127	
Total cash flows from investing activities	-116 421	-24 426	
Total cash flows	2 505 401	2 309 522	
Cash and cash equivalents at beginning of period	3 022 096	648 018	
Change in cash and cash equivalents	2 505 401	2 309 522	
Effect on exchange rate changes on cash and cash equivalents	-421 271	64 556	
Cash and cash equivalents at end of period	5 106 226	3 022 096	

Statement of changes in net assets

(In Euros)

	Total net assets	
	Accumulated surpluses deficits from previous period	
31.12.2021	62 698	62 698
Net surplus (deficit) for the period	697 157	697 157
Other changes in net assets	24 878	24 878
31.12.2022	784 733	784 733
Net surplus (deficit) for the period	3 155 793	3 155 793
31.12.2023	3 940 526	3 940 526

In 2022 Other changes in net assets include Jordan office accumulated net surplus (24 878 EUR).

Notes

Note 1 Accounting policies

General information

The 2023 financial statements of MTÜ Eesti Pagulasabi have been prepared based on the Estonian financial reporting standard. The Estonian Financial Reporting Standard is based on internationally recognized accounting and reporting principles, the main requirements of which are established in the Accounting Act and supplemented by guidelines from the Estonian Accounting Standards Board. The financial statements have been prepared in euros. The non-profit organization uses the income statement format shown in the Estonian Accounting Standards Board guideline no. 14 for preparing the income statement. Cash flows are presented using the direct method. MTÜ Eesti Pagulasabi has branches in Jordan, Armenia, and Ukraine. Separate accounting records are kept for each branch in the respective host country. The annual reports of the branches have undergone an audit in the host country and are included in the data of MTÜ Eesti Pagulasabi's report.

Changes in accounting policies or presentation of information

In connection with the identified error in project accounting and overstatement of project-related revenues as of December 31, 2022, the following adjustment has been made to the opening balances in the report:

Previous period result - 166,408 EUR

Targeted financing liabilities - 166,408 EUR

Cash and cash equivalents

Cash and cash equivalents are recognized as cash on hand and in the bank.

The cash flow statement reflects the receipts and payments of the non-profit organization for the reporting period, grouped according to their purpose as cash flows from operating activities, investing activities, and financing activities. Cash flows are presented using the direct method. Payments for donations and grants are recorded in the line item for direct monetary humanitarian aid, and other cash flows from operating activities include payments related to both specific projects and operating expenses.

Foreign currency transactions and assets and liabilities denominated in a foreign currency

The accounting currency of the non-profit organization is the euro, which is also the reporting currency of MTÜ Eesti Pagulasabi; all other currencies are considered foreign currencies. Transactions in foreign currencies are recorded based on the exchange rates of the European Central Bank officially in effect on the transaction date. Gains and losses from foreign currency transactions are recognized in the income statement as period income and expenses. Monetary assets and liabilities denominated in foreign currencies are revalued into euros as of the reporting date using the exchange rates of the European Central Bank officially in effect on the reporting date. Exchange gains and losses resulting from the revaluation are recognized separately from other operating income and expenses in the income statement under other financial income and expenses.

Shares of subsidiaries and associates

Shares and stakes in subsidiaries are recognized in the balance sheet as long-term financial investments. A subsidiary is considered a company over which the parent company has control. A subsidiary is considered under control if the parent company directly or through subsidiaries owns more than 50% of the voting shares or stakes of the subsidiary, if the parent company controls the financial and operating policies of the subsidiary through a contract or agreement, or if the parent company has the right to appoint or remove the majority of the members of the management and higher governing bodies.

Investments in subsidiaries are recognized in the balance sheet using the acquisition cost method. On each balance sheet date, the company's management assesses whether there are any indications that could suggest a decline in the value of the investment. If there are doubts indicating that the value of the investment has fallen below its carrying value, a recoverable amount test is conducted similarly to tangible fixed assets. If it turns out that the recoverable amount of the asset is lower than its carrying value, the investment is written down to its recoverable amount.

MTÜ Eesti Pagulasabi's subsidiary, OÜ Siin ja Säääl, is a company registered in Estonia and is a 100% subsidiary. MTÜ Eesti Pagulasabi does not consolidate the data of the subsidiary OÜ Siin ja Säääl, as the total balance sheet volumes of the subsidiaries do not exceed 5% of

the parent company's balance sheet volume, and the total revenues do not exceed 5% of the parent company's revenues.

Receivables and prepayments

Receivables are recognized in the balance sheet at amortized cost. The amortized cost of short-term receivables is generally equal to the nominal value of the amount receivable. Receivables in the balance sheet are measured based on the amounts likely to be received. Each specific customer's receivable is assessed separately, considering known information about the customer's solvency. Receivables that are unlikely to be collected are expensed in the reporting period.

