



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.04.2002
COM(2002) 193 final

2002/0101 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**amending Decision No 253/2000/EC establishing the second phase of the Community
action programme in the field of education ‘Socrates’**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. The second phase of the Community action programme in the field of education, Socrates¹, spans the period 2000 to 2006 and is applicable to the fifteen Member States, to countries in the European Economic Area and to the candidate countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, the Slovak Republic, Slovenia, and Turkey.²
2. The objectives of the programme are fourfold:
 - to strengthen the European dimension, to facilitate transnational access and to promote equal opportunities in the field of education;
 - to promote a qualitative and quantitative improvement of the knowledge of languages of the European Union;
 - to promote cooperation and mobility in the field of education;
 - to encourage innovation in the development of education practices and materials.
3. The Socrates programme is an important link between the European Union and its citizens through the education sector. This sector covers some 70 million young people in the Union, who are taught by over 4.5 million teachers, some 12 million students studying at over 5,000 higher education institutions, and millions of adult learners attending full or part-time classes.
4. The programme is also in the forefront of the enlargement process. Since 1997 Socrates has been a key part of the pre-accession strategy for the candidate countries, giving individuals and institutions in those countries direct experience of cooperation with European Union partners and of the working methods of the Community.
5. By helping to develop high-quality human resources, a key factor in stimulating employment, promoting competitiveness, and achieving greater economic growth, educational cooperation under Socrates is an important means for the European Union to tackle the strategic goal defined at the Lisbon European Council in March 2000 “to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion.”³
6. The bulk of activity supported under Socrates programme falls into two main types: (1) mobility of individuals, through the award of grants to support the additional cost of studying or teaching in a partner country; and (2) project activities in which a transnational partnership of, usually, at least three institutions in three different

¹ Decision No 253/2000/EC of the European Parliament and of the Council of 24 January 2000 establishing the second phase of the Community action programme in the field of education ‘Socrates’, OJ L 28 of 3.2.2000.

² It is expected that Turkey will start to participate in the programme from 2003.

³ Lisbon Presidency Conclusions paragraph 5.

participating countries works together to achieve a specific aim such as the development of a joint teaching programme.

7. Within Socrates there are two basic types of action: “centralised” actions, in which the application, selection and contractual procedures are run by the Commission, and “decentralised” actions, in which application, selection and contractual procedures are run by the national authorities of the participating countries through the National Agencies.
8. Individual mobility grants are all handled in a decentralised manner through the National Agencies. Projects can be administered in either a centralised or a decentralised manner, depending on the requirements of the action of the programme under which they fall. The decentralised type of project is by far the more numerous, and exists under two actions within Socrates: Comenius 1 (school partnerships) and Grundtvig 2 (learning partnerships).
9. Comenius school partnerships can take three forms:
 - Comenius school projects, which give pupils and teachers from at least three participating countries an opportunity to work together within their regular class activities on one or more topics of mutual interest in a crosscurricular and interdisciplinary way.
 - Comenius language projects, which involve the learning of languages by means of work on a topic of mutual interest by groups of at least 10 young people aged 14 or older from partner schools in two participating countries and involving a reciprocal exchange of pupils lasting at least 14 days.
 - Comenius school development projects, which give school managers and teachers the opportunity to develop together methods and approaches which meet their needs, and to test and put into practice the most effective organisational and pedagogical approaches in the schools from at least three participating countries.
10. Grundtvig learning partnerships provide a framework for small-scale co-operation activities between organisations working in the field of adult education. In these partnerships, trainers and learners from at least three participating countries work together through exchanges of experience, practices and methods on one or more topics of common interest to the co-operating organisations.
11. In 2000, the last year for which statistics are available, some 10 300 schools held contracts with their National Agency for school partnerships (8 800 school projects and 1 500 language projects⁴; school development projects and Grundtvig 2 projects were introduced for the first time in 2001). The average grant awarded to a school taking part in a school project in 2000 was some EUR 2 750 and in a language project some EUR 6 750. Grundtvig 2 projects did not start until 2001. Provisional data show that 487 grants were awarded with an average value of EUR 8 700.

⁴ The year 2000 was a transitional year from the first to the second phase of Socrates, so these projects were termed “Comenius 1 European Education Projects” and “Lingua E Joint Educational Projects”, respectively. They were re-titled Comenius “school projects” and “language projects” under Socrates 2, but the rules governing their operation remained unchanged.

