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**IMPACT ASSESSMENT ON INTERNATIONAL COOPERATION IN HIGHER
EDUCATION**

Accompanying the document

Proposal for a

**Regulation of the European Parliament and of the Council establishing a single
Education, Training, Youth and Sport Programme for the period 2014-2020**

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PART 3: INTERNATIONAL COOPERATION IN HIGHER EDUCATION

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GLOSSARY

EAC: Directorate General Education and Culture

BUDG: Directorate General Budget

DEVCO: Directorate General Development and Cooperation

ELARG: Directorate General Enlargement

EMPL: Directorate General Employment, Social Affairs and Inclusion

ENTR: Directorate General Enterprise and Industry

INFSO: Directorate General Information Society and Media

RTD: Directorate General Research and Innovation

SG: Secretariat General

SJ: Legal Service

EACEA: Education, Audiovisual and Culture Executive Agency

EEAS: European External Action Services

ACP: Africa, Caribbean and Pacific region

DCI: Development Cooperation Instrument

EDF: European Development Fund

ENI: European Neighbourhood Instrument

ENP: European Neighbourhood Policy

IP: Partnership Instrument

IPA: Instrument for Pre-Accession

HEI: Higher Education Institution

1. PROCEDURAL ISSUES AND CONSULTATION OF INTERESTED PARTIES

1.1. Purpose of the impact assessment report

DG EAC will propose a single education, training youth and sport programme, thereby bringing together the current Lifelong Learning Programme (LLP), Erasmus Mundus and related international cooperation programmes in higher education, Youth in Action and sport programmes. This document contributes to the overall exercise by presenting exclusively the impact assessment for future activities in the field of international cooperation in higher education. Impact assessments for activities in the other areas will be presented in the three separate impact assessments (respectively for lifelong learning, youth and sports).

1.2. Organisation and timing

1.2.1. Assessment

This impact assessment has been prepared between May 2010 and July 2011. An Impact Assessment Roadmap was sent to the Secretariat General on 9 June 2010. An Impact Assessment Inter-service Steering Group (IASG) was set up early August 2010 with the participation of DEVCO, BUDG, EMPL, ELARG, ENTR, INFSO, RTD, SG, SJ, EEAS and EACEA. All invited DGs participated, except BUDG and INFSO. The IASG met on 14 September 2010, 16 December 2010, 21 March 2011 and 26 July 2011.

1.2.2. Impact Assessment Board

- On 3 August 2011, DG EAC submitted to the Impact Assessment Board (IAB) four Impact Assessment (IA) reports relating to the single Education, Training, Youth and Sport Programme for the period 2014-2020. With regard to the International Cooperation in Higher Education strand of the single programme, the IAB noted in its Opinion of 9 September 2011 principally the need to summarise the Education programme commitments, to complete the problem definition, restructure that section and provide from the start and in one section a description of the existing international programmes including their similarities and differences. DG EAC was asked to clarify the choice of main partners mentioned in the first version, include information on funding and implementation modalities of the different programmes in the overview table, shorten the broader discussion on the higher education quality issues, and analyse more, in the problem definition, the performance of the current EU international programmes focussing on the particularities of the relationships with third countries and how the new programme can address the particular needs of the different partner countries. The Board asked for a shorter and more focused baseline and a clearer and more concrete intervention logic. Findings and conclusions were to be substantiated in more detail.
- As a consequence, the IA report was modified to take into account the Board's comments and submitted to Interservice Consultation on 6 October. In particular,

the problem definition section (section 2) was improved by presenting briefly the proposed new programme, describing the current programmes, including evaluations and shortcomings, highlighting where links should be reinforced and outlining funding and implementation modalities. The intervention logic for the future programme is more focused and a number of statements throughout the document were clarified or further detailed to provide more substantiation, in particular with regards to the relationships with third countries. More references were made to the various evaluations and consultations and the options and impact sections were reviewed to ensure a better consistency.

- Following the interservice consultation, further comments were provided on the second version of the IA report. In relation to the strengthening and focus of the problem definition, this updated version provides further information of the assessment of the programme's performance (see section 2.2.1) and on administrative and management arrangements (see section 2.3.2). The specific objective of the preferred option reflects (3.2) includes the response to the administrative and management fragmentation and the operational objectives under 3.3. reflect the identified performance gaps of the existing programmes. In terms of the design and assessment of substantive policy options, an additional policy option is now referred to under 4.3. A discussion on the allocations of budget in relation to the policy options and the principles in relation to the preferred option are outlined in section 4.5. Finally, further information on international cooperation specific monitoring indicators is included in section 7.

1.3. Consultations and expertise

A public online Stakeholders' Consultation was carried out between 15 September and 30 November 2010. This consultation was open to any interested individual or organisation wishing to contribute to the design of a future EU programme for international cooperation in higher education and human capital development. Respondents were asked for input on the scope and objectives of the future programme, its design, its funding, its management and its implementation and dissemination. The results were analysed by an external contractor (ECORYS) and posted online in May 2011. Around 400 individuals and organisations responded, mainly academics, institutions of higher education and students' associations. Most of them were from the EU and had already experience with or knowledge of the programme. Over 20 respondents (mainly ministries and associations of higher education institutions) also chose to provide specific input through a dedicated email box opened during the consultation process. Substantial input in this respect was provided from the academic community, through for instance the response of the European University Association to both the consultation on the future international higher education programme¹ and to the future of External action². The full

¹ http://www.eua.be/Libraries/Policy_Positions/EUA_-_Response_to_the_consultation_on_next_generation_of_EC_HE_programmes_3_12_2010.sflb.aspx

² http://www.eua.be/Libraries/Policy_Positions/EUA_response_External_Action_consultation_4.sflb.aspx

analysis can be found on

http://ec.europa.eu/dgs/education_culture/consult/higher/report_en.pdf.

Other online public consultations for programmes in related fields (Marie Curie, Lifelong Learning, Youth in Action, external instruments) were launched and also fed the reflection process on the future of the Erasmus Mundus programme. As for Youth and Lifelong Learning, the results are available on

http://ec.europa.eu/education/news/news2948_en.htm. As for Marie Curie, a summary of the results are available on

http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home (a detailed analysis is still to be published). The results of public consultations on the future external instruments can be found on http://ec.europa.eu/europeaid/how/public-consultations/5240_en.htm. The impact assessments for those instruments are coordinated by DG DEVCO. EAC contributed notably for IP, DCI, EDF, ENI and IPA.

The 15-18 September EAIE international conference on higher education as well as bilateral conferences and seminars on higher education policies (notably with Mexico, the USA, Canada, China, Africa and India) were also used to feed the consultation process.

A stakeholders' forum was held on 28–29 October 2010 (which included also stakeholders from the Lifelong Learning programme and the Youth in Action programme). The final report can be found at http://ec.europa.eu/education/lifelong-learning-policy/doc1339_en.htm

Informal consultations were held with the Erasmus Mundus Committee, National Structures, Selection Board, as well as higher education associations/experts and Partner Countries' Missions in Brussels. EC Delegations were also encouraged to provide their recommendations on the future programme.

Results in a nutshell: a majority of contributors to the Commission's various consultations believe the main objective of EU action in international higher education cooperation should be to strengthen openness and excellence in higher education, both in the EU and in its partner countries. They underlined the importance of continuing to focus on quality in higher education in the EU and beyond, on partnerships and cooperation between higher education institutions and on learning mobility. They stressed that a stronger link should be established between policy developments in higher education and the programme's supported activities. They also highlighted that there should be closer ties between the three components of the "knowledge triangle" (education, business and research) and a stronger focus on the issue of employability. They called for increased funding and also insisted on continuity, stability and consistency in funding. Students' associations felt that more attention should be paid to students with relatively few opportunities, notably in so far as mobility is concerned.

On the structure and design, most respondents stated that there should be closer integration between the various existing EU higher education programmes, be they intra-European (Erasmus), worldwide (Erasmus Mundus), regional (Tempus, Alfa, EduLink) or bilateral (with the US and Canada for instance). They found that this would make it easier for beneficiaries to understand the EU offer in higher education and participate in international higher education programmes. They also considered that this would

increase the visibility and impact of EU action, allow for synergies between the different actions and offer more possibilities for cooperation.

Among those considering that there should not be further integration between EU higher-education programmes, the generally expressed views were that the identity and strength of the respective programme brands would be diluted if integration were to be pursued further and their ability to respond to various particular needs would be impaired. Some respondents opposed to full programme integration, however, made the point that streamlining administrative and application procedures, promotion efforts and transparency of the programmes in question would still be beneficial.

Respect of minimum standards of consultation: the various stakeholder consultations (IASG, conferences, meetings and public online consultations) respected the minimum consultation standards set out by the Commission in its Communication of 11 December 2002 [COM(2002)704]. Adequate time was provided for preparation and planning of responses. The online consultation period lasted 75 days. The broader consultation process described above started as early as August 2010. The volume of responses received and the wide range of stakeholders participating demonstrate the success of this consultation and the effectiveness of the approach chosen. The proposals were thoroughly considered by the Commission and used in the preparation of this impact assessment.

