

13.11.2013

A7-0405/274

**Amendment 274**

**Doris Pack**

on behalf of the Committee on Culture and Education

**Report**

**A7-0405/2012**

**Doris Pack**

Erasmus for all programme

COM(2011)0788 – C7-0436/2011 – 2011/0371(COD)

**Proposal for a regulation**

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AMENDMENTS BY THE EUROPEAN PARLIAMENT\*

to the Commission proposal

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**REGULATION (EU) No .../2013  
OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**establishing "*Erasmus+*":  
the Union programme for education, training, youth and sport and repealing Decisions  
No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC**

**(Text with EEA relevance)**

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\* Amendments: new or amended text is highlighted in bold italics; deletions are indicated by the symbol **■**.

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 165(4) and 166(4) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee<sup>1</sup>,

Having regard to the opinion of the Committee of the Regions<sup>2</sup>,

Acting in accordance with the ordinary legislative procedure<sup>3</sup>,

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<sup>1</sup> OJ C 181, 21.6.2012, p. 154.

<sup>2</sup> OJ C 225, 27.7.2012, p. 200.

<sup>3</sup> Position of the European Parliament of XX November 2013.

Whereas:

- (1) The Commission's communication of 29 June 2011 entitled "A Budget for Europe 2020" calls for a single programme in the field of education, training, youth and sport, including the international aspects of higher education, bringing together the action programme in the field of lifelong learning ("Lifelong Learning") established by Decision No 1720/2006/EC of the European Parliament and of the Council<sup>1</sup>, the Youth in Action programme ("Youth in Action") established by Decision No 1719/2006/EC of the European Parliament and of the Council<sup>2</sup>, the Erasmus Mundus action programme ("Erasmus Mundus") established by Decision No 1298/2008/EC of the European Parliament and of the Council<sup>3</sup>, the ALFA III programme established by Regulation (EC) No 1905/2006 of the European Parliament and of the Council<sup>4</sup>, and the Tempus and Edulink programmes, in order to ensure greater efficiency, a stronger strategic focus and synergies to be exploited between the various aspects of the single programme. In addition, sport is proposed as part of that single programme (the "Programme").

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<sup>1</sup> Decision No 1720/2006/EC of the European Parliament and of the Council of 15 November 2006 establishing an action programme in the field of lifelong learning (OJ L 327, 24.11.2006, p. 45).

<sup>2</sup> Decision No 1719/2006/EC of the European Parliament and of the Council of 15 November 2006 establishing the Youth in Action programme for the period 2007 to 2013 (OJ L 327, 24.11.2006, p. 30).

<sup>3</sup> Decision No 1298/2008/EC of the European Parliament and of the Council of 16 December 2008 establishing the Erasmus Mundus 2009-2013 action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through cooperation with third countries (OJ L 340, 19.12.2008, p. 83).

<sup>4</sup> Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation (OJ L 378, 27.12.2006, p. 41).

- (2) The interim evaluation reports of the existing Lifelong Learning, Youth in Action and Erasmus Mundus programmes and the public consultation on the future of Union action in education, training and youth, as well as in higher education, revealed a strong and in some respects growing need for continuing cooperation and mobility in those fields at European level. The evaluation reports emphasised the importance of creating closer links between Union programmes and policy developments in education, training and youth, expressed the wish that Union action should be structured in such a way as to respond better to the lifelong learning paradigm, and pressed for a simpler, more user-friendly and more flexible approach to implementing such action and the end of the fragmentation of international higher education cooperation programmes.

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- (3) *The Programme should focus on the accessibility of funding and the transparency of administrative and financial procedures, including through the use of information and communication technologies (ICTs) and digitisation. Streamlining and simplifying the organisation and management, and a sustained focus on reducing administrative expenditure, are also vital to the success of the Programme.*
- (4) The public consultation on the Union's strategic choices for the implementation of the new Union competence in the field of sport and the Commission's evaluation report on preparatory actions in the field of sport provided useful indications regarding priority areas for Union action, and illustrated the added value that the Union can bring in supporting activities aimed at generating, sharing and spreading experiences and knowledge about different issues affecting sport at the European level, *provided that they are focused in particular at grassroots level.*

- (5) The Europe 2020 strategy for smart, sustainable and inclusive growth defines the Union's growth strategy for the coming decade to support such growth, setting five ambitious objectives to be reached by 2020, particularly in the field of education, where the aim is to reduce early school-leaving rates to a level below 10 % and to enable at least 40 % of 30-34 year-olds to have completed *tertiary or equivalent* education. This also includes its flagship initiatives, in particular Youth on the Move and the Agenda for New Skills and Jobs.
- (6) In its conclusions of 12 May 2009, the Council called for a strategic framework for European cooperation in education and training (ET 2020), setting up four strategic objectives with a view to responding to the challenges that remain in creating a knowledge-based Europe and making lifelong learning a reality for all.

- (7) Pursuant to Articles 8 and 10 of the Treaty on the Functioning of the European Union (TFEU), as well as Articles 21 and 23 of the Charter of Fundamental Rights of the European Union, the Programme promotes inter alia equality between men and women and measures to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. ***There is a need to widen access for members of disadvantaged and vulnerable groups and actively to address the special learning needs of people with disabilities in the implementation of the Programme.***

- (8) The Programme should include a strong international dimension, particularly as regards higher education, in order not only to enhance the quality of European higher education in pursuit of the broader ET 2020 objectives and the attractiveness of the Union as a study destination, but also to promote understanding between people and *to contribute to the sustainable development of higher education in partner countries, as well as their broader socio-economic development, inter alia by stimulating "brain circulation" through mobility actions with partner-country nationals. To that end, funding should be made available from the Development Cooperation Instrument (DCI), the European Neighbourhood Instrument (ENI), the Instrument for Pre-accession Assistance (IPA) and the Partnership Instrument for cooperation with third countries (PI). Funds might also be made available from the European Development Fund (EDF) in accordance with the procedures governing it. The provisions of this Regulation should apply to the use of those funds, while ensuring conformity with the respective Regulations establishing those instruments and that fund.*



- (9) In its resolution of 27 November 2009 on a renewed framework for European cooperation in the youth field (2010-2018), the Council *emphasised the need to* consider all young people as a resource in society and *sought to facilitate their participation* in the development of policies affecting them by means of a continuous structured dialogue between decision-makers and young people and youth organisations at all levels.
- (10) *Bringing formal, non-formal and informal learning together in a single programme should create synergies and foster cross-sectoral cooperation across the various education, training and youth sectors. During the implementation of the Programme, the specific needs of the various sectors and, where appropriate, the role of local and regional authorities should be duly taken into account.*

- (11) To support mobility, equity and study excellence, the Union should establish, *on a pilot basis, a Student Loan Guarantee Facility* to enable students, regardless of their social background, to take their Master's degree in another country to which participation in the Programme is open (the "Programme country"). *The Student Loan Guarantee Facility* should be available to financial institutions which agree to offer loans for Master's studies in other Programme countries on favourable terms for students. *This additional and innovative tool for learning mobility should neither replace any current, nor impede the development of any future, grant or loan system supporting student mobility at local, national or Union level. The Student Loan Guarantee Facility should be subject to close monitoring and evaluation, in particular concerning its market uptake in different countries. In accordance with Article 21(2) and (3), a mid-term evaluation report should be submitted to the European Parliament and to the Council no later than the end of 2017, with a view to obtaining political guidance on the continuation of the Student Loan Guarantee Facility.*

- (12) Member States should endeavour to adopt all appropriate measures to remove legal and administrative obstacles to the proper functioning of the Programme. This *includes resolving, where possible, administrative issues that create difficulties in obtaining visas and residency permits*. In line with Council Directive 2004/114/EC<sup>1</sup>, Member States are encouraged to establish fast-track admission procedures.
- (13) The Commission's communication of 20 September 2011 entitled "Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems" sets out a framework within which the Union, Member States and higher education institutions can cooperate to boost the number of graduates, to improve the quality of education and to maximise the contribution that higher education and research can make to helping Member States' economies and societies emerge stronger from the global economic crisis.

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<sup>1</sup> Council Directive 2004/114/EC of 13 December 2004 on the conditions of admission of third-country nationals for the purposes of studies, pupil exchange, unremunerated training or voluntary service (OJ L 375, 23.12.2004, p. 12).

- (14) *In order to better address youth unemployment in the Union, particular attention should be paid to transnational cooperation between higher and vocational education institutions and businesses, with a view to improving students' employability and developing entrepreneurial skills.*
- (15) The Bologna Declaration, signed by the Education Ministers of 29 European countries on 19 June 1999, established an intergovernmental process aimed at creating a European area of higher education, which requires *continuous* support at Union level.

- (16) *The crucial role played by vocational education and training (VET) in helping to achieve a number of targets set out in the Europe 2020 strategy is widely acknowledged and defined in the renewed Copenhagen process (2011-2020), taking into account, in particular, its potential in addressing Europe's high level of unemployment, especially youth unemployment and long-term unemployment, promoting a culture of lifelong learning, countering social exclusion and promoting active citizenship. Quality traineeships and apprenticeships, including those in micro-enterprises and small and medium-sized enterprises, are needed in order to bridge the gap between the knowledge acquired through education and training and the skills and competences required in the world of work, as well as to enhance the employability of young people.*

- (17) It is necessary to strengthen the intensity and extent of European cooperation between schools, and of the mobility of school staff and learners, in order to address the priorities set out in the Agenda for European Cooperation on Schools for the 21st century, namely to improve the quality of school education in the Union in the fields of competence development and in order to improve equity and inclusion within school systems and institutions, as well as to reinforce *and provide support for* the teaching profession and school leadership. In this context, ■ the strategic targets on reducing early school leaving, improving performance in basic skills, and improving participation and quality in early childhood education and care, *should be prioritised along with* targets ■ reinforcing the professional competences of school teachers and school leaders, and improving the educational *opportunities* for children with a migrant background and those at *a* socio-economic disadvantage.