12. In the cases of both Comenius 1 and Grundtvig 2 projects, the contractual conditions governing the implementation of such projects state that staff costs are not eligible for support and the Community grant can cover up to 100% of direct project costs. Since the project activities cannot be realised without input from staff employed by the beneficiary institutions, cofinancing is guaranteed and the grant level cannot reach 100% of total costs (that is direct costs and staff costs combined). The principle of cofinancing is therefore respected in project grants awarded under Comenius 1 and Grundtvig 2.
13. However the Decision establishing the second phase of Socrates⁵ requires that project grants should not normally exceed 75% of total project costs. It should be noted that the Decision establishing the first phase of the Socrates programme⁶ did not stipulate a minimum level of cofinancing.
14. The initial financial returns provided by beneficiaries to National Agencies indicate that, in general terms, the staff contribution to realising Comenius 1 and Grundtvig 2 projects is well in excess of 25% of the total costs of the project. The only cases in which the figure may not be reached are projects in some candidate countries, where the salary rates of staff employed in the beneficiary institutions are very significantly below the European average, whereas direct costs related to transnational mobility activities depend on the international travel costs and subsistence costs in the destination countries.⁷ In such cases a grant level in excess of 75% would be entirely justified, not only because it resulted from singular economic circumstances, but also because of the Community policy to target support at candidate countries.
15. So although it is evident *ex ante* that the implementation of Comenius 1 and Grundtvig 2 is in compliance with the requirement of the Socrates Decision that project grants should not normally exceed 75%, in order to identify precisely the cases in which that limit is and is not respected it would be necessary to require all beneficiaries account for staff costs at application and reporting phases and to retain proofs in case of audit.
16. To introduce such a requirement would mean a significant increase in administration for beneficiaries in order to demonstrate technical compliance with the terms of the Decision but without any tangible benefit. These are generally small institutions eg primary or secondary schools with limited administrative capacity and experience in dealing with international project administration. Imposing such a significant additional bureaucratic burden on them would reduce participation rates in the programme, make it more difficult to bring new institutions into Socrates, and so hinder the programme from achieving the important objectives set out in paragraph 2 above. The prospect of such a change has led to serious complaints from the Member States in the Socrates Committee and from the Socrates National Agencies, on behalf of the institutions involved, as well as to expressions of concern from the European Parliament.

⁵ Decision No 253/2000/EC of the European Parliament and of the Council of 24 January 2000 (OJ L 28, 3.2.2000, p. 1).

⁶ Decision No 819/95/EC of the European Parliament and of the Council of 14 March 1995 (OJ L 87, 20.4.1995, p. 10) as amended by Decision No 576/98/EC (OJ L 77, 14.3.1998, p. 1).

⁷ According to the International Standard Classification of Occupations, salary rates for category 2 staff (professionals, including teaching professionals) in Bulgaria, Estonia, Lithuania and the Slovak Republic were less than 40% of the EU average (ISCO-88 (COM)).

17. It should be noted that already in the first phase of the Socrates programme the administrative burdens were strongly perceived to be disproportionately heavy in relation to the small sums of money involved, and this held back participation in the programme.⁸ The disincentive effect is particularly strong in respect of smaller institutions, such as primary schools. To introduce a new requirement on beneficiaries to account for staff costs would make this effect significantly worse.
18. An increase in administrative requirements would also run counter to the formal commitment of the Commission, supported by the European Parliament and by the Council, to simplify procedures and to make them more proportional to the aim pursued, as articulated in the White Paper *Reforming the Commission*⁹.
19. The European Parliament in its report on the implementation of the Socrates Programme,¹⁰ has expressed concern about the heavy administrative burden on applicants to the programme, notably in respect of small grants such as Comenius 1 and Grundtvig 2, where these are “particularly onerous”.¹¹ The report recommends the formal abolition of the cofinancing requirement for small grants, and the introduction of a fast track application process.¹²
20. The amendment to the Socrates Decision proposed by the Commission would remove the specific requirement to demonstrate at least 25% cofinancing for project grants. Such an amendment would permit beneficiaries to continue to apply and report on the basis of direct costs only, without having additionally to account for the contribution to the realisation of the project of the staff they employ. The amendment is solely technical. It has no financial or human resource impact. It does not signal a change in the Commission’s grant awarding policy for such projects. Nor does it imply any departure from the principle articulated in the draft revised Financial Regulation that the award of Community grants should always involve cofinancing, since this would still be guaranteed through the involvement of staff to run the projects.