A number of **studies** and evaluations have been undertaken to provide data on the current programme and other EU international cooperation programmes' strengths and weaknesses, and inform the impact assessment process. The list of studies can be found in Annex 1. Some of these studies, such as the "Erasmus Mundus Quality Assessment Project" and the "Graduate Impact Study", have allowed to finetune and reinforce quality requirements and monitor the programme's impact. The "Mapping Study" gave a clearer overview of EU intervention with the aim to better align EU and Member State action. Results and feedback from projects have also been considered. An external "Experts' Report" was also requested by EAC from Ecorys, which contains factual data collected, and an analysis carried out by the experts to support EAC's impact assessment work.

2. CONTEXT SETTING AND PROBLEM DEFINITION

2.1. Political context

Higher education is at the core of **Europe 2020 Strategy** for smart, sustainable and inclusive growth and of the integrated guidelines for the economic and employment policies of the Member States³. The Strategic Framework for **European Cooperation in**

³ Europe 2020 - Integrated guidelines for the economic and employment policies of the Member States. SEC(2010) 488 final.

Education and Training (ET 2020⁴), notably through the **EU Agenda for Modernisation in Higher Education⁵**, form an integral part of ET 2020.

The Bologna Process and the EU Agenda for the modernisation of higher education have provided a shared framework for national reforms in recent years. This has been supplemented at the international level by increased policy dialogues (exchanges of best practice in higher education policies) with our neighbours and main strategic partners under the impetus of international higher education programmes (such as Erasmus Mundus, Tempus, Alfa, EduLink and bi-lateral agreements with the USA and Canada), but also under multilateral policy initiatives such as the Eastern Partnership, the Africa-EU Strategy and the Bologna Policy Forum. Nevertheless, the potential of EU higher education institutions to fulfil their role in society and to contribute to Europe's prosperity, especially in an increasingly international context, is still underexploited and Member States have therefore asked the Commission to make proposals for an **EU internationalisation strategy** in higher education⁶.

The future single programme in the area of education, training, youth and sport proposed in the 29 June 2011 Commission Communication on **a Budget for Europe 2020** will be one of many EU and Member States' tools to help achieve the EU 2020 objectives and headline targets. It cannot pretend to address all the problems facing education, training, youth and sport issues in the EU. Also, acknowledging that the high level of investments in the education and training sector do not always correlate with the problems to be solved and that the EU cannot intervene with the same level of intensity or the same tools in each identified problem, the programme will give priority to the most effective combination of tools and to the clearly defined targets for investment.

The proposed new programme⁷ should incorporate existing international programmes such as Erasmus Mundus, Tempus, Alfa and EduLink and cooperation programmes with industrialised countries under the same instrument, and will accommodate different objectives (promoting the excellence and attractiveness of EU higher education and supporting modernisation in non-EU countries).

Given its dual nature, the international component of the single Education Europe Programme will be funded from two sources: Heading 1 and Heading 4, which will follow the same rules and procedures; they will not be subject to the comitology procedures applied to the external action financing instruments. The overall budget available from Headings 1 and 4 will be mentioned in the programme's legal basis.

This approach will put an end to the current fragmentation of EU instruments supporting international cooperation in higher education.

⁴ Council Conclusions of 12 of May 2009 on a Strategic Framework for European Cooperation in Education and Training ("ET 2020"). OJ C 119, 28.5.2009, p. 2.

⁵ COM(2006) 208 final "Delivering the modernisation agenda for universities: education, research and innovation". A revised Agenda will be adopted by the Commission this autumn.

⁶ EU Member States have been calling for strengthened action in the field (Council Conclusions of 11 May 2010 on an EU International Higher Education Strategy).

⁷ http://ec.europa.eu/budget/library/biblio/documents/fin_fw1420/MFF_COM-2011-50_Part_II_en.doc

2.2. Current EU initiatives in the area

The Commission currently manages at least 7 **international higher education cooperation** programmes. The total annual budget of these programmes amounts to around 310 million Euro per year, split between Headings 1a and 4.

2.2.1. Erasmus Mundus

The Erasmus Mundus programme was established for the years 2007-2013 with the aim to enhance the **quality** of higher education and to promote **dialogue** and understanding between people and cultures through cooperation with partner countries. It also contributes to the **development of human capital** and the **capacity building** of higher education institutions in partner countries by increasing **academic partnerships** and **reciprocal mobility** between the European Union and these countries.

As highlighted in the evaluation, the actions of the Erasmus Mundus programme produce **long-term** and **systemic impact** within the involved institutions. New, high-quality courses of a type rarely seen before the programme were established to run in addition to the existing higher education offer. Institutions have strengthened a twin process with an "europeanisation" on the supply side and "internationalisation" on the demand side. By supporting **best practice dissemination** and **self-sustainability**, the **joint integrated programmes** and other **cooperation projects** extend their duration and effectiveness well beyond the period covered by the EU financing. The Erasmus Mundus programme and projects act therefore as vehicles of **sustainable change** and **innovation** within the global academic community.

Judging from the information available in the evaluations and the Graduate Impact Study, the current programme has been successful in offering (above all non-EU) students a high quality preparation that has allowed them to improve their career opportunities after graduation, has led to valuable partnerships being established between European and third-country higher education institutions and has supported dialogue on higher education policies.

The current programme strongly contributes to **the attractiveness of EU higher education offer** through the creation of highly competitive joint masters and doctoral courses and features an associated scholarship scheme for top class students and academic staff (action 1). Up to now, Erasmus Mundus has supported the development of 123 flagship joint masters courses and 24 joint doctorates covering a wide spectrum of disciplines, in most cases with a multidisciplinary approach and with particular attention to the development of horizontal skills (entrepreneurship, languages, intercultural skills). Courses are offered by consortia of EU and non-EU universities in an integrated manner and using the instruments recommended by Bologna (European Credit Transfer System, diploma supplement, quality assurance mechanisms, etc.). The balance of evidence collected for the ex-post evaluation of Erasmus Mundus and the Erasmus Mundus Quality Assessment project (www.emqa.eu) suggested the programme has succeeded in bringing together some of the best higher education institutions in the EU to offer new and innovative joint masters programmes, which were unlikely to have been created without the programme. These masters programmes are considered to be of high quality by both the academic staff and current and former Erasmus Mundus students consulted during the consultation and evaluation and managed to attract large numbers of

applications from non-EU students. They have enabled to develop international capacity of higher education institutions and their ability to cooperate with partners worldwide.

Some 25,000 students (three quarters of whom are from non-EU countries) have received scholarships to study abroad and some 3,000 academics have had the opportunity to teach or conduct research activities in the framework of the joint courses or partnerships. Once they are back in their countries, these students and academics can apply their newly acquired skills and competences to the benefit and sustainable development of their home country. Some 5,000 students and alumni are now members of the Erasmus Mundus Alumni Association (EMA) that plays a growingly crucial role in the promotion of the programme worldwide and has brought about the constitution of a strategic network. These mobility opportunities have contributed to increased participation in EU higher education and to employment prospects of Alumni⁸.

In contrast however, the current programme appears to have been less successful at promoting outgoing mobility of European students to non-EU partner countries. This is partly linked to the status of third-country institutions within the programme and the level of the grants available to outgoing European students. The European University Association and the African Association of Universities' joint statement⁹ underlines that there would be clear benefits for EU students to study in Africa but that under current instruments (DCI and EDF), this is not possible and should be considered for the future.

More importantly, while valuable partnerships seem to have been established between European and third-country higher education institutions through the joint programmes, the level and intensity of this cooperation is limited. Indeed, in a number of cases, third-country institutions had a rather passive role in the partnership, limited to receiving students for field or thesis work. They did not contribute extensively to the development of the course programme. Keeping the programme as it is (even with an increase in funding) would most likely not remedy the situation in a satisfactory way. The programme could benefit from a stronger cooperation and partnership (including modernisation and capacity building) component.

The programme (through its action 3) also promotes the **attractiveness and visibility of EU higher education worldwide**. Since 2004, around 60 projects have been supported for the enhancement of EU higher education global attractiveness. It has further enabled the creation and support of a "Study in Europe" campaign to **promote** EU higher education through joint participation in international student fairs, a web portal promoting the EU as an excellent study destination, promotion material and conferences. Through this action the programme has also contributed to supporting the gradual implementation of **dialogues** on higher education policies with non-EU partner countries

⁸ According to the EMA study on graduate impact (http://www.em-a.eu/fileadmin/content/GIS/ICUnet_Final_Survey_Report_2010_online.pdf), while generally positive, the employment situation of EM graduates leaves room for improvement: When asked about the most important factor which contributed to their gaining their current employment however, both EU citizens and third-country nationals stated that their experience gained during the Erasmus Mundus Master Course played a crucial role.

⁹ http://www.eua.be/Libraries/Publications_homepage_list/Joint_Statement_of_the_AAU_and_EUA.sflb.ashx

to support them in their modernisation and reform efforts, increase participation of non-EU institutions in the programme but also to foster and facilitate academic cooperation and mobility between these countries and the EU. Dialogues on higher education policies focus on developing common understanding and transparency tools between higher education systems and institutions. This allows promoting policy developments at European levels (Bologna, EU higher education modernisation agenda). A number of dialogue on higher education policies have been carried out by the Commission notably with our neighbours within the Eastern Partnership Platform 4, with industrialised countries (various workshops and studies on higher education related topics were held notably with the US, Canada and Australia) and with strategic partners such as Brazil, China, India, Mexico and South Africa. Exchanges are also ongoing with international bodies such as the African Union or the OECD.