- (18) The renewed European Agenda for Adult Learning included in the Council's resolution of 28 November 2011 aims at enabling all adults to develop and enhance their skills and competences throughout their lives. ***Particular*** attention ***should be paid*** to improving ***learning opportunities*** for the high number of low-skilled Europeans, ***in particular by improving literacy and numeracy and by promoting flexible learning pathways and second-chance measures.***
- (19) The action of the European Youth Forum, the National Academic Recognition Information Centres (NARIC), the Eurydice, Euroguidance and Eurodesk networks, the eTwinning National Support Services, the National Europass Centres, and the National Information Offices in the neighbourhood countries is essential in order to achieve the objectives of the Programme, in particular by providing the Commission with regular, updated information regarding their various fields of activity and through the dissemination of the Programme results in the Union and in the partner countries.

- (20) Cooperation under the Programme with international organisations in the field of education, training, youth and sport, in particular with the Council of Europe, should be strengthened.
- (21) *In order to contribute to the development of excellence in European integration studies worldwide, and to respond to the increasing need for knowledge of, and dialogue on, the European integration process and its development, it is important to stimulate excellence in teaching, research and reflection in this area by supporting academic institutions, associations active in the field of European integration and associations pursuing an aim of European interest, through the Jean Monnet Action.*



- (22) *Cooperation under the Programme with civil society organisations in the fields of education, training, youth and sport, at national and Union level is of great importance in order to create a broad sense of ownership in relation to lifelong learning strategies and policies and to take into consideration stakeholders' ideas and concerns at all levels.*
- (23) The Commission's communication of 18 January 2011 entitled "Developing the European Dimension in Sport" sets out the Commission's ideas for action at Union level in the field of sport following the entry into force of the Treaty of Lisbon, and proposes a list of concrete actions to be taken by the Commission and Member States in order *to increase sport's European identity* in three broad chapters: the societal role of sport, the economic dimension of sport and the organisation of sport. *It is also necessary to take into account the added value of sport, including indigenous sport, and its contribution to the Union's cultural and historical heritage.*

- (24) *There is a need to focus in particular on grassroots sport and volunteering in sport, on account of the important role that they play in promoting social inclusion, equal opportunities and health-enhancing physical activity.*
- (25) Improved transparency *and recognition* of qualifications and competences and extended acceptance of Union *transparency and recognition* tools should *contribute* to the development of quality education and training, and **■** facilitate mobility for *both lifelong learning and occupational purposes throughout Europe*, between countries as well as across sectors. Opening up access **■** to methods, practices and technologies used in other countries will help to improve employability **■** .

- (26) To that end, it is recommended *that extended* use *be made* of the single Union framework for the transparency of qualifications and competences (Europass) established by Decision No 2241/2004/EC of the European Parliament and of the Council<sup>1</sup>, *the European Quality Assurance Register for Higher Education (EQAR) and the European Association for Quality Assurance in Higher Education (ENQA) established pursuant to Recommendation 2006/143/EC of the European Parliament and of the Council*<sup>2</sup>, the European Qualifications Framework (EQF) established pursuant to *the* Recommendation of the European Parliament and of the Council of 23 April 2008<sup>3</sup>, the European Credit System for Vocational Education and Training (ECVET) established pursuant to the Recommendation of the European Parliament and of the Council of 18 June 2009<sup>4</sup>, *the European Quality Assurance Reference Framework for Vocational Education and Training (EQAVET)* established pursuant to *the* Recommendation of the European Parliament and of the Council of 18 June 2009<sup>5</sup> and the European Credit Transfer and Accumulation System (ECTS).

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<sup>1</sup> Decision No 2241/2004/EC of the European Parliament and of the Council of 15 December 2004 on a single Community framework for the transparency of qualifications and competences (Europass) (OJ L 390, 31.12.2004, p. 6).

<sup>2</sup> *Recommendation 2006/143/EC of the European Parliament and of the Council of 15 February 2006 on further European cooperation in quality assurance in higher education (OJ L 64, 4.3.2006, p. 60).*

<sup>3</sup> Recommendation of the European Parliament and of the Council of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning (OJ C 111, 6.5.2008, p. 1).

<sup>4</sup> Recommendation of the European Parliament and of the Council of 18 June 2009 on the establishment of a European Credit System for Vocational Education and Training (ECVET) (OJ C 155, 8.7.2009, p. 11).

<sup>5</sup> Recommendation of the European Parliament and of the Council of 18 June 2009 on the establishment of a European Quality Assurance Reference Framework for Vocational Education and Training (OJ C 155, 8.7.2009, p. 1).

- (27) In order to ensure greater efficiency in communication to the public at large and stronger synergies between the communication activities undertaken at the initiative of the Commission, the resources allocated to communication under this Regulation should also contribute to covering the corporate communication of the political priorities of the Union, provided that these are related to the general objective of this Regulation.
- (28) It is necessary to ensure the European added value of all actions carried out within the framework of the Programme, and their complementarity with activities undertaken by the Member States in compliance with Article 167(4) of the TFEU and with other activities, in particular those in the *fields* of culture *and the media, employment, research and innovation, industry and enterprise*, cohesion *and development* policy, *as well as* enlargement policy and *initiatives, instruments and strategies in the field of regional policy and* external relations.

- (29) *The Programme is designed to have a positive and sustainable impact on education, training, youth and sport policies and practices. That systemic impact should be achieved through the various actions and activities envisaged in the Programme, which aim at fostering changes at institutional level and which lead, where appropriate, to innovation at system level. Individual projects for which financial support is sought from the Programme are not required to have any systemic impact as such. It is the cumulative result of those projects that should contribute to the attainment of systemic impact.*
- (30) Effective performance management, including evaluation and monitoring, requires *the* development of specific, *measurable and realistic* performance indicators which can be measured over time *and* which ■ reflect the logic of the intervention ■ .
- (31) *The Commission and the Member States should optimise the use of ICTs and new technologies in order to facilitate access to actions relating to education, training, youth and sport. This could include virtual mobility, which should complement, but not replace, learning mobility.*

- (32) This Regulation lays down a financial envelope for the entire duration of the Programme which is to constitute the prime reference amount, within the meaning of Point 17 of the Interinstitutional Agreement of ... 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>1+</sup>, for the European Parliament and the Council during the annual budgetary procedure.
- (33) *In order to ensure continuity in the funding support provided under the Programme to the functioning of bodies, the Commission should be able during the initial phase of the Programme to consider the costs directly linked to the implementation of the supported activities as eligible for financing, even if they were incurred by the beneficiary before the grant application was submitted.*
- (34) *There is a need to establish* performance criteria on which the allocation of budget funds between Member States for the actions managed by the national agencies should be based.
- (35) The candidate countries for accession to the Union and those European Free Trade Association (EFTA) countries which form part of the European Economic Area (EEA) may participate in Union programmes on the basis of framework agreements, Association Council decisions or similar agreements.

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<sup>1</sup> OJ L ...

<sup>+</sup> OJ: Please insert the date and the publication reference of the agreement in the document st 11838/2013.

- (36) The Swiss Confederation may participate in the Union programmes in accordance with an agreement to be signed between the Union and that country.
- (37) *Individuals from an overseas country or territory (OCT) and competent public and/or private bodies and institutions from an OCT may participate in the programmes in accordance with Council Decision 2001/822/EC<sup>1</sup>. The constraints imposed by the remoteness of the outermost regions of the Union and the OCTs should be taken into account when implementing the Programme.*
- (38) The Commission and the High Representative of the European Union for Foreign Affairs and Security Policy, in their joint communication of 25 May 2011 entitled "A new response to a changing Neighbourhood", outlined, inter alia, the aim *of* further *facilitating* neighbourhood countries' participation in Union mobility and capacity-building actions in higher education and the opening of the future education programme to the *neighbourhood* countries.

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<sup>1</sup> Council Decision 2001/822/EC of 27 November 2001 on the association of the overseas countries and territories with the European Community ("Overseas Association Decision") (OJ L 314, 30.11.2001, p. 1).