⁸ See *Report of the Commission on the Implementation of the Socrates Programme 1995-1999*, COM(2001)75 final, section 1.7, and Ulrich Teichler, Jean Gordon, Friedhelm Maiworm, *Socrates 2000 Evaluation Study*, Kassel 2000, p. 339.

⁹ *Reforming the Commission: A White Paper*, COM(2000) 200 final/2, p. 8.

¹⁰ *Report on the implementation of the Socrates Programme*, A5-0021/2002 final.

¹¹ *Ibid* p. 12.

¹² *Ibid* pp. 7 and 12.

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Decision No 253/2000/EC establishing the second phase of the Community action programme in the field of education ‘Socrates’

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 149 and 150 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁴,

Whereas:

- (1) Section IV Point B.2 of the Annex to Decision No 253/2000/EC of the European Parliament and of the Council⁵ establishes that Community assistance towards the realisation of projects selected for funding under the programme will not normally exceed 75%, except in the case of accompanying measures.
- (2) Decision No 819/95/EC of the European Parliament and of the Council of 14 March 1995 establishing the Community action programme ‘Socrates’⁶ did not stipulate a minimum level of cofinancing.
- (3) Projects within the decentralised actions of the programme cannot be realised without a significant contribution in the form of staff time and infrastructure support from the organisations involved in the project partnership. The Community grant awarded to these projects does not support the costs of the contributions of such staff, but may cover up to 100% of the other costs incurred in realising the project.
- (4) The target group for such projects is primarily small institutions such as schools and adult education institutes, which generally have limited administrative resources.

¹ OJ C , , p. .

² OJ C , , p. .

³ OJ C , , p. .

⁴ OJ C , , p. .

⁵ OJ L 28, 3.2.2000, p. 1.

⁶ OJ L 87, 20.4.1995, p. 10. Decision as last amended by Decision No 68/2000/EC (OJ L 10, 14.1.2000, p. 1).

- (5) The Community has not previously required institutions participating in projects within the decentralised actions of the programme to provide information about the cost of the contribution of the staff they employ towards the realisation of the projects.
- (6) The sums awarded as Community grant to projects within the decentralised actions of the programme are small, averaging EUR 3 315 in 2000.
- (7) The European Parliament in its Resolution of 28 February 2002 on the implementation of the Socrates Programme has expressed concern about the disproportionately onerous administrative procedures for beneficiaries of small grants, especially under the Comenius action, and has called on the Commission to propose any legislative changes necessary to abolish the cofinancing requirement for such grants.
- (8) The Commission in its White Paper – Part II - Action Plan entitled Reforming the Commission⁷ committed itself to improving and simplifying its internal and external procedures, as far as they relate to other institutions, Member States and citizens.
- (9) It is not consistent with the principles of simplification and proportionality to apply a new requirement on the institutions participating in projects within the decentralised actions of the programme to account for the contribution towards their realisation made by staff employed by these institutions, solely in order to demonstrate that the Community grant does not normally exceed 75% of the total costs of the project.
- (10) There is a need therefore to amend the provision contained in the first paragraph of Section IV Point B.2 of the Annex to Decision No 253/2000/EC in order to permit appropriate flexibility in the application of this cofinancing requirement,

HAVE DECIDED AS FOLLOWS:

Article 1

The first paragraph of Section IV Point B.2 of the Annex to Decision No 253/2000/EC is replaced by the following:

“As a general rule, Community financial assistance granted for projects under this programme is intended partially to offset the estimated cost necessary to carry out the activities concerned and may cover a maximum period of three years, subject to a periodic review of progress achieved. In accordance with the cofinancing principle, the beneficiary's contribution may take the form of the provision of the personnel and/or infrastructure necessary for the realisation of the project. Assistance may be granted in advance to enable preparatory visits to take place in respect of the projects in question.”

⁷ COM(2000) 200 final/2.

Article 2

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Communities*.

Done at Brussels,

For the European Parliament
The President

For the Council
The President