Dialogue on higher education policies and EU higher education promotion activities could be more strategically defined to provide greater EU added value in this domain. The current programme has supported a small number of these actions in a rather scattered way. The links between the programme and policy developments are not strong enough under the current baseline scenario.

As the second phase of the Erasmus Mundus programme started only in 2009, no evaluable results were at hand for this phase of the programme to allow for the interim evaluation to be organised in time for providing inputs to this impact assessment. This affects mainly action 2 and 3 of the programme. However, the evaluations for the first phase of the programme and the various studies undertaken (notably EMQA, Graduate Impact Study and Ecorys Report – see annex 1) show that the programme has had an impact far beyond its size and intended scope. In particular, it is possible to perceive its effects as having been transmitted through what might be described as a "viral" process – carrying and embedding its practices and lessons far beyond the original purpose and spreading its influence across institutions and international borders. Erasmus Mundus was also able to offer an antidote to perceptions of the universities of Europe as being "traditional" and not innovative enough. What Erasmus Mundus in particular brought out is that there is considerable latent potential for innovation and change at the institutional and disciplinary level. Erasmus Mundus has also contributed to opening up the institutions to external influences from academic staff and first-class third country students. One of the greatest successes of Erasmus Mundus has been the establishment of its brand label as a global "marque" of quality in higher education emanating from Europe – hence its key role in increasing attractiveness. Part of the task for Action 3 has been to spread knowledge on how these modernisation and dynamism effects can be achieved more widely than among the participants themselves and thereby to achieve much wider impact in demonstrating how to bring about more transparency and coherence for mobility and academic cooperation (by facilitating international recognition and comparability).

Although Erasmus Mundus is designed functionally as a student and staff mobility and cooperation programme, its partnership ethos (mobility being supported through strong international partnerships), makes Erasmus Mundus a powerful and "politically neutral" change agent for academia within the EU and among international partners. In this context, the networks that link institutions become a shared vehicle for capacity building across the board. Policy dialogue on higher education carried out under the programme has also contributed to **the modernisation processes of higher education in non-EU**

partner countries. DG DEVCO is currently carrying out the evaluation of several regional lots under Action 2 of the Erasmus Mundus programme. Preliminary results show the relevance of the action (half the Erasmus Mundus budget) which gave over 15 thousand students, academics and researchers the possibility to study in Europe. A concrete example of the relevance, efficiency and impact of Action 2 can be given for India nevertheless. The programme has been highly relevant and transformational for Indian institutions but also for Europe which sees India as a strategic partner, it has offered professional and individual development for Indian staff and students and opportunities for students from vulnerable groups. Many research programmes are relevant to the poverty agenda and community outreach. It has boosted the capacities for internationalisation, has strengthened partnerships and the capacity to manage mobility.

A number of recommendations have been drawn however from the current programme, whereby there should be an increase of master and staff mobility, more exchange (credit) mobilities, with recognition of credits. Non recognition of credits is one of the main reasons for there being less Bachelor students involved in the programme. Geographical coverage and thematic disciplines need to be broadened (gender and male-dominated subjects such as engineering, natural sciences and mathematics remain an issue as access of females to the programme is still significantly lower at 34% for India for example) and more continuity in funding is needed (for example country specific calls are not guaranteed each year and universities tend to find out relatively late when calls are not opened for a country which make continuous cooperation with partners more difficult) .

2.2.2. Other international EU programmes in Higher Education

The Erasmus Mundus programme's objectives and actions are very much linked to those of other international programmes, namely **Tempus**, **Alfa**, **EduLink** and **EU-Canada and EU-US Bilateral Agreements**. Evaluations of these programmes have given the following results, which are very often in line with the design of a new single programme:

The **Tempus III** evaluation report formulated a number of recommendations and drew conclusions that clearly show a need for more orientation and consistency with other programmes. According to the report the programme should strengthen its strategic orientation and improve synergy with Erasmus Mundus. It should also encourage links with research (knowledge triangle, doctoral studies) and establish more linkages with labour market and civil society. Support should be given to the development of projects such as joint degrees or double diplomas and better dissemination of outcomes should be pursued. Findings from recent field monitoring reports show that most projects rated good or very good in terms of efficiency, effectiveness, sustainability and impact. However multi-country projects are challenging to implement and impact is difficult to assess over a short period of time. Recommendations were expressed to limit the number of partners and of partner countries included in projects, to ensure that partners have similar background and reinforce mobility component of projects.

In conclusion, Tempus has met its objectives, inasmuch as its main objectives (promoting reforms and modernisation of HE institutions) remain highly relevant for partner countries and most of the recommendations have been taken on board in the 4th phase of the programme. However significant contribution for further progress is needed because the reform process is a long one (even more so after the 2011 Spring events in the Arab

world) and further fine-tuning is required. In order to do that, more funding is needed and the programme would clearly benefit from closer links to Erasmus Mundus.

As mentioned in the 2010 **Alfa III** mid-term evaluation, the programme is a follow-up of previous editions of academic cooperation but is now playing more and more a role of "inter pares" programme rather than one of development aid. The first two editions helped develop lasting cooperation mechanisms by fostering the creation of HEI Networks through the mobility of its members between the EU and Latin America, as well as within Latin America.

The high level of interest in the programme is confirmed by its low success rate (number of funded applications against submitted applications). In order to increase the relevance of the Alfa programme to the EU-Latin America academic cooperation, it will be necessary to focus on impact areas that are more directly related to development objectives and strengthen links between the academic world and local authorities, enterprises, and civil society in the design of projects, their implementation and in the exploitation of the outputs, the latter being a similar recommendation to one made for the Tempus programme.

The 2010 **EduLink** evaluation highlights that the design of the programme is very appropriate for addressing some key challenges facing HEIs in the ACP regions and projects are relevant for addressing national and regional priorities and concerns. The programme so far has led to a well diversified geographical coverage in terms of applicants, partners and the likely geographical impact of the projects financed.

However a number of recommendations made in the evaluation could be addressed by integrating the programme to a wider higher education international programme, namely less overlaps and potential duplication between projects involving same HEI as lead or partner; less dominance of single institutions as leaders across the programme; more possibilities for sharing good practices and networking after projects have finished; similar and simpler application modalities between programmes; similar financial rules within programmes to ensure increased transparency and to decrease the weight of financial management on both HEIs and the management of the programme.

Based on experiences from other successful programmes such as Tempus, more possibilities should be offered to ACP HEIs to take the lead and common (joint) training of project beneficiaries should be carried out for project management.

It would also be desirable to learn from other programmes' experiences and policy developments (both internal and external) for addressing strategic issues such as the accreditation of newly developed curricula, establishing credit transfer systems, recognition of degrees, and the establishment of double and joint degrees.

Indeed, a large number of respondents to the online consultation highlighted that support for developing countries should be taken on as a programme objective with apparent demand for partnerships to be forged between European Higher Education Area (EHEA) institutions and those in developing countries/regions. Some revealed a perception that the Erasmus Mundus programme is not sufficiently responsive to the needs in non-EU partner countries. One suggestion was that course programmes in specialist areas which have considerable value for the development of developing nations (in terms of

eradicating poverty) should be supported. A number of respondents, notably from emerging economies, called for opportunities to strengthen academic cooperation between non-EU and EU higher education institutions based on mutual benefits and equal partnerships. Therefore there is a need for more effective and constructive collaboration to ensure an appropriate response to different needs within the EU and international academic community.

The recent interim evaluation of activities implemented under the **EU-Canada and EU-US Agreements** concludes that bilateral projects implemented under these Agreements have substantially benefitted the students participating in the programmes in terms of their personal and professional development and also to the staff and professionals as well as to the institutions involved in the projects, in particular in terms of setting up and maintaining international networks, increasing profile and reputation, building capacity to operate internationally and creating "change agents" who can cascade the positive outcomes throughout the respective institutions.

The programmes do not overlap or conflict with the wide range of EU initiatives in the fields of international cooperation, mobility, education and training with which the Agreements share some similar features and on the contrary, are unique in a number of ways, especially due to their nature as international bilateral Agreements and the benefits derived from this form of institutionalised cooperation under public international law. While the activities are comparatively small in size in the context of the volume of international cooperation routinely undertaken in this sector between the EU, the US and Canada, they are notwithstanding offering a wide range of opportunities. The bilateral funding aspect of the Agreements had a significant added value at a strategic level and the Agreements filled a clear "gap in the market" for the funding of international cooperation between the EU and the US or Canada: the Agreements are highly relevant in responding to a set of needs that are important and increasingly significant: globalisation and the parallel process of internationalisation in education.

Certain obstacles in achieving wider effects beyond the immediate projects themselves were identified, most notably as to what concerns a presumed lack of visibility and/or renown of the programmes (with the exception of the Schuman-Fulbright grant scheme), as well as a clear brand name (Canada only). Publicity for the Agreements and the dissemination of the results could be improved. Furthermore, stronger linkages should be explored between policy dialogue activities and project outputs/results to better realise the potential synergies, and to ensure that project findings are considered at EU/national level.

2.2.3. Policy dialogue with Strategic partner countries

In addition to the programmes, through "**policy dialogue**" with its main partner countries, the Commission highlights the attractiveness of EU education and training worldwide, facilitates the implementation of its programmes and promotes the sharing of experiences, good practice and expertise. Cooperation with these countries, notably the EU's neighbours including Russia, industrialised countries but also strong emerging economies such as Brazil, China, India, South Africa and potentially Mexico, tends to take place bilaterally or in regional partnerships such as the Eastern Partnership or the Africa-EU Joint Strategy.