- (39) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, penalties. While Union external assistance has an increasing need for financing, the economic and budgetary situation of the Union limits the resources available for such assistance. The Commission should, therefore, seek the most efficient ***and sustainable*** use of available resources, in particular through the use of financial instruments with leverage effect.
- (40) ***In order to enhance access to the Programme, the grants to support the mobility of individuals should be adjusted to the living and subsistence costs of the host country. In accordance with national law, Member States should also be encouraged to exempt those grants from any taxes and social levies. The same exemption should apply to public or private bodies awarding such financial support to the individuals concerned.***



- (41) *In accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council<sup>1</sup>, volunteer time can be recognised as co-financing in the form of contributions in kind.*
- (42) In its communication of 29 June 2011 entitled "A Budget for Europe 2020", the Commission underlined its commitment to simplifying Union funding. The creation of a single programme on education, training, youth and sport should result in significant simplification, rationalisation and synergies in the management of the Programme. The implementation of the Programme should be further simplified by the use of lump-sum, unit-cost or flat-rate funding, as well as by reducing formal *and bureaucratic* requirements for beneficiaries and Member States.
- (43) *Improving implementation and the quality of spending should constitute guiding principles for achieving the objectives of the Programme, whilst ensuring the optimal use of the financial resources.*

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<sup>1</sup> *Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).*

- (44) *It is important to ensure sound financial management of the Programme and its implementation in the most effective and user-friendly manner possible, whilst also ensuring legal certainty and the accessibility of the Programme to all participants.*
- (45) In order to ensure a quick response to changing needs throughout the duration of the Programme, the power to adopt acts in accordance with Article 290 of the TFEU should be delegated to the Commission in respect of provisions relating to **additional** actions managed by the national agencies. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure the simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.
- (46) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>1</sup>.

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<sup>1</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

- (47) *The Programme should cover three different fields, and the committee established under this Regulation should deal with both horizontal and sectoral issues. It is for the Member States to ensure that they send the relevant representatives to attend meetings of that committee in accordance with the topics on its agenda, and it is for the committee chair to ensure that meeting agendas clearly indicate the sector or sectors involved and the topics, according to each sector, to be discussed at each meeting. Where appropriate, and in accordance with the committee's rules of procedure and on an ad hoc basis, it should be possible to invite external experts, including representatives of the social partners, to participate in the committee meetings as observers.*
- (48) It is appropriate to ensure the correct closure of the Programme, in particular as regards the continuation of multi-annual arrangements for its management, such as the financing of technical and administrative assistance. As from 1 January 2014, the technical and administrative assistance should ensure, if necessary, the management of actions that have not yet been finalised under the predecessor programmes by the end of 2013.

- (49) Since the objective of this Regulation, namely to establish the Programme, cannot be sufficiently achieved by the Member States but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity, as set out in Article 5 of the Treaty of the European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (50) Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC should therefore be repealed.
- (51) In order to ensure continuity in the funding support provided under the Programme, this Regulation should apply from 1 January 2014. For reasons of urgency, this Regulation should enter into force as soon as possible after its publication in the Official Journal of the European Union,***

HAVE ADOPTED THIS REGULATION:

CHAPTER I  
General provisions

Article 1  
Scope of the Programme

1. This Regulation establishes a programme for Union action in the field of education, training, youth and sport called "**Erasmus+**" (the "Programme").
2. The Programme shall be implemented for the period from 1 January 2014 to 31 December 2020.
3. The Programme ***shall cover the following fields, whilst respecting the structures and specific needs of the various sectors in the Member States:***
  - (a) education ***and training*** at all levels, in a lifelong learning perspective, ***including school education (Comenius), higher education (Erasmus), international higher education (Erasmus Mundus), vocational education and training (Leonardo da Vinci) and adult learning (Grundtvig);***

(b) youth (*Youth in Action*), particularly in the context of non-formal and informal learning;

(c) sport, in particular grassroots sport.

4. *The Programme shall include an international dimension aimed at supporting the Union's external action, including its development objectives, through cooperation between the Union and partner countries.*

## Article 2

### Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) "lifelong learning" means all general education, vocational education and training, non-formal learning and informal learning undertaken throughout life, resulting in an improvement in knowledge, skills and competences *or participation in society* within a personal, civic, **cultural**, social and/or employment-related perspective, including the provision of counselling and guidance services;

- (2) "non-formal *learning*" means ■ learning *which takes place through* planned activities (in terms of learning objectives and learning time) where some form of learning support is present (e.g. a student-teacher relationship), but which is not part of the formal education and training system;
- (3) "informal learning" means learning resulting from daily activities related to work, family or leisure which is not organised or structured in terms of objectives, time or learning support; it may be unintentional from the learner's perspective;
- (4) "structured dialogue" means the dialogue with young people and youth organisations which serves as a forum for continuous joint reflection on the priorities, implementation and follow-up of European cooperation in the youth field;
- (5) "transnational" relates, unless otherwise indicated, to any action involving at least two Programme countries as referred to in Article 24(1);

- (6) *"international" relates to any action involving at least one Programme country and at least one third country ("partner country");*
- (7) "learning mobility" means moving physically to a country other than the country of residence, in order to undertake study, training or *non-formal or informal* learning; *it may take the form of* traineeships, *apprenticeships, youth exchanges, volunteering*, teaching or participation in a ■ professional development activity, and may include preparatory *activities, such as* training in the host language, *as well as sending, hosting and follow-up activities*;
- (8) "cooperation for innovation and *the exchange of* good practices" means transnational *and international* cooperation projects involving organisations active in the fields of education, training and/or youth, and may include other organisations;



- (9) "support for policy reform" means any type of activity aimed at supporting and facilitating the modernisation of education and training systems, *as well as support for the development of European youth policy*, through the process of policy cooperation between Member States, in particular the Open *Method* of Coordination *and the structured dialogue with young people*;
- (10) "virtual mobility" *means* a set of activities supported by information and communications technology, *including e-learning*, organised at institutional level, that realise or facilitate *transnational and/or* international, collaborative experiences in a context of teaching and/or learning;
- (11) "staff" means persons who, on either a professional or a voluntary basis, are involved in education, training or youth non-formal learning, and may include *professors*, teachers, trainers, school leaders, youth workers and non-educational staff;

- (12) "youth worker" means a professional or a volunteer involved in non-formal learning *who supports young people in their personal socio-educational and professional development*;
- (13) "young people" means individuals aged between 13 and 30;
- (14) "higher education institution" means:
- (a) any type of higher education institution which, in accordance with national law or practice, offers recognised degrees or other recognised tertiary level qualifications, whatever such establishment may be called;
  - (b) any institution which, in accordance with national law or practice, offers vocational education or training at tertiary level;

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- (15) "joint degrees" means an integrated study programme offered by at least two higher education institutions resulting in a single degree certificate issued and signed by all the participating institutions jointly and recognised officially in the countries where the participating institutions are located;
- (16) "double degree/multiple degree" means a study programme offered by at least two (double) or more (multiple) higher education institutions whereby the student receives, upon completion of the study programme, a separate degree certificate from each of the participating institutions;
- (17) "youth activity" means an out-of-school activity (such as youth exchange, volunteering *or youth training*) carried out by a young person, either individually or in a group, *in particular through youth organisations, and* characterised by a non-formal learning approach;

- (18) "partnership" means an agreement between a group of institutions *and/or* organisations in different ***Programme countries*** to carry out joint European activities in the *fields* of education, training, youth *and sport* or establishing a formal or informal network in a relevant field *such as joint learning projects for pupils and their teachers in the form of class exchanges and individual long-term mobility, intensive programmes in higher education and cooperation between regional and local authorities to foster inter-regional, including cross-border, cooperation; it may be extended to institutions and/or organisations from partner countries with a view to strengthening the quality of the partnership;*

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- (19) "key competences" means the basic set of knowledge, skills and attitudes which all individuals need for personal fulfilment and development, active citizenship, social inclusion and employment, *as described in Recommendation 2006/962/EC of the European Parliament and of the Council<sup>1</sup>;*

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<sup>1</sup> *Recommendation 2006/962/EC of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning (OJ L 394, 30.12.2006, p. 10).*

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- (20) "Open Method of Coordination" (**OMC**) means an intergovernmental method providing a framework for cooperation between the Member States, whose national policies can thus be directed towards certain common objectives; within the scope of the Programme, the OMC applies to education, training and youth;
- (21) "**Union** transparency **and recognition** tools" means instruments that help stakeholders to understand, appreciate and, as appropriate, recognise learning outcomes and qualifications throughout the Union;
- (22) "neighbourhood countries" means the countries and territories listed in the Annex to Regulation (EU) No .../2013 of the European Parliament and of the Council<sup>1\*</sup> ;

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<sup>1</sup> Regulation (EU) No .../2013 of the European Parliament and of the Council of ... establishing a European Neighbourhood Instrument (OJ L ...).

\* OJ: please insert the number, date and publication reference of the Regulation in the document 2011/0405(COD).

- (23) "dual career" means the combination of high-level sports training with general education or work;
- (24) *"grassroots sport" means organised sport practised at local level by amateur sportspeople, and sport for all.*

### Article 3

#### European added value

1. The Programme shall **support** only ■ those actions and activities which present a potential European added value and which contribute to the achievement of the general objective as referred to in Article 4.

2. The European added value of the actions and activities of the Programme shall be ensured in particular through *their*:
- (a) ■ transnational character, *particularly with regard to* mobility and cooperation *aimed at achieving a sustainable* systemic impact;
  - (b) ■ complementarity and synergy with other ■ programmes and policies *at national, Union and international level*;
  - (c) ■ contribution to the effective use of Union *transparency and recognition* tools ■ .