Plant, property and equipment and intangible assets

Tangible and intangible fixed assets are considered assets used in the non-profit organization's own economic activities with a useful life of more than one year and a cost starting from the capitalization threshold for fixed assets. Tangible fixed assets are initially recorded at their acquisition cost, which consists of the purchase price (including customs duties and other non-refundable taxes) and directly attributable costs necessary to bring the asset to its working condition and location. Tangible fixed assets are recognized in the balance sheet at their acquisition cost, less accumulated depreciation and any impairment losses. The straight-line method is used for calculating depreciation. The depreciation rate is determined separately for each fixed asset item, depending on its useful life. Expenses incurred to ensure and maintain future revenue from the asset are recognized as expenses in the reporting period in which they are incurred.

Minimal acquisition cost 900 EUR

Useful life by assets group (years)

Assets group name	Useful life
Computers	4 years
Other fixed assets	5 years

Financial liabilities

All financial obligations (liabilities to suppliers, loans taken, and other short-term and long-term debt obligations) are initially recognized at their acquisition cost, which is the fair value of the consideration payable. The initial acquisition cost also includes all directly attributable costs incurred with the acquisition. Subsequent recognition is done using the amortized cost method. The amortized cost of short-term financial obligations is generally equal to their nominal value, and thus short-term financial obligations are recognized in the balance sheet at their amounts due for payment. A financial liability is classified as short-term if its payment is due within twelve months from the reporting date, if the non-profit organization does not have an unconditional right to defer the settlement of the liability for more than 12 months after the reporting date, or if the lender had the right to demand repayment of the financial liability on the reporting date due to a breach of conditions specified in the loan agreement.

Provisions and contingent liabilities

A provision is recognized in the balance sheet when the non-profit organization has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably measured. Provisions are assessed based on management's estimates and experience, and they are recognized in the balance sheet at the amount that is necessary to settle the obligation as of the reporting date. Commitments, guarantees, and other obligations that may become liabilities in the future under certain conditions, but for which the probability of occurrence is assessed by the non-profit organization's management as less likely than not, are disclosed as contingent liabilities in the notes to the financial statements.

Grants and donations

Grant funding is generally recognized as revenue in the periods when expenses occur for which the restricted funds are intended to compensate. Restricted funds received for expenses incurred in previous periods, or where no additional future-oriented conditions are attached, are recognized as revenue in the period when the restricted funds are received. Restricted funds are not recognized as revenue until there is sufficient certainty that the non-profit organization meets the conditions associated with the restricted funds and the restricted funds are received. Potential obligations associated with restricted funds are recognized in the financial statements as provisions or contingent liabilities. Restricted funds are recognized on a gross basis. Grants and donations are recognized in revenues and expenses following the accrual basis principle. Funds received and subsequently disbursed are recognized simultaneously in revenues and expenses. Distributed grants and donations are recognized as liabilities and expenses at the moment the decision to distribute them is made. Membership fees are recognized as revenue in the periods for which they are received.

Revenue recognition

Income from grant funding is recognized according to the milestone method. Revenue from the sale of goods is recognized when all significant risks and rewards associated with ownership have transferred from the seller to the buyer, the amount of revenue and related costs can be reliably measured, and the receipt of consideration is probable. Revenue from the provision of services is recognized after the service has been rendered. Interest income is recognized when the receipt of income is probable and the amount of income can be reliably estimated.

Taxation

According to the laws of the Republic of Estonia, the annual profit of a company or non-profit organization is not taxed. Income tax is paid on dividends, gifts, donations, reception expenses, non-business-related payments, and transfer pricing adjustments. The current tax rate is 20% (the payable tax amount is 20/80 of the net payment). Taxes withheld from payroll expenses are recognized as payroll tax expenses in the month when the obligation arises. Taxes withheld from payroll expenses are recognized as a tax liability in the month when payments are made. Taxes related to income are recognized in accordance with applicable laws.

Related parties

A related party is an individual or entity associated with the non-profit organization preparing the annual report to such an extent that transactions between them may not occur under market conditions.

In the preparation of the annual report, related parties are considered to include:

- Members of the organization;
- Operational and senior management;
- Subsidiaries and their operational and senior management;
- Close family members of the individuals listed above and entities associated with them.

Events after reporting date

In the financial statements, significant events affecting the valuation of assets and liabilities that occurred between the reporting date, December 31, 2023, and the date of preparation of the report are reflected. These events are related to transactions that occurred during the reporting period or in previous periods. Post-reporting date events that have not been considered in the valuation of assets and liabilities but significantly impact the results of the next financial year are disclosed in the notes to the financial statements.