The selection of neighbouring countries follows the logic of the closest circle of partners with whom the EU has had and wants to continue having privileged relations. There is a strong priority for this region with recent reallocations of funds under the external instruments, specific focus in the Budget for Europe 2020 and specific actions being discussed for the new programmes. With some of the candidate and potential candidate countries cooperation goes even further with full participation in the EU internal programmes and initial participation in the Education Open Method of Coordination. Mutual beneficial cooperation with industrialised countries in the field of higher education has been growing steadily in the past years under bilateral programmes and ad hoc projects, complemented by increasing policy dialogue activities. Partnerships with EU emerging strategic partners are also developing steadily. In the latter category Brazil, India, China, Mexico and South Africa have Strategic Partnerships with the EU which include cooperation in the field of higher education. These countries are growing economic partners for the EU and there is a specific mutual interest to cooperate on higher education as highlighted in joint policy documents such as Joint Declarations, programmes and action plans. Africa as a whole is seen as a strategic Partner for the EU (see Africa-EU Strategic Partnership, launched in 2007) with higher education playing an important role. In the relations with strategic partners, regional connections (including south – south) are to be made in so far as possible.

2.2.4. Table: Existing instruments and budgets¹⁰

Existing Instruments	Main features	2007-2013 average budget (M€) yearly	Implementation modalities
Erasmus (under the Lifelong Learning programme)	Academic cooperation, mobility and promotion of European higher education (intra European)	450	Call for applications, partly centralised (EACEA) and partly decentralised (National Agencies)
Erasmus Mundus	Academic cooperation (Joint programmes), mobility and promotion of European higher education (international)	100 (Action 1) 110 (Action 2) 4 (Action 3)	Call for applications – Centralised - EACEA
Tempus	Academic cooperation and capacity building (neighbouring regions – ENPI budget)	60	Call for applications – Centralised - EACEA
Alfa	Academic cooperation and capacity building (Latin America – DCI budget)	10	Call for applications – Centralised – DG DEVCO
EduLink	Academic cooperation and capacity building (ACP – EDF budget)	5	Call for applications – Centralised – PMU
US/CANADA programme	Academic cooperation and mobility (bilateral agreement)	7 (US) 2 (Canada)	Call for applications – Centralised - EACEA
ICI programme (industrialised countries)	Academic cooperation and mobility (bilateral agreement)	3	Call for applications – Centralised - EACEA
TOTAL		758 M€	

¹⁰ The **Marie Curie** Actions for mobility and cooperation in the field of research, with an average annual budget of 650 M€ for the period 2007-2013 (under the FP7) can also be contemplated within the higher education area, even if the focus is on research. **However**, Marie Curie actions support mainly experienced researchers (only 20% are early-stage researchers). They contribute not only to learning mobility, but also directly to the strengthening of industrial and innovation capacity, which would fit less well with the above higher education programmes. The current arrangements, whereby Marie Curie is managed by DG EAC whilst being funded through the Framework Programme, is not creating management difficulties and should be maintained.

2.3. Description of problems and their underlying drivers

2.3.1. *Insufficient international attractiveness of EU higher education*

In order to achieve the Europe 2020 targets, there is a continuing need for young professionals with high level of skills. The EU faces a genuine talent shortage in a wide range of occupations, largely due to ageing populations, the low number of tertiary education graduates and the quality of EU higher education and research opportunities, not always adequate when compared to the EU's main competitors (industrialised but also emerging countries). This means that the **EU must boost its attractiveness to draw the best skills across the world.**

The scale of student mobility is growing rapidly worldwide. Some of our **international partners are investing heavily** in promoting excellence of their systems and attracting their share of international students. Europe needs to keep up with its major international partners (competitors) in **attracting talents.**

Despite the progress achieved through the Bologna Process, the **fragmentation** of higher education systems amongst EU countries is also perceived as a genuine obstacle for attracting foreign students and there is a sense that the EU needs to revamp the image of its higher education offer and that universities should further improve their dynamism and the quality of their offer¹¹.

For the current phase of Erasmus Mundus there is room for improvement as certain top EU universities still do not participate in the programme, as they consider there is not enough added-value for them to join. As a result, the programme loses the potential benefit they could bring in terms of injection of excellence. Some smaller institutions find it difficult to access the programme or find partners, the success rate (funded scholarships against submitted applications) of third-country students is very low (less than 1%) and the mobility flow remains rather unilateral (from partner countries to the EU) On a more general scale, according to OECD reports, but also ranking lists such as the Shanghai index¹² or the Times ranking¹³, EU universities are not attractive and competitive enough and are losing grounds to the benefit of the US or Asian partners. The skills provided do not necessarily match market demand which calls for increased cooperation between higher education, research and enterprises. International dialogue on higher education policies should be further developed in synergy with Member States. The promotion strategy developed under the current phase of the programme could also be taken a step further with the development of a true "Study in Europe" brand and a regular presence at major international students' fairs as a hub to which Member States

¹¹ See the EU's Agenda for new skills and jobs: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0682:FIN:EN:PDF>

¹² The ranking compares 1200 higher education institutions worldwide annually according to a formula that takes into account alumni winning Nobel Prizes and Fields Medals (10 percent), staff winning Nobel Prizes and Fields Medals (20 percent), highly-cited researchers in 21 broad subject categories (20 percent), articles published in Nature and Science (20 percent), the Science Citation Index and Social Sciences Citation Index (20 percent) and the per capita academic performance (on the indicators above) of an institution (10 percent).

¹³ <http://www.timeshighereducation.co.uk/world-university-rankings/>

could connect with their own educational offers. Better use should also be made of Alumni associations, notably the Erasmus Mundus Alumni Association, which have in the past proven instrumental to explaining the programme and promoting it worldwide. This can also be said for partner countries' experts who have been trained as promoters of European higher education under the programme. These positive experiences deserve to be better exploited and connected.

Without reinforced EU action on these issues, progress will be insufficient to foster attractiveness of EU higher education.

2.3.2. *Insufficiently developed modernisation processes in non-EU Universities*

The EU needs its strategic partners to be productive, healthy economies. Uneven quality and relevance of higher education systems, poor governance and weak institutions, lack of accountability and transparency remain a major challenge in partner countries. The EU has a responsibility to support its partner countries in modernising and opening up their higher education systems, building up their capacities, unlocking their potential for sustainable development and enabling them to become constructive political, economic, social and cultural partners of the EU.

By providing support to increase the overall quality and relevance of higher education, the EU will facilitate effective cooperation between peers and, identify champions with which to establish privileged relations. Capacity building measures, accompanying universities in their internationalisation strategy and supporting the modernisation of higher education in non-EU countries together with the development of their human capital, should be seen as a mutually beneficial process.

Through capacity building measures in higher education, the EU not only fosters growth and quality with its partners and hence high quality cooperation opportunities, it also strengthens its "**soft power**" in the area through promoting institutional and people-to-people contacts and serves the wider interests of the Union in expanding its influence in foreign global economic policy and supporting peace, human rights and fundamental freedom. Furthermore, if the EU hopes to achieve a true breakthrough in people-to-people contacts with its direct neighbours for instance, it is the very scale of the mobility in Erasmus that has made it not just an academic, but also a cultural phenomenon and that has transformed youth culture in Europe towards greater mobility, openness and intercultural understanding. Young generations in neighbouring countries should be able to benefit to a comparable extent and this will lay the groundwork for future cooperation and signal concrete results to the societies of the participating countries.

Support for capacity building measures and mobility actions are needed at **individual, institutional and government levels** and thus require joint academic projects, mobility actions and a reinforced dialogue on higher education policies involving higher education authorities and field experts.

Support to higher education institutions and systems should of course be deployed **in full compliance with the future External Action spending and objectives**, which highlighted the following priorities:

- promote EU interests in Enlargement and Neighbouring countries;
- project EU policies in support of the EU 2020 agenda;
- concentrate on fewer focal sectors where the EU has a clear comparative advantage
- respect and promote human rights, democratic values and rule of law as the foundation of all external action. Education can play a key role in democratisation processes, in particular in the academic and student world.

In its current format Erasmus Mundus is not built to fully cater for capacity building and higher education modernisation in non-EU partner countries. Current EU partners, notably in the neighbouring countries but also in Latin America, Asia or Africa, have largely benefited from EU capacity building activities for curriculum and governance modernisation through other EU academic cooperation programmes such as Tempus, Alfa or EduLink. The lack of interaction between EU higher education programmes has however deprived Erasmus Mundus beneficiaries the benefit to enjoy closer integration with academic activities undertaken under those regional academic cooperation programmes. Higher education institutions in many of our partner countries also still lack sufficient international capacity and teaching experience to engage in high quality joint courses and degrees. Countries like Brazil, China or India feature at the same time cutting edge and low performing practice in terms of academic quality. Bringing all existing capacity building and mobility instruments together would increase the efficiency, coherence and visibility of EU action, and trigger synergies between activities undertaken in the field of dialogue on higher education policies, mobility, joint high level courses and international promotion.

Within neighbouring, enlargement and emerging countries, there is growing demand to learn about European experiences in higher education. This is particularly true for non-EU European countries which are part of the Bologna zone and are looking for guidance and support to implement the Bologna action lines.