#### Article 4

##### General objective of the Programme

The Programme *shall* contribute to the *achievement of*:

- (a) the objectives of the Europe 2020 strategy, *including the headline education target*;

- (b) *the objectives of the strategic framework for European cooperation in education and training* ("ET 2020"), including the corresponding benchmarks;
- (c) the sustainable development of partner countries in the field of higher education;
- (d) *the overall objectives of the renewed framework for European cooperation in the youth field* (2010-2018);
- (e) *the objective of developing the European dimension in sport, in particular grassroots sport, in line with the Union work plan for sport; and*
- (f) *the promotion of European values in accordance with Article 2 of the Treaty on European Union.*

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CHAPTER II  
Education *and* training ■

Article 5  
Specific objectives

1. *In line with the general objective of the Programme as specified in Article 4, in particular the objectives of ET 2020, as well as in support of the sustainable development of partner countries in the field of higher education, the Programme shall pursue the following specific objectives:*

- (a) to improve the level of key competences and skills, *with* particular *regard to* their relevance for the labour market and *their contribution to a cohesive* society, ■ in particular through increased *opportunities for* learning mobility ■ and through strengthened cooperation between *the world of* education *and training* and the world of *work*;

■

- (b) to foster quality improvements, innovation excellence and internationalisation at the level of *education and training* institutions ■ , in particular through enhanced transnational cooperation between education and training providers ■ and other stakeholders;

■

- (c) to promote the emergence *and raise awareness* of a European lifelong learning area designed *to complement* policy reforms at national level *and to* support the modernisation of education and training systems ■ , in particular through enhanced policy cooperation, better use of *Union* transparency *and recognition* tools and the dissemination of good practices;

■

- (d) to enhance the international dimension of education *and* training, in particular *through cooperation between Union and partner-country institutions in the field of VET and* in higher education, by increasing the attractiveness of *European* higher education institutions and supporting the *Union's* external action, including its development objectives, through the promotion of mobility and cooperation between the *Union* and partner-country higher education institutions and targeted capacity-building in partner countries;

■

- (e) to improve the teaching and learning of languages and *to* promote *the Union's broad* linguistic diversity *and intercultural awareness*;

■

- (f) to promote excellence in teaching and research activities in European integration through the Jean Monnet activities worldwide, as referred to in Article 10.

- 
2. *For the purposes of evaluating the Programme, measurable and relevant indicators in relation to the specific objectives referred to in paragraph 1 are set out in Annex I.*

## Article 6

### Actions of the Programme

1. In the field of education *and* training ■ , the Programme shall pursue its objectives through the following types of actions:
- (a) learning mobility of individuals;
  - (b) cooperation for innovation and *the exchange of* good practices; and
  - (c) support for policy reform.
2. The specific Jean Monnet activities are described in Article 10.

## Article 7

### Learning mobility of individuals

1. Learning mobility of individuals ■ shall support *the following activities within the Programme countries referred to in Article 24(1)*:
  - (a) *the mobility of students in all cycles of higher education and of students, apprentices and pupils in vocational education and training* ■ . This mobility may take the form of studying at a partner institution *or* traineeships *or* *gaining experience as an apprentice, assistant or trainee* abroad ■ . Degree mobility at *Master's* level *may* be supported through the Student Loan Guarantee Facility referred to in Article 20;
  - (b) *the* mobility of staff, within the Programme countries referred *to* in Article 24(1). This mobility may take the form of teaching *or* *assistantships* or participation in professional development activities abroad.

2. This action shall also support the *international* mobility of students and staff to and from partner countries as regards higher education, including mobility organised on the basis of joint, double or multiple degrees of high quality or joint calls .

#### Article 8

##### Cooperation for innovation and *the exchange of* good practices

1. Cooperation for innovation and *the exchange of* good practices shall support:
  - (a) strategic partnerships between organisations *and/or institutions* involved in education *and* training or other relevant sectors *aimed at* developing and implementing joint initiatives and promoting *peer learning and* exchanges of experience ;
  - (b) partnerships between *the world of work* and education *and training* institutions in the form of:

- knowledge alliances between, *in particular*, higher education institutions and *the world of work aimed at* promoting creativity, innovation, *work-based learning* and entrepreneurship by offering relevant learning opportunities, including developing new curricula *and pedagogical approaches*;
  - sector skills alliances between education and training providers and *the world of work aimed at* promoting employability, *contributing to the creation of* new sector-specific *or cross-sectoral* curricula, developing innovative methods of vocational teaching and training and putting the Union *transparency and* recognition tools *into* practice;
- (c) IT support platforms, *covering all education and training sectors*, including *in particular* eTwinning, ■ allowing peer learning, virtual mobility and exchanges of good practices and opening access for participants from neighbourhood countries.

2. This action shall also support development, capacity-building, regional integration, knowledge exchanges and modernisation processes through *international* partnerships between higher education institutions ■ in the Union and in partner countries, in particular for peer learning and joint *education* projects, *as well as through the promotion of* regional cooperation *and National Information Offices*, in particular with neighbourhood countries.

## Article 9

### Support for policy reform

1. Support for policy reform ■ shall include the activities initiated at Union level relating to:
  - (a) ■ the implementation of the Union policy agenda on education *and* training *in the context of the* OMC ■ , as well as *to* the Bologna and Copenhagen processes ■ ;



- (b) the implementation in Programme countries of Union transparency *and recognition* tools, in particular the single Union framework for the transparency of qualifications and competences (Europass), the European Qualifications Framework (EQF), *the* European Credit Transfer and Accumulation System (ECTS), *the* European Credit System for Vocational Education and Training (ECVET), *the European Quality Assurance Reference Framework for Vocational Education and Training (EQAVET)*, *the European Quality Assurance Register for Higher Education (EQAR)* and *the European Association for Quality Assurance in Higher Education (ENQA)*, and the provision of support to Union-wide networks *and European non-governmental organisations (NGOs) active in the field of education and training*;
- (c) the policy dialogue with relevant European stakeholders in the *field* of education *and* training ■ ;
- (d) ■ NARIC, the Eurydice *and* Euroguidance ■ networks, and the ■ National Europass Centres ■ .

2. This action shall also support policy dialogue with partner countries and international organisations.

## Article 10

### Jean Monnet activities

The Jean Monnet activities shall aim to:

- (a) promote teaching and research on European integration worldwide among specialist academics, learners and citizens, in particular through the creation of Jean Monnet Chairs and other academic activities, as well as by providing aid for other knowledge-building activities at higher education institutions;
- (b) support the activities of academic institutions or associations active in the field of European integration studies and support a Jean Monnet label for excellence;

- (c) support the following ■ institutions pursuing an aim of European interest:
- (i) the European University Institute of Florence;
  - (ii) the College of Europe (Bruges and Natolin campuses);
  - (iii) *the European Institute of Public Administration (EIPA), Maastricht;***
  - (iv) *the Academy of European Law, Trier;***
  - (v) *the European Agency for Development in Special Needs Education, Odense;***
  - (vi) *the International Centre for European Training (CIFE), Nice;***
- (d) promote policy debate and exchanges between the academic world and policy-makers on Union policy priorities.

### **CHAPTER III**

#### **Youth**

#### **Article 11**

##### ***Specific objectives***

- 1. *In line with the general objective of the Programme as specified in Article 4, in particular the objectives of the renewed framework for European cooperation in the youth field (2010–2018), the Programme shall pursue the following specific objectives:***
  - (a) *to improve the level of key competences and skills of young people, including those with fewer opportunities, as well as to promote participation in democratic life in Europe and the labour market, active citizenship, intercultural dialogue, social inclusion and solidarity, in particular through increased learning mobility opportunities for young people, those active in youth work or youth organisations and youth leaders, and through strengthened links between the youth field and the labour market;***

- (b) to foster quality improvements in youth work, in particular through enhanced cooperation between organisations in the youth field and/or other stakeholders;*
- (c) to complement policy reforms at local, regional and national level and to support the development of knowledge and evidence-based youth policy as well as the recognition of non-formal and informal learning, in particular through enhanced policy cooperation, better use of Union transparency and recognition tools and the dissemination of good practices;*
- (d) to enhance the international dimension of youth activities and the role of youth workers and organisations as support structures for young people in complementarity with the Union's external action, in particular through the promotion of mobility and cooperation between the Union and partner-country stakeholders and international organisations and through targeted capacity-building in partner countries.*

2. *For the purposes of evaluating the Programme, measurable and relevant indicators in relation to the specific objectives referred to in paragraph 1 are set out in Annex I.*

## *Article 12*

### *Actions of the Programme*

*The Programme shall pursue its objectives through the following types of actions:*

- (a) learning mobility of individuals;*
- (b) cooperation for innovation and the exchange of good practices;*
- (c) support for policy reform.*

*Article 13*  
*Learning mobility of individuals*

1. *Learning mobility of individuals shall support:*
  - (a) *the mobility of young people in non-formal and informal learning activities between the Programme countries; such mobility may take the form of youth exchanges and volunteering through the European Voluntary Service, as well as innovative activities building on existing provisions for mobility;*
  - (b) *the mobility of persons active in youth work or youth organisations and youth leaders; such mobility may take the form of training and networking activities.*

2. *This action shall also support the mobility of young people, persons active in youth work or youth organisations and youth leaders, to and from partner countries, in particular neighbourhood countries.*

#### *Article 14*

##### *Cooperation for innovation and the exchange of good practices*

1. *Cooperation for innovation and the exchange of good practices shall support:*
- (a) strategic partnerships aimed at developing and implementing joint initiatives, including youth initiatives and citizenship projects that promote active citizenship, social innovation, participation in democratic life and entrepreneurship, through peer learning and exchanges of experience;*
  - (b) IT support platforms allowing peer learning, knowledge-based youth work, virtual mobility and exchanges of good practice.*



2. *This action shall also support development, capacity-building and knowledge exchanges through partnerships between organisations in Programme countries and partner countries, in particular through peer learning.*

*Article 15*

*Support for policy reform*

1. *Support for policy reform shall include activities relating to:*
- (a) the implementation of the Union policy agenda on youth through the OMC;*
  - (b) implementation in the Programme countries of Union transparency and recognition tools, in particular the Youthpass, and support for Union-wide networks and European youth NGOs;*
  - (c) policy dialogue with relevant European stakeholders and structured dialogue with young people;*

(d) *the European Youth Forum, resource centres for the development of youth work and the Eurodesk network.*

2. *This action shall also support policy dialogue with partner countries and international organisations.*

## CHAPTER IV

### Sport

#### Article 16

##### Specific objectives

1. In line with the general objective of the Programme, as specified in Article 4, *and with the Union work plan for sport*, the Programme shall *focus in particular on grassroots sport and shall* pursue the following specific objectives ■ :

- (a) to tackle *cross-border* threats to *the integrity of* sport, such as doping, match-fixing *and* violence, *as well as all kinds of* intolerance *and discrimination*;

■

- (b) to *promote and* support good governance in sport and dual careers of athletes;

■

- (c) to promote *voluntary activities in sport, together with* social inclusion, equal opportunities and *awareness of the importance of* health-enhancing physical activity through increased participation in, *and equal access to*, sport *for all*.