Note 2 Receivables and prepayments

(In Euros)

	31.12.2023	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	3 329	3 329	0	
Accounts receivables	3 329	3 329	0	
Tax prepayments and receivables	2 893	2 893	0	3
Other receivables	8 328	8 328	0	
Accrued income	8 328	8 328	0	
Prepayments	17 731	17 731	0	
Deferred expenses	17 680	17 680	0	
Other paid prepayments	51	51	0	
Total receivables and prepayments	16 290 482	16 290 482	0	
	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	94 053	94 053	0	
Accounts receivables	94 053	94 053	0	
Tax prepayments and receivables	11 674	11 674	0	3
Loan receivables	1 279	279	1 000	
Other receivables	244	244	0	
Accrued income	244	244	0	
Prepayments	159 567	159 567	0	
Deferred expenses	159 541	159 541	0	
Other paid prepayments	26	26	0	
Total receivables and prepayments	266 817	265 817	1 000	

Note 3 Tax prepayments and liabilities

(In Euros)

	31.12.2023		31.12.2022	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Corporate income tax	0	123	0	8
Value added tax	0	0	0	18 622
Personal income tax	0	22 976	0	16 179
Social tax	0	38 880	0	27 621
Contributions to mandatory funded pension	0	1 992	0	1 418
Unemployment insurance tax	0	2 823	0	2 004
Prepayment account balance	2 893		11 674	
Total tax prepayments and liabilities	2 893	66 794	11 674	65 852

Note 4 Investments in subsidiaries and associates

(In Euros)

	31.12.2023	31.12.2022
Shares of subsidiaries	19 040	2 500
Total investments in subsidiaries and associates	19 040	2 500

In 2023, loan to subsidiary company (OÜ Siin & Sää) was converted to equity.

Note 5 Property, plant and equipment

(In Euros)

			Total
	Computers and computer systems	Other property, plant and equipment	
Acquisitions and additions	19 150	4 097	23 247
Other acquisitions and additions	19 150	4 097	23 247
Depreciation	-4 135	-124	-4 259
31.12.2022			
Carried at cost	19 150	4 097	23 247
Accumulated depreciation	-4 135	-124	-4 259
Residual cost	15 015	3 973	18 988
Acquisitions and additions	59 713	44 085	103 798
Other acquisitions and additions	59 713	44 085	103 798
Depreciation	-49 035	-16 351	-65 386
Reclassifications	0	286	286
Other reclassifications	0	286	286
31.12.2023			
Carried at cost	78 863	48 468	127 331
Accumulated depreciation	-53 170	-16 475	-69 645
Residual cost	25 693	31 993	57 686

Disposed property, plant and equipment at selling price

	2023	2022
Other property, plant and equipment	250	0
Total	250	0

Note 6 Payables and prepayments

(In Euros)

	31.12.2023	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Trade payables	11 039	11 039	0	
Employee payables	158 919	158 919	0	7
Tax payables	66 794	66 794	0	3
Other payables	62 006	62 006	0	
Other accrued expenses	62 006	62 006	0	
Prepayments received	204 042	204 042	0	
Other received prepayments	204 042	204 042	0	
Total payables and prepayments	502 800	502 800	0	

	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Trade payables	28 096	28 096	0	
Employee payables	119 040	119 040	0	7
Tax payables	65 852	65 852	0	3
Other payables	564	564	0	
Other accrued expenses	564	564	0	
Prepayments received	1 025 337	0	1 025 337	
Other received prepayments	1 025 337	0	1 025 337	
Total payables and prepayments	1 238 889	213 552	1 025 337	

Note 7 Employee payables

(In Euros)

	31.12.2023	31.12.2022
Remuneration liability	123 635	101 089
Vacation pay liability	35 284	17 951
Total employee payables	158 919	119 040

Note 8 Grants with special terms

(In Euros)