This is true also for non-European partners which are turning to the EU for inspiration in their efforts to develop transparency tools in response to the internationalisation of higher education. This exchange of experience, which is not sufficiently developed under existing programmes, could support partner countries in responding to their education challenges, in terms of adequate skills development, ongoing equity and governance issues, and securing sustainable financing not only for higher education, but for the overall education system. In response to the Council conclusions adopted on 17 May 2011 (10394/11), a '*comprehensive EU approach to the education sector in developing countries*' will need to be further elaborated by the Commission. Further diversification in cooperation with partner countries should allow for a concentration of funds where it is possible to generate more impact and increase worldwide visibility.

See annex 2 for a detailed description of outcomes and possible improvements.

2.3.3. *Endogenous factors*

Within the current programmes, different actions potentially complement each other. Erasmus Mundus is supporting mobility and capacity building in higher education to and from third countries and the development of joint degrees and regional programmes such as Tempus or Alfa support the modernisation of higher education institutions and systems and develop the international capacity of higher education institutions. All foster quality in higher education and facilitate high level international cooperation.

Both Erasmus and Erasmus Mundus employ similar actions (more or less intensive cooperation between higher education institutions, exchange between higher education authorities, mobility of students, researchers and staff, studies and statistical analysis) based on similar structures (calls for proposals for transnational cooperation, calls for tender for studies etc) and are susceptible to similar delivery methods (centralised direct or indirect management, decentralised management).

However, the nature of EU actions and initiatives in higher education are currently fragmented, caused by the way the EU manages its internal and external intervention in the area of higher education. This has a clear negative impact on the efficiency of EU action in higher education, as demonstrated during the consultation process. Two main levels of inefficiency can be identified:

(a) Inefficiency of divide between internal and external higher education cooperation

Separating internal and external EU higher education programmes has created artificial boundaries which have prevented synergies and lead to overlaps. When considering international links, universities do not divide the world into EU and non-EU. Most EU universities participate in both internal and external programmes and find it difficult to apply different rules and procedures and not to be able to involve non-EU partners in relevant internal actions. The award of scholarships to EU students has for instance generated some implementing difficulty due to their superposition to the Erasmus scheme. Great efforts, such as setting a joint Erasmus-Erasmus Mundus internal cell aimed at identifying overlaps and joint information notes to Erasmus National Agencies and Erasmus Mundus National Structures, have been made to ensure complementarity between Erasmus and Erasmus Mundus but the risk of overlapping and unnecessary complexity remains considerable.

The organizing formula of action 2 of Erasmus Mundus is understandable as HEIs from third countries, which may not necessarily have extensive experience of mobility, participate in a multilateral partnership which allows them to gradually gain experience and “learn” from more experienced partners. However the obligation to form large multilateral partnerships with higher education institutions from specific countries defined in the call seems to constitute a greater ‘barrier to entry’ into the programme than is the case for the Erasmus programme, where it is sufficient for two higher education institutions that know each other and trust each other to conclude a mobility agreement. The relative difficulty of creating large multilateral partnerships is perhaps illustrated by the relatively low number of partnerships which have actually been formed and funded in

the framework of action 2 of Erasmus Mundus with only a few HEIs from Eastern Partnership countries participating in Erasmus Mundus for instance, whereas a great majority of HEIs in the EU now participate in Erasmus. It is also quite apparent that often the same higher education institutions are participating year after year and the non-EU country tends to benefit less financially from the project as the EU institutions keep the management of the mobility. More transparency and more openness to other institutions through partnership agreements (such as is the case in Erasmus) allowing for a wider and more representative participation of institutions and of vulnerable groups is needed.

(b) Inefficiency of divide between various external higher education cooperation programmes

The introduction of action 2 (credit mobility) into Erasmus Mundus has generated difficulties for universities and students due to the diversity of objectives, financing instruments, implementing rules and procedures involved. Although Erasmus Mundus has been presented as a single programme, external stakeholders have clearly indicated that the programme lacks coherence and readability. Stakeholders have perceived from the very start of the second phase of the programme a lack of synergy and consistency between action 1 (high quality Masters and PhD courses, no geographical quotas, the criteria being excellence) and action 2 of the programme (geographically organised short term mobility). Bringing together the two actions aimed to increase simplification, coherence and synergy, but coordination by the different services involved has not always been faultless and it has been difficult to communicate clearly on the programme as a whole.

Similar dysfunctions exist because of the separation of Erasmus Mundus from regional higher education programmes such as Tempus, Alfa or EduLink and bilateral programmes with notably the US and Canada. Joint information sessions have been organised for Erasmus Mundus and Tempus for instance but this has not always been sufficient.

These various instruments are moreover not always consistent with each other because they follow different rules, procedures and selection criteria. Particular attention must be paid to the predictability and continuity of funding that are presently quite limited in Action 2 of Erasmus Mundus, with budget allocations varying considerably from one year to another and even amounting to zero for several years in a row. This leads to uneven geographical distribution and affects universities, which need stability and continuity in order to set up solid and sustainable partnerships with institutions from non-EU countries. This issue will have to be tackled in the future.

Implementation modalities are different across the different external programmes. Deadlines for calls are different, eligibility criteria is quite different, presented differently and assessed according to different guidelines. Access to information (sessions, training, queries) varies from programme to programme, depending also on which implementation modalities are in place. The level of monitoring of individual projects is also different and undertaken by different actors. This makes it difficult to access reliable and comparable data and performance indicators across the actions and programmes.

Modalities should be further simplified by integrating the implementation of the programmes and by unifying the requirements for similar types of actions (mobility or

different types of partnerships) across the different sectors. This would decrease the overall number of actions and administrative burden both at the project applicant/beneficiary and would increase the clarity and consistency of the administrative arrangements". Financial management also needs to be simplified with a wider use of grants based on fixed costs (lump sums and flat rate grants) and harmonised financial guidelines.

Furthermore the **link** between international higher education programmes and policy developments needs to be tightened, as highlighted during the consultation process and in the evaluations of these programmes. Most actions funded by international higher education programmes to modernise and reform higher education systems and reinforce the capacity of institutions in partner countries are largely based on developments taking place in Europe (the Bologna Process, the Education and Training ET2020 Strategy and the EU's higher education modernisation agenda) and should therefore intimately be connected with internal policy developments. For example, the Tempus actions are based on the three priorities of the EU higher education modernisation agenda (curriculum modernisation, improved governance and funding). Therefore, the external dimension of EU higher education policies (as is also the case for research, which is covered by the Research Framework Programme) belongs to the education policy domain. This is in line with the priorities for the future external spending which will aim at promoting EU interests in neighbouring countries and projecting EU policies in support of the EU 2020 agenda.

For the two main components of higher education actions supported by the EU - learning mobility and academic cooperation (including capacity building actions) - the centre of gravity lies within the higher education policy domain. As mentioned above, European universities see cooperation with non-EU partners as the natural continuation of their participation in internal cooperation programmes. There should not be any artificial barriers between those two types of support.

Development cooperation activities - funded outside international academic cooperation programmes through budget support, project support or the sectoral approach - are managed separately. These actions are based on a different intervention logic and require tailor-made approaches with different partners, using different tools and must be agreed bilaterally with the countries concerned. It is therefore logical that pure development cooperation with non-EU countries - including in the sector of education and training – is and should stay under the overall responsibility of the EEAS and the Commission's external services. However, there should be complementarity and coherence between the two types of support (international academic cooperation programmes and bilateral support to the higher education sector).

University stakeholders have confirmed an increasing overlap of interest between the traditionally separate “development” and "academic" agendas¹⁴. Governments, donors and universities in both the EU and developing regions have to thus reconsider their role

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http://www.eua.be/Libraries/Publications_homepage_list/Joint_Statement_of_the_AAU_and_EUA.sflb.ashx

as development actors in view of the changing relationship between higher education, research, development cooperation and capacity building. For universities, there is a clear message: there should be a reflection on the ways in which development cooperation is carried out across the institution and how this could be better aligned with internationalisation objectives. Institutional leaders should strive to integrate development cooperation into the overall institutional internationalisation strategy and identify possible barriers that might impede university staff from fully engaging in these activities.

2.4. Affected groups

Higher education institutions in the EU and beyond, which are competing in an ever globalising knowledge society and need to develop attractive, quality courses; trigger their international capacity and their openness to partners from around the world; develop links with the world of research and investigation and with the world of work.

Learners: who want equitable access to quality higher education and an education offer which is relevant to their professional life. This includes mobility opportunities.

Teachers and academic staff: who want to be given the means to develop high quality standards, adapt to market demand and student's needs, and benefit also from mutual learning through mobility experiences.

Enterprises are also affected as they are suffering from difficulties to find workers with the skills they need. They are also affected by the costs of skilled labour force (low level of supply of human capital increases its price). They are keen to develop closer links with higher education institutions to discuss mismatch of skill provision and labour market demand and different types of cooperation modalities (internships during studies, staff exchanges, participation in the definition of curricula and learning outcomes, etc).

Higher education national authorities in EU and non-EU countries are important actors in the success of international academic cooperation. Dialogue needs to be developed to build trust and transparency between systems to facilitate academic partnerships and mobility.