■

2. *For the purposes of evaluating the Programme, measurable and relevant indicators in relation to the specific objectives referred to in paragraph 1 are set out in Annex I.*

## Article 17

### Activities

1. The objectives of cooperation ■ shall be pursued through the following transnational activities, *which shall focus in particular on grassroots sport*:
  - (a) support *for* collaborative *partnerships*;
  - (b) support *for not-for-profit* European sport events involving several *Programme* countries *and contributing to the objectives set out in point (c) of Article 16(1)*;
  - (c) support *for* strengthening ■ the evidence base for policy-making;  
■
  - (d) dialogue with relevant European stakeholders.
2. The activities *referred to in paragraph 1 may* leverage supplementary funding *from* third parties such as private undertakings.

CHAPTER V  
Financial provisions

Article 18  
Budget

1. The financial envelope for the implementation of the Programme as from 1 January 2014 ***is set at EUR 14 774 524 000 in current prices.***

The annual appropriations shall be authorised by the European Parliament and the Council within the limits of the multiannual financial framework.

2. ***The amount referred to in paragraph 1 shall be allocated to the actions of the Programme as follows, with a margin of flexibility not exceeding 5 % of each of the allocated amounts:***

- (a) ***77,5 % to education and training, from which the following minimum allocations shall be assigned:***
    - (i) ***43 % to higher education, representing 33,3 % of the total budget;***
    - (ii) ***22 % to vocational education and training, representing 17 % of the total budget;***
    - (iii) ***15 % to school education, representing 11,6 % of the total budget;***
    - (iv) ***5 % to adult learning, representing 3,9 % of the total budget;***
  - (b) ***10 % to youth;***
  - (c) ***3,5 % to the Student Loan Guarantee Facility;***
  - (d) ***1,9 % to Jean Monnet ■ ;***
  - (e) ***1,8 % to sport, of which no more than 10 % to the activity mentioned under point (b) of Article 17(1);***
  - (f) ***3,4 % as operating grants to national agencies; and***
  - (g) ***1,9 % to cover administrative expenditure.***
3. ***Of the allocations referred to in points (a) and (b) of paragraph 2, at least 63 % shall be allocated to learning mobility of individuals, at least 28 % to cooperation for innovation and the exchange of good practices and 4,2 % to support for policy reform.***

4. In addition to the financial envelope as indicated in paragraph 1, and in order to promote the international dimension of higher education, ***additional funding, as provided for in*** the different external instruments (Development Cooperation Instrument (DCI), the European Neighbourhood Instrument (ENI), the Partnership Instrument for cooperation with third countries (PI) and the Instrument for Pre-accession Assistance (IPA) **■** ), shall be allocated to actions in respect of learning mobility to or from partner countries, and to cooperation and policy dialogue with authorities, institutions and organisations from those countries. This Regulation shall apply to the use of those funds, ***while ensuring conformity with the Regulations respectively governing those external instruments, and, in the case of the DCI, fulfilling also the criteria for Official Development Assistance as established by the Development Assistance Committee of the Organisation for Economic Co-operation and Development.***

The funding shall be made available through two multiannual allocations covering the first four years and the remaining three years respectively. *The allocation of* that funding *shall be determined* in the multiannual indicative programming of the external instruments referred to in the first subparagraph, in line with the identified needs and priorities of the countries concerned. ■ Cooperation with partner countries may be based, where relevant, on additional appropriations from those countries to be made available in accordance with procedures to be agreed with them.

*The student and staff mobility action between Programme countries and partner countries funded through the allocation from the DCI shall focus on areas that are relevant to the inclusive and sustainable development of developing countries.*

■



5. The financial allocation for the Programme may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives, in particular, studies, meetings of experts and information and communication actions, including corporate communication of the political priorities of the Union as far as they are related to the general objective of this Regulation, expenses linked to IT focusing on information processing and exchange, and all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.
6. The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC. If necessary, appropriations could be entered in the budget beyond 2020 to cover similar expenses, in order to allow the management of actions *and activities* not yet completed by 31 December 2020.

7. The funds for the learning mobility of individuals referred to in ***point (a) of Article 6(1) and point (a) of Article 12*** that are to be managed by a national agency or agencies ('national agency') shall be allocated on the basis of population and cost of living in the Member State, distance between capitals of Member States and performance. The performance parameter shall account for 25 % of the total funds according to the criteria referred to in paragraphs 8 and 9. ***As regards strategic partnerships referred to in point (a) of Article 8(1) and point (a) of Article 14(1) that are to be selected and managed by a national agency, the funds shall be allocated on the basis of criteria to be defined by the Commission in accordance with the examination procedure referred to in Article 36(3). Those formulae shall, as far as possible, be neutral with respect to the different education and training systems of the Member States, shall avoid substantial reductions in the annual budget allocated to Member States from one year to the next and shall minimise excessive imbalances in the level of grants allocated.***
8. Allocation of funds based on performance shall apply in order to promote an efficient and effective use of resources. The criteria used to measure performance shall be based on the most recent data available ***and shall focus in particular on:***

- (a) the level of annual realised outputs ■ ; and
- (b) the level of annual payments realised.

■

- 9. The allocation of funds for the year 2014 shall be based on *the* latest available data *on actions carried out* and *the* budget take-up *under* the Lifelong Learning, Youth in Action and Erasmus Mundus programmes *up* to and including 31 December 2013.
- 10. The Programme may provide support through specific innovative funding modalities, in particular those set out in Article *20*.

Article 19  
Specific funding modalities

1. The Commission shall implement the Union financial support in accordance with Regulation *(EU, Euratom) No 966/2012*.
2. The Commission may launch joint calls with partner countries or their organisations and agencies to *finance* projects *on the basis of matching funds*. Projects may be evaluated and selected through joint evaluation and selection procedures to be agreed upon by the funding agencies involved, in compliance with the principles set out in Regulation *(EU, Euratom) No 966/2012*.

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3. Public bodies, as well as schools, higher education institutions and organisations in the fields of education, training, youth and sport that have received over 50 % of their annual revenue from public sources over the last two years shall be considered as having the necessary financial, professional and administrative capacity to carry out activities under the Programme. They shall not be required to present further documentation to demonstrate that capacity.
4. *By way of derogation from Article 130(2) of Regulation (EU, Euratom) No 966/2012, and in duly justified cases, the Commission may consider the costs directly linked to the implementation of the supported activities and incurred during the first six months of 2014 as eligible for financing from 1 January 2014, even if they were incurred by the beneficiary before the grant application was submitted.*

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5. The amount referred to in point (c) of Article 137(1) of Regulation (EU, Euratom) No 966/2012 shall not apply to financial support for learning mobility granted to individuals.

*Article 20*  
*Student Loan Guarantee Facility*

- 1. The Student Loan Guarantee Facility shall provide partial guarantees to financial intermediaries in respect of loans granted on the most favourable terms possible to students undertaking a second-cycle degree, such as a Master's degree, at a recognised higher education institution in a Programme country, as referred to in Article 24(1), which is neither their country of residence nor the country in which they obtained their qualification granting access to the Master's programme.*
- 2. Guarantees issued through the Student Loan Guarantee Facility shall cover new eligible student loans up to a maximum of EUR 12 000 for a one-year programme and up to EUR 18 000 for a programme lasting up to two years, or their equivalent in local currency.*

3. *The management of the Student Loan Guarantee Facility at Union level shall be entrusted to the European Investment Fund (EIF) in accordance with Regulation (EU, Euratom) No 966/2012 on the basis of a delegation agreement with the Commission, setting out the detailed rules and requirements governing the implementation of the Student Loan Guarantee Facility and the respective obligations of the parties. On this basis, the EIF shall conclude agreements with financial intermediaries, such as banks, national and/or regional student lending institutions or other recognised financial institutions, and shall endeavour to select a financial intermediary from each Programme country, in order to ensure that students from all Programme countries have access to the Student Loan Guarantee Facility in a consistent and non-discriminatory manner.*
4. *Technical information on the functioning of the Student Loan Guarantee Facility is provided in Annex II.*