	31.12.2021	Received	Repaid	Recognized in statement of revenues and expenses	31.12.2022	
	Liabilities				Receivables	Liabilities
Grants for operating expenses						
Ministry of Foreign Affairs and EstDev	252 129	743 546	0	-1 070 088	0	-74 413
Ministry of the Interior	277 375	609 716	-79 749	-506 181	0	301 161
Ministry of Education and Research	4 031	50 000	0	-52 198	0	1 833
Other donors	27 077	51 935	0	-7 997	0	71 015
ACTED	0	5 279 322	0	-5 431 081	0	-151 759
ACF	0	51 301	0	-49 499	0	1 802
International Rescue Committee	0	5 520 631	0	-5 493 884	0	26 748
MRF	0	197 930	0	-171 306	0	26 624
United Nations	0	3 530 627	0	-2 446 550	0	1 084 074
Total grants for operating expenses	560 612	16 035 008	-79 749	-15 228 784	0	1 287 085
Total grants	560 612	16 035 008	-79 749	-15 228 784	0	1 287 085
	31.12.2022	Received	Repaid	Recognized in statement of revenues and expenses	31.12.2023	
	Liabilities				Receivables	Liabilities
Grants for operating expenses						
Ministry of Foreign Affairs and EstDev	-74 413	973 523	-2 056	-876 037	29 075	50 092
Ministry of the Interior	301 161	0	-81 286	-200 704	0	19 171
Ministry of Education and Research	1 833	0	-1 833	0	0	0
Other donors	71 015	116 361	-20	-183 450	29 783	33 689
ACTED	-151 759	16 165 890	0	-16 498 127	15 235 801	14 751 805
ACF	1 802	28 998	0	-30 800	0	0
International Rescue Committee	26 748	0	-26 748	0	0	0
MRF	26 624	0	0	-26 624	0	0
United Nations	1 084 074	3 699 251	0	-3 544 635	884 316	2 123 009
Interreg-EstRus	0	62 340	0	-88 461	79 226	53 104
	0	482 675	0	-482 675	0	0
Total grants for operating expenses	1 287 085	21 529 038	-111 943	-21 931 513	16 258 201	17 030 870
Total grants	1 287 085	21 529 038	-111 943	-21 931 513	16 258 201	17 030 870

Note 9 Business income

(In Euros)

	2023	2022
Training service for the Ministry of Culture	694 580	77 752
Other training service	5 537	91 418
Social services to Social Insurance Board	32 309	40 653
Total business income	732 426	209 823

Note 10 Direct expenses of projects financed by grants and donations

(In Euros)

	2023	2022	Note
Transportation expense	25 526	3 008	
Leases	50 725	37 535	
Office expense	5 714	5 339	
Travel expense	42 351	36 237	
Training expense	30 457	59 714	
Labor expense	1 956 210	663 323	12
Other operating expenses	133 974	256 367	
Humanitarian assistance	13 804 874	3 342 862	
Expenses of project partners	1 688 508	12 574 595	
Awareness activities	7 488	24 306	
Total direct expenses of projects financed by grants and donations	17 745 827	17 003 286	

Note 11 Miscellaneous operating expenses

(In Euros)

	2023	2022
Leases	97 796	24 801
Energy	10 066	6 708
Electricity	7 186	3 586
Fuel	2 880	3 122
Miscellaneous office expenses	100 584	31 829
Travel expense	30 229	16 613
Training expense	23 977	29 687
State and local taxes	5 548	19
Provisions related expense	31 114	0
Bank charges	47 789	4 593
Human resources related expenses	49 522	2 398
Transportation expenses	16 843	4 744
Marketing, communication and IT	50 668	40 782
Event organizing	165 373	161 641
Programmatic costs	66 725	3 741 843
Other	29 085	21 172
Total miscellaneous operating expenses	725 319	4 086 830

Note 12 Labor expense

(In Euros)

	2023	2022	Note
Wage and salary expense	1 940 914	606 493	
Social security taxes	562 145	195 166	
Total labor expense	2 503 059	801 659	
Thereof disclosed as direct expenses of projects financed by grants and donations	1 956 210	663 323	10
Average number of employees in full time equivalent units	92	36	

Employees are working based on employment contract or service agreement.

Note 13 Related parties

(In Euros)

Number of members by the end of economic year	31.12.2023	31.12.2022
Number of private person members	8	5

Related party balances according to groups

LONG TERM	31.12.2023	31.12.2022
Receivables and prepayments		
Subsidiaries	0	3 500
Total receivables and prepayments	0	3 500

GIVEN LOANS	31.12.2021	Given loans	Given loans repayments	31.12.2022	Interest accrued for period
Subsidiaries	2 500	1 000	0	3 500	0
Total given loans	2 500	1 000	0	3 500	0

GIVEN LOANS	31.12.2022	Given loans	Given loans repayments	31.12.2023	Interest accrued for period
Subsidiaries	3 500	13 040	16 540	0	0
Total given loans	3 500	13 040	16 540	0	0

BOUGHT	2023		2022	
	Goods		Services	
Subsidiaries		446		6 595
Total bought		446		6 595

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	2023	2022
Remuneration	65 569	104 726

In 2023, loan to subsidiary company (OÜ Siin & Sääl) was converted to equity.