2.5. Justification for EU action

Principle of conferral: Higher education is an area where the EU has supporting competence as defined by the Treaty on the Functioning of the European Union (TFEU or Lisbon Treaty). Article 165 TFEU gives the EU the mandate to contribute to quality education by encouraging cooperation between Member States and supplementing their action. Article 165.2 outlines some fields of action relevant to higher education such as developing the European dimension in education, encouraging mobility of students and teachers, promoting cooperation between educational establishments, developing exchanges of information and experience, and encouraging the development of distant education. Article 165.3 further highlights the relevance of fostering cooperation with third countries and the competent international organisations in the field of education

The necessity test (under the principle of subsidiarity): Member states would be unable to respond to the current challenges and meet EU objectives by acting independently. As

demonstrated in the Mapping Study, single initiatives by single higher education institutions or Member State, though highly beneficial in themselves and complementary to any EU action, often remain at bilateral level and do not have a Europe-wide effect. The objective of the Commission's proposal will be to provide a Europe-wide instrument to stimulate the internationalisation of European higher education, the importance of which member states have highlighted in the EU higher education modernisation agenda and in Council Conclusions on an EU international higher education strategy.

EU added value: International academic and mobility cooperation entail transnational aspects which by reason of their nature, scale or effects can be dealt with better at EU level. The implementation of European Joint Masters and Doctoral programmes (with a common Erasmus Mundus branding) and mobility activities, involving higher education institutions from all over the world, can be more easily managed and monitored at EU level by the Commission which can put in place and effectively run the necessary management structures and delivery methods. The EU can also more efficiently address, notably through dialogue on higher education policies, global issues such as obstacles to international mobility, recognition of degrees, attractiveness, brain drain or capacity building measures.

The visibility of European higher education in the world can be better achieved through a coherent EU promotion strategy, involving all interested Member States. EU initiatives also act as a laboratory to test innovative ideas or set quality standards which then inspire the national level. EU achievements in the field (quality assurance, qualification frameworks, European Credit Transfer System, key competences, tuning of higher-education structures, etc) also gain in being promoted in a visible and coherent manner at EU level, and in the wider world as collective EU achievements.

The proposal conforms to the principle of proportionality established by the Treaty as it will not go beyond what is necessary to achieve the objectives pursued. It can be implemented within member states' existing higher education frameworks. It encourages new approaches considered feasible by higher education institutions. The programme will use lump-sums and unit costs as much as possible in order to minimise the management modalities for beneficiaries and programme managers.

3. OBJECTIVES

The above problem analysis and the legal framework for EU intervention in the field of education and training form the basis for developing the objectives of EU international cooperation activities in higher education. These objectives are to be seen as "intermediate" objectives complementing the general objectives of the Single Education, Training, Youth and Sport programme in which the EU's international higher education activities are to blend.

Through the simplification and rationalisation of EU action in the field of international higher education cooperation, the new programme is to contribute to the Europe 2020 Strategy by creating the conditions for universities to enhance the **quality and relevance** of their international courses, to attract the best national and internationally mobile students and to increase their international visibility, teaching and research capacities. This should be supplemented by a **dialogue** on higher education policies with partner

countries' authorities and experts to make European higher education more understandable and transparent and support partners in their modernisation efforts. International dialogue on higher education policies should also be seen as a source of best practices that the EU can incorporate in its own internal policy discussions.

Finally, a key component of evolving policy and EU programmes has been to stress the importance of **academic partnerships** between EU and non-EU universities. Such partnerships have a key role in supporting the **capacity building** and **modernisation** of higher education in partner countries and in promoting reform and **voluntary convergence** of education systems. Individual exchanges and mobility are instrumental to these objectives. The promotion of **people-to-people contacts and human capital development** is a win-win strategy as it provides opportunities for growth to developing countries through enhanced knowledge and skills and at the same time, it allows future decision-makers in non-EU partner countries to be trained compatibly with our principles and values and to become privileged interlocutors for the EU.

The general rationale of this approach is to use international higher education cooperation as one of the tools to support universities in their internationalisation strategy, and achieve wider social, economic and political goals both in EU and non-EU countries. Such openness is crucial for driving up quality, increasing the relevance of higher education to the needs of the labour market and fostering true excellence in the increasingly competitive international environment in which higher education institutions operate today.

Based on the above considerations and analysis, objectives have been defined with a view to concentrating future support on the actions offering maximum EU added value, increasing the insufficient international attractiveness of EU higher education, the insufficiently developed modernisation processes in non-EU Universities and the inefficiency of divide between internal and external higher education cooperation and between various external higher education cooperation programmes by ensuring a more streamlined and simplified approach to EU interventions.

3.1. General objective

Strengthen openness and excellence with a view to producing long-lasting systemic impact, building capacity and supporting reform of higher education institutions in the EU and in partner countries. This process will help raising quality, cooperation, competitiveness and attractiveness of EU higher education institutions on a global scale, promote learning mobility of students and academic staff that should become available for a higher number of individuals and contribute to capacity building and the modernisation of higher education institutions worldwide.

3.2. Specific objectives

- (1) Promote professional, human and skills development and increase employability of individuals by **doubling the number of mobility opportunities** offered to non-EU students and academic staff, including those with fewer opportunities,

wishing to study in Europe and EU students and academic staff wishing to study in non-EU countries.

- (2) Support the modernisation of higher education institutions worldwide by funding cooperation opportunities which will foster innovation, internationalisation in education and sustainable development, through enhanced international cooperation and good practices through **a single and visible education programme**, which will have both an internal and an international dimension and also a special focus on neighbouring and emerging countries).
- (3) Promote **international dialogue in higher education** to facilitate international comparison, raise quality, transparency, mobility, support modernisation processes and promote EU higher education worldwide.
- (4) To simplify the administrative arrangements through a single simplified integrated and cost effective programme in order to address fragmentation align interventions and guiding principles in the design and structure of the new programme and rationalise administrative and financial management.

3.3. Operational objectives

The three operational objectives below apply to all options envisaged in this Impact Assessment report. These objectives are fully compatible with the objective and three key types of action identified as the preferred option in the Impact Assessment for the main instrument for EU support for higher education (**NOTE: See the IA report on the Life Long Learning Programme, chapters 4.4. and 4.5).**

Specific Objective 4 and its related operational objectives refer to the fragmentation problem under Section 2, and express guiding principles for the design of the preferred option. However, as the aim is to integrate these guiding principles in the very design and structure of the new programme, they will not apply as objectives as such for that programme.

(1) *Learning mobility of individuals:*

Degree Mobility to support the transnational mobility of students and staff to and from non-EU countries within joint programmes of outstanding quality implemented by EU and non-EU tertiary education institutions (comparable to present Action 1 of *Erasmus Mundus*) with the aim of attracting the best national and internationally mobile students, increasing their international visibility, teaching and research capacities and building up academic partnerships and contributing to internationalisation and modernisation.

Credit mobility to support the transnational mobility of students to either study at a partner institution or gain work experience abroad and the mobility of staff to teach or be trained abroad (international extension of the present *Erasmus*) with the aim of continuing to offer students and staff from non-EU countries training and retraining opportunities and capacity building and responding to stakeholders requests for two-way mobility of students and staff and increasing the linkages between internal and external programmes.

(2) *Cooperation between academic institutions for innovation and good practices:*

Reinforced action for Neighbouring countries—(geographically limited to the EU's neighbourhood countries) to support the transnational mobility of students and staff with the aim of building the capacity of institutions and modernising higher education systems through cooperation and structural measures, promoting the EU interests in Neighbouring countries, projecting EU policies in support of the EU 2020 agenda and be a concrete contribution to non-EU countries which are part of the Bologna zone and looking for guidance. It would for example fund the development of modern curricula with a related component of student or staff mobility, or the establishment of university/enterprise cooperation projects, with work placement for students.

Support capacity building and modernisation in Asia, Latin America and Africa and contribute to sustainable development through strategic partnerships between higher education institutions and other relevant actors, an increase of coherence, projection of EU policies and promotion of EU interests which can adapt to evolving external relations and promote EU interest, and build up a community of practice amongst higher education institutions both within the EU and in non-EU countries on issues of shared interest, increasing the visibility and impact of EU action. .

(3) *Support for policy reform:*

Support to dialogue on higher education policies: support policy reforms, modernisation, exchange of best practice and mutual learning with non-EU countries through peer learning, staff development, exchange of good practice, mutual learning seminars with non-EU partner countries and international organisations by building upon the experiences of both the internal and external actions of the programme and communities of good practice, an increase of linkages and supporting "soft" people-to-people platforms and dialogue between the EU and its international partners.

Support to promotion of EU higher education: promote the EU as a study destination and increase the visibility of the EU and the EU offer in higher education through the positive experiences of the current Action 3 of the programme (joint projects, studies, surveys, organisation of, or participation in, student and higher education fairs, alumni associations, support to the "Study in Europe" initiatives, information campaigns, higher education promoters...). .

Next to supporting the above objectives which are to address the "substantive" problems addressed in points 2.2.1 and 2.2.2 of the problem definition above, the Commission's proposal will also pursue an objective of **rationalisation and simplification of the management and delivery of the programme**, to address the structural problem of the fragmentation of international cooperation programmes identified under section 2. Further details on implementation modalities are included in the Education Programme (current LLP) Impact Assessment.

3.4. Quantitative targets

All activities under the future programme will aim to produce long-lasting systemic impact. Support will be given to some 300 international joint masters and doctorates in all disciplines, on the basis of their quality. Over 100 promotion projects will be supported to enhance the attractiveness of EU higher education worldwide. Around 800 projects will aim to build capacity and promote the quality and relevance of education in partner countries. Consortia will be composed of higher education institutions but also other actors in the education field, local authorities, enterprises and civil society actors. Mobility schemes (both degree and credit mobility) will allow for student and academic staff exchanges that should concern over 100,000 individuals for the whole programme duration.