## CHAPTER VI

### Performance, results and dissemination

#### Article 21

##### Monitoring and evaluation of performance and results

1. The Commission, in cooperation with the Member States, shall regularly monitor ***and report on*** the performance and results of the Programme as measured against its objectives, with particular regard to:
  - (a) the European added value referred to in Article 3;
  - (b) the distribution of funds associated with the ***education, training and youth*** sectors, ***with a view to ensuring***, by the end of the Programme, an allocation of funding which guarantees a ***sustainable*** systemic impact;
  - (c) ***the use of the funds derived from the external instruments as referred to in Article 18(4) and their contribution to the respective objectives and principles of those instruments.***



2. In addition to carrying out its ongoing monitoring activities, the Commission shall submit **a mid-term** evaluation report by 31 December 2017 in order to assess the effectiveness of the measures taken to achieve the Programme's objectives and to evaluate the efficiency of the Programme and its European added value, ***accompanied, if appropriate, by a legislative proposal to amend this Regulation.***  
The mid-term evaluation report shall address the scope for simplification of the Programme, its internal and external coherence, the continued relevance of all of its objectives, and the contribution made by the measures taken to the realisation of the Europe 2020 strategy. It shall also take into account the results of an evaluation of the long-term impact of the predecessor programmes (Lifelong Learning, Youth in Action, Erasmus Mundus and other international higher education programmes).
3. ***The Commission shall submit the mid-term evaluation report referred to in paragraph 2 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.***

4. Without prejudice to the requirements set out in Chapter VIII and the obligations of national agencies as referred to in Article 28, Member States shall submit to the Commission, by **30 June 2017, a report** on the implementation and the impact of the Programme in their respective territories.
5. ***The Commission shall submit a final evaluation of the Programme to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions by 30 June 2022.***

## Article 22

### Communication and dissemination

1. The Commission, in cooperation with Member States, shall ensure the dissemination of information, publicity and follow-up with regard to ***all actions and activities*** supported under the Programme, as well as the dissemination of the results of the previous Lifelong Learning, Youth in Action and Erasmus Mundus programmes.

2. Beneficiaries of the projects supported through actions and activities as referred to in Articles 6, 10, **12**, 17 **and 20** should ensure that the results and impacts obtained are properly communicated and disseminated. ***This may include the provision of peer-to-peer information in relation to mobility opportunities.***
3. The national agencies referred to in Article 28 shall develop a consistent policy ***with regard to the*** effective dissemination and exploitation of results of activities supported under the actions they manage within the Programme, shall assist the Commission in the general task of disseminating information concerning the Programme, ***including information in respect of actions and activities managed at national and Union level***, and its results, ***and shall inform relevant target groups about the actions undertaken in their country.***
4. The public and private bodies within the sectors covered by the Programme shall use the brand name "***Erasmus+***" for the purpose of communication and dissemination of information relating to the Programme. ***For the different sectors of the Programme, the following brand names shall be used:***

- *"Comenius", associated with school education;*
- *"Erasmus "*, associated with all types of higher education *within the Programme countries;*
- *"Erasmus Mundus", associated with all types of higher education activities between the Programme countries and partner countries;*
- *"Leonardo da Vinci", associated with vocational education and training ;*
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- *"Grundtvig", associated with adult learning;*
- *" Youth in Action", associated with non-formal and informal learning in the field of youth;*
- *"Sports", associated with activities in the field of sport.*

5. Communication activities shall also contribute to the corporate communication of the political priorities of the Union, provided that they are related to the general objective of this Regulation.

## CHAPTER VII

### Access to the Programme

#### Article 23

##### Access

1. Any public *or* private body active in the *fields* of education, training, youth and grassroots sport may apply for funding within the Programme. ***In the case of the activities referred to in point (a) of Article 13(1) and point (a) of Article 14(1), the Programme shall support the participation of groups of young people who are active in youth work, but not necessarily in the context of a youth organisation.***

2. When implementing the Programme, *inter alia as regards the selection of participants and the award of scholarships*, the Commission and the Member States shall ensure that particular efforts are made to *promote social inclusion and* the participation of people with *special needs or with fewer opportunities*.

#### Article 24

##### Country participation

1. The Programme shall be open to the participation of the following countries (the "Programme countries"):
  - (a) the Member States;
  - (b) the acceding countries, candidate countries and potential candidates benefiting from a pre-accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements, Association Council decisions or similar agreements;

- (c) those EFTA countries that are party to the EEA Agreement, in accordance with the provisions of that agreement;
  - (d) the Swiss Confederation, *on the basis of* a bilateral agreement *to be* concluded with that country;
  - (e) *those countries covered by the European neighbourhood policy which have concluded agreements with the Union providing for the possibility of their participation in the Union's programmes, subject to the conclusion of a bilateral agreement with the Union on the conditions of their participation in the Programme.*
2. The Programme countries ■ shall be subject to all the obligations, and shall fulfil all the tasks set out in this Regulation in relation to Member States.
  3. The Programme shall support cooperation with partner countries , in particular neighbourhood countries, in actions and activities as referred to in *Articles 6, 10 and 12.*

CHAPTER VIII  
Management and audit system

Article 25  
Complementarity

The Commission, in cooperation with the Member States, shall ensure the overall consistency and complementarity of the Programme with:

- (a) the relevant **■** policies *and programmes*, in particular those *relating to* culture and the media, employment, **■** research and innovation, *industry and* enterprise, *cohesion and* development **■** policy, *as well as enlargement policy and initiatives, instruments and strategies in the field of regional policy and external relations;*
- (b) the other Union relevant sources of funding *for* education, training, youth *and sport*, in particular the European Social Fund and the other financial instruments relating to employment and social inclusion, the European Regional Development Fund and "Horizon 2020" - the Framework Programme for Research and Innovation, as well as the financial instruments relating to justice and citizenship, health, external cooperation programmes and pre-accession assistance.



Article 26  
Implementing bodies

The Programme shall be implemented ***in a consistent manner*** by the following bodies:

- (a) the Commission at Union level;
- (b) the national agencies at national level ■ in the Programme countries ■ .

Article 27  
National authority

1. ***The term "national authority" refers to one or more national authorities in accordance with national law and practice.***

2. **By ...**<sup>\*</sup>, the Member States shall notify the Commission, by way of a formal notification transmitted by their Permanent Representation, of the person(s) legally authorised to act on their behalf as the national authority for the purposes of this Regulation. In the event of replacement of the national authority during the course of the **Programme's** lifetime, the relevant Member State shall notify the Commission thereof immediately, in accordance with the same procedure.
3. The Member States shall take all appropriate measures to remove legal and administrative obstacles to the proper functioning of the Programme, including, **where possible, measures aimed at resolving issues that give rise to difficulties in obtaining** visas.

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<sup>\*</sup> OJ: please insert the date: one month of the entry into force of this Regulation.

4. *By ...<sup>\*</sup>, the national authority shall designate a [ ] national agency or national agencies. In cases where there is more than one national agency, Member States shall establish an appropriate mechanism for the coordinated management of the implementation of the Programme at national level, particularly with a view to ensuring coherent and cost-efficient implementation of the Programme and effective contact with the Commission in this respect, and to facilitating the possible transfer of funds between agencies, thereby allowing for flexibility and better use of funds allocated to Member States. Without prejudice to Article 29(3), each Member State shall determine how it organises the relationship between its national authority and the national agency, including tasks such as the establishment of the national agency's annual work programme.*

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<sup>\*</sup> OJ: please insert the date: three months of the entry into force of this Regulation

The national authority shall provide the Commission with an appropriate ex-ante compliance assessment that the national agency complies with points (c)(v) and (vi) of Article 58(1) and Article 60(1), (2) and (3) of Regulation (EU, Euratom) No 966/2012, and Article 38 of Commission Delegated Regulation (EU) No 1268/2012<sup>1</sup>, as well as with the Union requirements for internal control standards for national agencies and rules for *the* management of Programme funds for grant support.

5. The national authority shall designate an independent audit body as referred to in Article 30.

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<sup>1</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

6. The national authority shall base its ex-ante compliance assessment on its own controls and audits, and/or on controls and audits undertaken by the independent audit body referred to in Article 30.
7. Where the national agency designated for the Programme is the same as the national agency designated for the predecessor Lifelong Learning or Youth in Action programmes, the scope of the controls and audits for the ex-ante compliance assessment may be limited to the requirements that are new and specific to the Programme.
8. ***The national authority shall monitor and supervise the management of the Programme at national level. It shall inform and consult the Commission in due time prior to taking any decision that may have a significant impact on the management of the Programme, in particular regarding its national agency.***

9. *The national authority shall provide adequate co-financing for the operations of its national agency to ensure that the Programme is managed in compliance with the applicable Union rules.*
10. In *the event that* the Commission rejects the designation of the national agency based on its evaluation of the ex-ante compliance assessment, the national authority shall ensure that the necessary remedial steps are taken to enable the █ national agency to comply with the minimum requirements set by the Commission, or shall designate another body as national agency.

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11. Based on the national agency's yearly management declaration, the independent audit opinion thereon and the Commission's analysis of the national agency's compliance and performance, the national authority shall provide the Commission, by 31 October of each year, with information concerning its monitoring and supervision activities in relation to the Programme.
12. The national authority shall take responsibility for the proper management of the Union funds transferred by the Commission to the national agency by way of grant support to be awarded under the Programme.
13. In the event of any irregularity, negligence or fraud attributable to the national agency, or any serious shortcomings or underperformance on the part of the national agency, where this gives rise to claims by the Commission against the national agency, the national authority shall be liable to reimburse to the Commission the funds not recovered.

14. In the circumstances described *in* paragraph 13, the national authority may, on its own initiative or upon request from the Commission, revoke the mandate of the national agency. Should the national authority wish to revoke that mandate for any other justified reason, it shall notify the Commission of the revocation at least six months before the envisaged date of termination of the mandate of the national agency. In such cases, the national authority and the Commission shall formally agree on specific and timed transition measures.
15. In the event of revocation, the national authority shall carry out the necessary controls regarding the Union funds entrusted to the national agency whose mandate has been revoked, and shall ensure an unimpeded transfer to the new national agency of those funds and of all documents and management tools required for the management of the Programme. The national authority shall provide the national agency whose mandate has been revoked with the necessary financial support to continue to meet its contractual obligations vis-à-vis the beneficiaries of the Programme and the Commission pending the transfer of those obligations to a new national agency.



16. *If so requested by the Commission, the national authority shall designate the institutions or organisations, or the types of such institutions and organisations, to be considered eligible to participate in specific Programme actions in their respective territories.*

Article 28

National agency

1. *The term "national agency" refers to one or more national agencies in accordance with national law and practice.*
2. The national agency shall:
  - (a) have legal personality or be part of an entity having legal personality, and be governed by the law of the Member State concerned; a ministry may not be designated as a national agency;

- (b) have the adequate management capacity, staff and infrastructure to fulfil its tasks satisfactorily, ensuring efficient and effective management of the Programme and sound financial management of Union funds;
- (c) have the operational and legal means to apply the administrative, contractual and financial management rules laid down at Union level;
- (d) offer adequate financial guarantees, issued preferably by a public authority, corresponding to the level of Union funds it will be called upon to manage;
- (e) be designated for the duration of the Programme.

3. The national agency shall be responsible *for managing all stages of the project lifecycle of the following* Programme actions ■ , in conformity with *points (c)(v) and (vi) of Article 58(1)* of Regulation *(EU, Euratom) No 966/2012* ■ and *with* Article 44 of Delegated Regulation *(EU) No 1268/2012* ■ :
- (a) learning mobility of individuals, with the exception of mobility organised on the basis of joint or double/multiple degrees, *large-scale volunteering projects* and the *Student Loan Guarantee Facility*;
  - (b) strategic partnerships within the action "cooperation for innovation and *the exchange of good practices*";
  - (c) the management of *small-scale* activities *supporting the structured dialogue in the youth field within* the action "support *for* policy reform".

4. *By way of derogation from paragraph 3, the selection and award decisions for the strategic partnerships referred to in point (b) of paragraph 3 may be managed at Union level, if a decision to that effect is taken in accordance with the examination procedure referred to in Article 36(3) and only in specific cases where there are clear grounds for such centralisation.*
5. The national agency shall issue grant support to beneficiaries either by way of a grant agreement or a grant decision, as specified by the Commission for the Programme action concerned.
6. The national agency shall report each year to the Commission and to its national authority in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012. The national agency shall be in charge of implementing the observations issued by the Commission following its analysis of the *yearly* management declaration and of the independent audit opinion thereon.

7. The national agency may not without prior written authorisation from the national authority and the Commission delegate to a third party any task of Programme or budget implementation conferred on it. The national agency shall retain sole responsibility for any tasks delegated to a third party.
8. Where the mandate of a national agency is revoked, that national agency shall remain legally responsible for meeting its contractual obligations vis-à-vis the beneficiaries of the Programme and the Commission pending the transfer of those obligations to a new national agency.
9. The national agency shall be in charge of managing and winding up the financial agreements relating to the predecessor Lifelong Learning and Youth in Action programmes that are still open at the beginning of the Programme.

Article 29  
European Commission

1. Within two months of receipt from the national authority of the ex-ante compliance assessment referred to in Article 27(4), the Commission shall accept, conditionally accept or reject the designation of the national agency. The Commission shall not enter into a contractual relationship with the national agency until it has accepted the ex-ante compliance assessment. In the event of conditional acceptance, the Commission may apply proportionate precautionary measures to its contractual relationship with the national agency.
2. Upon accepting the ex-ante compliance assessment by the national agency designated for the Programme, the Commission shall formalise the legal responsibilities with regard to the financial agreements relating to the predecessor Lifelong Learning and Youth in Action programmes which are still open at the start of the Programme.

3. *In accordance with Article 27(4)*, the document governing the contractual relationship between the Commission and the national agency shall:
  - (a) stipulate the internal control standards for national agencies and the rules for the management of the Union funds for grant support by the national agencies;
  - (b) include the national agency work programme comprising the management tasks of the national agency to which Union support is provided;
  - (c) specify the reporting requirements for the national agency.
4. The Commission shall each year make the following Programme funds available to the national agency:
  - (a) funds for grant support in the Member State concerned for the actions of the Programme the management of which is entrusted to the national agency;

- (b) a financial contribution in support of the Programme management tasks of the national agency. This shall be provided in the form of a flat-rate contribution to the operational costs of the national agency and shall be established on the basis of the amount of Union funds for grant support entrusted to the national agency.
- 5. The Commission shall set the requirements for the national agency work programme. The Commission shall not make Programme funds available to the national agency until the Commission has formally approved the national agency's work programme.
- 6. On the basis of the compliance requirements for national agencies referred to in Article 27(4), the Commission shall review the national management and control *systems*, in particular on the basis of the ex-ante compliance assessment provided to it by the national authority, the national agency's yearly management declaration and the opinion of the independent audit body thereon, taking due account of the yearly information provided by the national authority on its monitoring and supervision activities with regard to the Programme.



7. After assessing the yearly management declaration and the opinion of the independent audit body thereon, the Commission shall address its opinion and observations thereon to the national agency and the national authority.
8. In the event that the Commission cannot accept the *yearly* management declaration or the independent audit opinion thereon, or in the event of unsatisfactory implementation by the national agency of the Commission's observations, the Commission may implement any precautionary and corrective measures necessary to safeguard the *Union's* financial interests in accordance with Article **60(4)** of Regulation *(EU, Euratom) No 966/2012*.
9. The Commission shall organise regular meetings with the network of national agencies in order to ensure coherent implementation of the Programme across all Programme countries.

## Article 30

### Independent audit body

1. The independent audit body shall issue an audit opinion on the yearly management declaration referred to in Article 60(5) of ■ Regulation *(EU, Euratom) No 966/2012*.
2. The independent audit body shall:
  - (a) have the necessary professional competence to carry out public sector audits;
  - (b) ensure that its audits take account of internationally accepted audit standards;
  - (c) not be in a position of conflict of interest with regard to the legal entity of which the national agency forms part. In particular, it shall be independent, in terms of its functions, of the legal entity of which the national agency forms part ■ .

3. The independent audit body shall give the Commission and its representatives, as well as the Court of Auditors, full access to all documents and reports in support of the audit opinion that it issues on the national agency's yearly management declaration.

## CHAPTER IX

### Control system

#### Article 31

##### Principles of the control system

1. The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the **Union** are protected by the application of measures to prevent fraud, corruption and any other illegal activities, by effective controls and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive penalties.

2. The Commission shall be responsible for the supervisory controls with regard to the Programme actions and activities managed by the national agencies. It shall set the minimum requirements for the controls by the national agency and the independent audit body.
3. The national agency shall be responsible for the primary controls of grant beneficiaries for the Programme actions and activities referred to in Article 28(3). Those controls shall give reasonable assurance that the grants awarded are used as intended and in compliance with the applicable Union rules.
4. With regard to the Programme funds transferred to the national agencies, the Commission shall ensure proper coordination of its controls with the national authorities and the national agencies, on the basis of the single audit principle and following a risk-based analysis. This provision shall not apply to investigations carried out by the European Anti-Fraud Office (OLAF).

## Article 32

### Protection of the financial interests of the ■ Union

1. The Commission or its representatives and the Court of Auditors shall have the power to conduct audits, on the basis of documents and on the spot, in relation to all grant beneficiaries, contractors, subcontractors and other third parties who have received Union funds. They may also conduct audits and carry out controls in relation to the national agencies.
2. OLAF may carry out on-the-spot controls and inspections of economic operators concerned directly or indirectly by such funding in accordance with the procedure laid down in Council Regulation (Euratom, EC) No 2185/96<sup>1</sup>, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the ■ Union in connection with a grant agreement or grant decision or a contract concerning Union funding.

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<sup>1</sup> Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

3. Without prejudice to ■ paragraphs 1 and 2, cooperation agreements with third countries and international organisations, and grant agreements, grant decisions and contracts resulting from the implementation of this Regulation, shall expressly empower the Commission, the Court of Auditors and OLAF to conduct such audits and carry out on-the-spot controls and inspections.

## CHAPTER X

### Delegation of powers and implementing provisions

#### Article 33

##### Delegation of powers to the Commission

***In order to place the management of tasks at the most appropriate level,*** the Commission shall be empowered to adopt delegated acts in accordance with Article 34 concerning the amendment of ■ Article 28(3), ***but only in respect of providing for additional actions to be*** managed by the national agencies.

## Article 34

### Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The **■** power *to adopt delegated acts* referred to in Article 33 shall be conferred on the Commission for *the duration* of the Programme.
3. The delegation of power referred to in Article 33 may be revoked at any time by the European Parliament or by the Council. A decision *to revoke* shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Article 33 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.