4. OPTIONS

While the current Lifelong Learning and Erasmus Mundus programmes are already contributing to the overarching Europe 2020 and ET 2020 goals, there is scope for improving their content and architecture, to increase the EU added value and to trigger broader systemic impacts in complementarity with other EU initiatives and MS efforts. In order to achieve the above specific and operational objectives, EU support can be improved mainly by:

- Concentrating on activities with the highest added value, where a critical mass can be mobilized, and on strong incentives to achieve the Union's policy objectives targeting systemic change; The research carried out in support of this impact assessment has enabled identifying "what works and what doesn't work" at the baseline. The results have been applied while defining the preferred option for the future, and thus guided the distribution of funding between the different actions covered on the basis of the Commission's proposal for a Multiannual Financial Framework 2014 – 2020 and the current discussions within the services.
- Reducing radically the complexity of the architecture of the current programmes, in order to diminish the administrative costs at EU, National Agencies and beneficiary level, and to increase programme user friendliness;
- Identifying those areas of activity where the programme has a competitive advantage as compared to other EU instruments or initiatives, and identifying and exploiting, already in the design phase, the opportunities for synergy and complementarity with them.

To this end, four options have been considered as described in the following. In line with the above listed guiding principles, there is a focus on identifying the option that in the best way builds on the strengths and eliminates the weaknesses at the baseline.

Other options to achieve impact on the general objectives could be theoretically envisaged - for instance, through EU legislation, or by focusing only on a higher education programme. However, these alternative options would either fall outside the limited scope of EU action and the legal base in the field of education, training and youth, and would not be realistic or would lose the benefit of being placed in the lifelong

learning context and from the simplification of the management modalities and reduction of costs. Similarly, given the target groups (mainly individuals and educational institutions) and the geographical scope of the programme, other forms of support cannot be effectively applied without an EU funding allocation. These options would be of a hypothetical nature and would not be competitive.

Regarding the scope of action, the objectives for the programme presented in this impact assessment refer to aspects that Member States would be unable to achieve on their own.

Lastly, it should be noted that, while the budget allocation for EU support should be commensurate with the objectives to be achieved, the experience of the international programmes indicates that the current allocations are insufficient to achieve the objectives set out for the Programme.

Four basic policy options can therefore be considered in relation to the successor programme of the current Erasmus Mundus (and other international cooperation programmes):

- Continue the Erasmus Mundus programme in its current form (Status Quo/Baseline);
- Discontinue Erasmus Mundus when the current programme expires (no action);
- A separate international cooperation programme in higher education;
- A single Programme for education, training, youth and sports: strengthening objectives and impact through concentration and streamlined architecture.

4.1. Policy option 1: Status Quo – continuation of the programme (Baseline)

This scenario contemplates the continuation of the programme as it now stands (see chapter 2.3 - baseline - above). Considering that – based on formal evaluations of the programme, consultations of stakeholders, studies and informal perceptions by programme managers – all actions are effective and successful, it is proposed here and in successive elaborations to maintain all actions (joint masters and doctorates, scholarship schemes and promotion projects) without cutting any of them. Also the budget distribution among different actions has proved satisfactory up to now and - with the exception of some minor adjustments - does not seem to call for any radical change. Attention should be paid however to the demarcation lines between certain sub-actions and to the risk of overlapping with other "sibling" programmes.

Erasmus Mundus would continue to be composed of 3 actions, namely joint masters and doctoral programmes, academic partnerships and promotion projects. The programme would continue to put emphasis on intercultural dialogue, policy cooperation and languages and would continue supporting studies and events in support of sectoral dialogue with partner countries, as well as an EM Alumni Association. Geographically,

the programme would continue to be open to EU, EFTA and candidate countries and third countries with funds coming from Heading 1 and Heading 4 of the EU budget.

On the basis of the evidence available, there is reason to believe that a future Erasmus Mundus programme based on the current programme design could be effective in achieving the general and specific objectives of the programme proposed in this impact assessment. However the programmes would continue to be very broad, with a large number of objectives and activities. This would be at the expense of a greater focus on key priorities highlighted by the EU 2020, ET 2020 and external actions and development strategies. There would be no attempt to seek synergies, complementarities or economies of scale with other programmes.

4.2. Policy Option 2: No Action – discontinuation of the support under the current programme

Under this option the Erasmus Mundus instrument would no longer exist. Policy processes inside the EU, and notably the Open Method of Coordination for education (which includes targeted higher education policy measures such as the EU higher education modernisation agenda) would continue. The international mobility of learners and academic cooperation would be either spontaneous or would take place within the framework of bilateral or multilateral agreements.

The EU would continue its obligations under Article 165 and Article 166 which would necessitate some expenditure for the provision of information and analysis, and human resources. Otherwise, spending on higher education international mobility and cooperation activities would be entirely reliant on non-EU resources (in particular from Member States and non-EU partner countries). Problems described in section 2 would continue to be tackled by Member States and higher education institutions individually, but without the European incentive and critical mass an EU programme can provide. In other words, there would be fewer joint programmes, international partnerships and international students studying in Europe and EU students studying outside the EU. The political aims set in the EU policy strategies, as well as in the Bologna action lines would be much more difficult to reach. The same would apply for the external actions and development strategies. The attractiveness of Europe as a study destination and the EU's contribution to higher education systems abroad could not be promoted in the same way. In a nutshell, the EU added value described above would be lost if the programme were not to be implemented. In addition it is worth pointing out that the **loss for EU higher education and cooperation would be much greater than the saving produced**. In fact, other than the results generated by the actions themselves, the EU would lose the leverage effect produced by the implementation of the Erasmus Mundus programme. Thanks to their world-known quality and prestige, Erasmus Mundus courses have in fact attracted throughout the years a considerable number of self-paying students from non-EU countries and from within Europe; they have received financial support from associated partners from industry, employing actors and local authorities; and have received complementary funds for scholarships from non-EU governments.

Though international academic cooperation and mobility of students and researchers are likely to increase regardless of the availability of European funding, the quality and impact of these actions may not be of as high as it could be with the programme and their

EU dimension will not be addressed. Therefore the likely effectiveness of the discontinuation of the programme on specific objectives is likely to be low.

4.3. Policy option 3: A separate international cooperation programme in higher education

This option would consist in integrating all international cooperation programmes (Erasmus Mundus, Tempus, Edulink and Alfa) into a separate international cooperation programme in higher education, bringing together all external higher education programmes but not linked to a single programme for education, training and youth which would focus mainly on internal policies.

This option would maintain the positive elements of the baseline scenario but would enhance the links between the different actions (mobility, quality and relevance, partnerships, capacity building, policy dialogue and promotion) and would gain from the simplification brought upon by the integration of the current external programmes.

However the programmes would continue to be very broad, with a large number of objectives and activities. This would be at the expense of a greater focus on key priorities highlighted by the EU 2020, ET 2020 and external actions and development strategies. It would increase the gap between internal and external EU policies in the field of higher education, provide two different offers and messages to universities with a less visible and readable EU action and there would be less support (in qualitative terms) to accompany universities in internationalisation and modernisation efforts and less impact. This option would not have the benefits that Option 4 has in terms of flexibility and streamlining. There would be no attempt to seek synergies, complementarities or economies of scale with other programmes.

4.4. Policy option 4: A single Programme for education, training, youth and sports: strengthening objectives and impact through concentration and streamlined architecture

This (preferred) option allows for a rationalisation in the offer and implementation of EU programmes in higher education at Commission's level and represents an important component of the single integrated Education, Training, Youth and Sport programme (see Impact Assessment for Lifelong Learning and overall executive summary).

This option creates the necessary (and currently insufficient) links within internal programmes (Erasmus and Erasmus Mundus) and between external and internal policies and programmes in the higher education field. It reinforces links between mobility and partnerships (including capacity building and policy support measures). All the higher education programmes that would be merged under this option are precious instruments to translate programme actions into concrete policies.

Erasmus and Erasmus Mundus have many elements in common. They both support transnational mobility of students and academic staff and contribute at the same time to the development and enhancement of curricula and, more generally, of higher education institutions and their cooperation. The Tempus, Alfa and EduLink programmes are

already built around internal EU policy priorities (external dimension of internal policies such as curriculum modernisation, improved governance and funding). Considering that stakeholders are very often the same for all international higher education programmes, it would seem logical that all existing programmes are integrated under one coherent programme, with streamlined procedures to apply and run projects.

Streamlining and flexibility would become key words for the implementation of a future programme that should be consistent and transparent enough to be well understood by stakeholders but, at the same time, flexible enough to respond to the different needs identified in the policy dialogues with different partner countries. Moreover there is a strong case for a considerable simplification and reduction of the management modalities, given that the implementation of the various actions would be ensured by a single entity for centralised actions (the Executive Agency for Education, Audiovisual and Culture) and by National Agencies for decentralised actions, resulting in economies of scale and effectiveness gains. Procedures for launching calls for proposals and organising related information events will be streamlined and access of higher education institutions to the different components of the programme will be enhanced. This has been a key message from the 28 September 2011 Meeting of the Ministers responsible for higher education from EU Member states and Eastern Partnership countries who state that with the goal of increasing the scale, ease and quality of academic mobility between the EU and partner countries, the future single Programme should be designed in a way to enable full participation of the partner countries in the Programme, and in particular full participation in the Programme's component that will succeed the current Erasmus programme for student mobility and will share its essential traits of ease and large scale of participation.