## Article 35

### Implementation of the Programme

In order to implement the Programme, the Commission shall adopt annual work programmes by way of implementing acts in accordance with the examination procedure referred to in Article 36(3). Each annual work programme shall ***ensure that the general and specific objectives set out in Articles 4, 5, 11 and 16 are implemented annually in a consistent manner and shall outline*** the expected results, the method of implementation and its total amount. The annual work programmes shall also contain a description of the actions to be financed, an indication of the amount allocated to each action and of the distribution of funds between the Member States for the actions to be managed through the national agencies, and an indicative implementation timetable. They shall include, in the case of grants, the ***maximum rate of co-financing, which shall take into account the specificities of the target groups, in particular their co-financing capacity and the possibilities of attracting funding from third parties. In particular, for actions targeting organisations with limited financial capacities, the rate of co-financing shall be set at least at 50 %.***

Article 36  
Committee procedure

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. ***The committee may meet in specific configurations to deal with sectoral issues. Where appropriate, in accordance with its rules of procedure and on an ad hoc basis, external experts, including representatives of the social partners, may be invited to participate in its meetings as observers.***
3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

## CHAPTER XI

### Final provisions

#### Article 37

##### Repeal and transitional provisions

1. Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC shall be repealed with effect from 1 January 2014.
2. Actions initiated on or before 31 December 2013 on the basis of Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC shall be administered, *where* relevant, in conformity with the provisions of this Regulation.
3. Member States shall ensure at national level the unimpeded transition between the actions carried out in the context of the previous programmes in the fields of lifelong learning, youth and international cooperation in higher education and those to be implemented under the Programme.

Article 38

Entry into force

This Regulation shall enter into force on the ■ day following *that of* its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2014.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

## **ANNEX I**

### ***Indicators for the evaluation of the Programme***

*The Programme will be monitored closely on the basis of a set of indicators intended to measure the extent to which the general and specific objectives of the Programme have been achieved and with a view to minimising administrative burdens and costs. To that end, data will be collected as regards the following set of key indicators:*

<b><i>Europe 2020 headline education target</i></b>	<b><i>The percentage of 18-24 year-olds with only lower-secondary education who are not enrolled in education or training</i></b>
	<b><i>The percentage of 30-34 year-olds with completed tertiary or equivalent education</i></b>
<b><i>Mobility benchmark, in line with the Council conclusions on a benchmark for learning mobility</i></b>	<b><i>The percentage of higher education graduates who have had a period of higher education-related study or training (including work placements) abroad</i></b>
	<b><i>The percentage of 18-34 year-olds with an initial vocational education and training qualification who have had an initial vocational education and training-related study or training period (including work placements) abroad</i></b>

<i>Quantitative (general)</i>	<i>The number of staff supported by the Programme, by country and by sector</i>
	<i>The number of participants with special needs or fewer opportunities</i>
	<i>The number and type of organisations and projects, by country and by action</i>

<i>Education and training</i>	<i>The number of pupils, students and trainees participating in the Programme, by country, sector, action and gender</i>
	<i>The number of higher education students receiving support to study in a partner country, as well as the number of students from a partner country coming to study in a Programme country</i>
	<i>The number of partner country higher education institutions involved in mobility and cooperation actions</i>
	<i>The number of users of Euroguidance</i>
	<i>The percentage of participants who have received a certificate, diploma or other kind of formal recognition of their participation in the Programme</i>
	<i>The percentage of participants declaring that they have increased their key competences</i>
	<i>The percentage of participants in long-term mobility declaring that they have increased their language skills</i>

<i>Jean Monnet</i>	<i>The number of students receiving training through Jean Monnet activities</i>
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<i>Youth</i>	<i>The number of young people engaged in mobility actions supported by the Programme, by country, action and gender</i>
	<i>The number of youth organisations from both Programme countries and partner countries involved in international mobility and cooperation actions</i>
	<i>The number of users of the Eurodesk network</i>
	<i>The percentage of participants who have received a certificate – for example a Youthpass –, diploma or other kind of formal recognition of their participation in the Programme</i>
	<i>The percentage of participants declaring that they have increased their key competences</i>
	<i>The percentage of participants in voluntary activities declaring that they have increased their language skills</i>
<i>Sport</i>	<i>Size of membership of sport organisations applying for, and taking part in, the Programme, by country</i>
	<i>The percentage of participants who have used the results of cross-border projects to:</i> <ul style="list-style-type: none"> <li><i>(a) combat threats to sport;</i></li> <li><i>(b) improve good governance and dual careers;</i></li> <li><i>(c) enhance social inclusion, equal opportunities and participation rates</i></li> </ul>

## *ANNEX II*

### *Technical information concerning the Student Loan Guarantee Facility*

#### *1. Selection of financial intermediaries*

*Following a call for expressions of interest, financial intermediaries shall be selected in conformity with best market practice, having regard to, inter alia:*

- (a) the volume of financing to be made available to students;*
- (b) the most favourable possible terms offered to students, subject to compliance with the minimum standards of lending as set out in paragraph 2;*
- (c) access to finance by all residents of Programme countries as referred to in Article 24(1);*



- (d) *fraud prevention measures; and*
- (e) *adherence to Directive 2008/48/EC of the European Parliament and of the Council<sup>1</sup>.*

2. *Protection for borrowers*

*The following safeguards are the minimum terms which must be provided by financial intermediaries wishing to provide student loans guaranteed by the Student Loan Guarantee Facility:*

- (a) *no collateral or parental guarantee shall be requested;*
- (b) *loans shall be granted on a non-discriminatory basis;*
- (c) *as part of the assessment process, the financial intermediary shall consider the student's risk of over-indebtedness, taking into account levels of accrued debt and any judicial decision relating to an unpaid debt; and*

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<sup>1</sup> *Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5.2008, p. 66).*

- (d) *repayment shall be based upon a hybrid model combining ‘mortgage-based’ standardised payments with social safeguards, in particular:*
- (i) *an interest rate that is significantly lower than the market rate;*
  - (ii) *an initial grace period before the commencement of repayments, lasting a minimum of 12 months after the end of the study programme or, where national law does not provide for such delays, a provision whereby nominal repayments are to be made during that 12-month period;*
  - (iii) *a provision for a "repayment holiday" of a minimum duration of 12 months over the lifetime of the loan, which can be invoked at the graduate’s request, or, where national law does not provide for such delays, a provision whereby nominal repayments are to be made during that 12-month period;*

- (iv) *an option to defer the payment of interest during the study period;*
- (v) *insurance against death or disability; and*
- (vi) *no penalties for early total or partial repayment.*

*Financial intermediaries may offer income-contingent repayments, as well as improved terms such as longer grace periods, longer "repayment holidays" or later maturity, to take into account specific needs of graduates, such as those who subsequently pursue doctoral studies, or to allow graduates more time in which to find employment. The provision of such improved terms shall be taken into consideration in the procedure for the selection of financial intermediaries.*

### **3. *Monitoring and evaluation***

*The Student Loan Guarantee Facility shall be subject to monitoring and evaluation, as referred to in Article 21 of this Regulation, and on the basis of Article 140(8) of Regulation (EU, Euratom) No 966/2012.*

*As part of this process, the Commission shall report on the effects of the Student Loan Guarantee Facility on beneficiaries and on higher education systems. The Commission's report shall include, inter alia, data on, as well as proposed measures to deal with any areas of concern with regard to:*

- (a) the number of students in receipt of loans backed by the Student Loan Guarantee Facility, including data on their completion rates;*
- (b) the volume of lending contracted by financial intermediaries;*
- (c) the level of interest rates;*
- (d) outstanding debt and default levels, including any measures taken by financial intermediaries against those who default on their loans;*
- (e) fraud prevention measures taken by financial intermediaries;*

- (f) the profile of students supported, including their socio-economic background, subject of study, country of origin and country of destination, in accordance with national data protection legislation;*
- (g) geographical balance of uptake; and*
- (h) geographical coverage of financial intermediaries.*

*Notwithstanding the powers conferred on the European Parliament and the Council by Article 140(9) of Regulation (EU, Euratom) No 966/2012, the Commission shall consider proposing appropriate regulatory changes, including legislative changes, if the predicted market uptake or the participation of financial intermediaries is not satisfactory.*

4. **Budget**

*The budgetary allocation shall cover the full cost of the Student Loan Guarantee Facility, including payment obligations towards participating financial intermediaries calling upon the partial guarantees and management fees for the EIF.*

*The budget assigned to the Student Loan Guarantee Facility, as referred to in point (c) of Article 18(2), shall be no more than 3,5 % of the total budget for the Programme.*

5. **Visibility and awareness-raising**

*Each participating financial intermediary shall contribute to the promotion of the Student Loan Guarantee Facility by providing information to prospective students. To that end, the Commission shall, inter alia, provide national agencies in Programme countries with the necessary information to enable them to act as conduits for information concerning the Student Loan Guarantee Facility.*

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*Justification*

*An agreement was reached between the representatives of the European Parliament, the Commission and the Council with a view to a first reading conclusion of this dossier. The agreement consists of the attached consolidated amendment tabled by the chair on behalf of the Committee on Culture and Education. Approval of the text will imply that all other amendments adopted by the Committee on Culture and Education in the report fall (For a more detailed explanation of the negotiations, see <http://www.europarl.europa.eu/committees/en/cult/working-documents.html>).*

Or. en