By providing support to increase the overall quality and relevance of higher education, enhancing the links between policies and programmes, accompanying universities in their internationalisation strategy and the modernisation of higher education in non-EU countries together with the development of their human capital, the EU action in higher education will gain in coherence and efficiency and also in terms of synergies. The programme will be more visible and readable on the international scene, with an increased impact.

It becomes evident that an artificial barrier between internal and external higher education programmes would no longer make sense and would go against a reinforced coherence of the Union's action in these fields. An integration of internal and external actions would very well fit into the abovementioned simplified architecture and would generate a positive impact in terms of accessibility. Moreover integration would lead to the appointment of a single Programme Committee with ensuing financial economies and enhancement of action consistency and harmonisation.

The option of a reinforced action would be likely to have the main strengths and weaknesses presented in the table below:

4.4.1. *Table Option 4 - Strengths and Weaknesses*

Main Strengths	Main Weaknesses
• Allows for mobilisation of a critical mass;	• Risk of losing visibility of

<ul style="list-style-type: none"> • Rationalisation in EU higher education activities; • A programme visible and readable on the international scene, with increased impact; • Creating links between external policies and programmes in the higher education field; • Better link between partnership and mobility actions and better integration of outwards mobility (from the EU to partner countries); • Respect of geographical priorities as established by the future external action funding; • Proposing a clear and consistent offer to the same group of stakeholders; • Considerable simplification of the management modalities; • Streamline programme and make it at the same time more flexible. 	<p>popular brand names which can however be minimized through references in calls;</p> <ul style="list-style-type: none"> • Possible difficulties in pursuing different objectives ("Eurocentric" and mutually beneficial international cooperation) with the same instrument. EU action in higher education can however gain in coherence and efficiency by pursuing both objectives in a single programme. Not only in terms of management and resources but also in terms of synergies between so called "excellence" and "capacity building/modernisation" activities.
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4.5. Indicative budget assumptions for the different options

For the baseline scenario option, the overall budget as well as the allocation of funding among the programme's education sectors and actions would in real terms remain close to the current programme.

There would not be any specific budget allocation as such for option 2 – discontinuation of the programme. Spending on education and training mobility and transnational cooperation actions would be entirely reliant on non-EU resources, notably on funding by Member States and by individual learners themselves. The costs of the EU would be minimal, linked only to the necessary operational arrangements to be ensured by the EU in order to fulfill obligations under Article 165 and Article 166 - the provision of information and analysis.

Option 4 offers the possibility of achieving a significant critical mass of beneficiaries and systemic impacts. Regarding the **allocation of funds**, the following general principles will apply:

Several elements point towards the opportunity of a substantial increase of the budget available for a future EU education and training programme, provided that it can ensure an efficient delivery of EU priorities in education and training: the overwhelming evidence of the link between education attainment, productivity and growth; the new, increased priority given to education and training by the EU, particularly within the Europe 2020 strategy but also in the EU Development agenda and external relations; the

increasing pressure towards the internationalisation of higher education, and the growing competition for talent; the excess demand for access to the current Erasmus Mundus and other international cooperation programmes, which cannot be met for lack of funding; the demonstrable impact of past and current EU programmes on Member States' systems and individuals; the absence of a credible alternative to EU funding.

Bearing in mind that the funding of the international cooperation in higher education component of the Single Programme will be drawn from two budgetary sources (Heading 1 and Heading 4), precise figures or breakdowns between actions are not assessed here as these are currently under discussion within the services. On the basis of experience and on the enhanced emphasis on mobility, around 57% of the budget will be allocated to international mobility. Indeed as underlined in the analysis of performance gaps, mobility opportunities need a critical mass to have systemic impact. The remainder (43%) shall cover international cooperation activities, in particular capacity building, policy support and dialogue.

The baseline figure refers to a stable budget with a 4% growth factor applied for Heading 4 budgets in the 29 June 2011 Commission Communication on a Budget for Europe 2014-2020. The objective is to ensure stability in funding level, avoid a "stop-and-go" approach, follow the geographic and policy priorities established for external action spending and be able to adapt in the case of a major geopolitical crisis.

It is proposed that indicative multi-annual allocations are earmarked per external action instrument twice during the programme's lifetime: for a first period of four years followed by a period of three years. Each time, the relevant committees will be consulted.

A programme Committee will assist the Commission in budget allocation. In line with the current practice, after consultation of the Committee, more detailed calls for proposals will be issued specifying, to the extent applicable, the exact deliverables, targeted publics, planned budgets.

Further details are provided in the single programme Communication.

5. IMPACTS

5.1. General considerations

When comparing the four policy options identified in Section 2 (1: status quo, 2: discontinuation, 3: separate programme, 4: single programme), it appears that the reinforced option provides the highest relevance in relation to the needs analysis and the strongest positive economic and social impacts. Because of the nature of the initiative, the environmental impacts are deemed negligible for all options explored, and have therefore not been examined into further depth.

There is furthermore a clear request, underlined by various consultations, for simplification and rationalisation of the current programme. This would be at the core of the reinforced option 4.

In Option 4, **social impacts** would be the strongest both in Europe and in its partners in terms of skills development. The relevance of the programmes' impact in relation to

wider policy developments and benchmarks will be increased. Greater partnership work with the labour market will take place and more impact will be achieved on employability. This option is expected to result in both quantitative and qualitative improvement of the skills supply in the short-term through mobility and high quality courses, and in the medium term through international learning at the practitioner and policy level. The impact on individuals in terms of their professional, human and skills development will be high. Impact on quality and capacity building in higher education institutions and systems will be high, benefiting from the links between mobility, partnerships and policy support measures. Cross sector cooperation and innovation will increase and incentives towards the internalisation of higher education will be stronger.

In terms of **economic impacts**, whilst Option 2 would produce a savings in public expenditure and/ or possible diversion of funds to other EU objectives or other measures in the field of higher education or other fields, the loss for EU higher education would be much greater than the saving produced. There would be fewer joint programmes, international partnerships and international students studying in Europe and EU students studying outside the EU. Though international academic cooperation and mobility of students and researchers are likely to increase regardless of the availability of European funding, yet the quality and impact of these actions may not be of as high as it could be with the programme and their EU dimension will not be addressed. The political aims set in the EU policy strategies, as well as in the Bologna action lines would be much more difficult to reach and the EU would lose the leverage effect produced by the implementation of the Erasmus Mundus programme. In Option 4, economic impacts are likely to be positive as it will generate a sufficient critical mass and increase benefits for individuals, institutions and systems and trigger active labour market measures, generating growth in the long term. The integration and considerable simplification of the programme will generate a positive impact in terms of accessibility, leading to significant economies of scale and the enhancement of action consistency and harmonisation.

The impact on **fundamental rights** in terms of the right to education and the free movement of persons will be increased in Option 4. Compared to Option 1 (Status Quo/Baseline), this option would provide a further positive impact as it would put greater emphasis on ensuring participation, with a bigger critical mass and a strengthened focus on disadvantaged groups. Inclusion and equal opportunities in higher education will be strengthened. Predictability will contribute to increasing awareness, access and participation and two-way mobility will increase the mutual benefits for EU participants.

5.2. Cost-effectiveness

In its proposal the Commission will pay due attention to the need for simplification of the initiative in line with the guiding principles of the 29 June 2011 A budget for Europe 2020 Communication for the modernisation and simplification of delivery systems.

Designing one programme covering the external dimension of higher education would considerably reduce management costs for the Commission and make the programme simpler and more transparent for beneficiaries.

All the current EU higher education programmes have transnational cooperation and exchange as their starting point and key element. They all fund similar actions (learning

mobility, intensive cooperation between higher education institutions and stakeholders, policy cooperation, studies, etc.).

Management structures (currently different in EAC and DEVCO, some involving the Executive Agency, others not) and delivery methods could be simplified and streamlined given the similarity of actions and complementarity of objectives. Such a simplification was undertaken under the current phase of the Erasmus Mundus programme with the creation of its action 2 (encompassing the Erasmus Mundus external cooperation windows and mobility schemes such as Alban) and could be taken a step further.

The definition of clear implementation rules, and calendars that are consistent among the different sub-actions of the programme would guarantee a more effective implementation and would produce economies of scale.

The number of implementing agencies would in fact considerably decrease (at present three different bodies implement Erasmus Mundus, Alfa and EduLink) and the adoption of commonly agreed practice in the different implementation stages (publication of calls, eligibility and assessment procedures, contract procedures, etc.) would ensure a simplification and standardisation of rules that would be very much appreciated by final users and beneficiaries.

The main economies of scale should be identified in the following aspects:

Resource pooling for financial and transversal activities (e.g. evaluation, information, communication, promotion, dissemination, statistics, logistics, IT, etc.).

Streamlining of procedures (both internal and external): for instance one unique Programme Guide and Call for proposals that allows for the definition of common approaches (e.g. deadline, common eligibility and selection criteria, common procedures for liaising with EU Delegations and National Structures, etc.) and for a reduction in publication, dissemination, translation costs, etc.

5.3. Financial instruments

The Erasmus Mundus programme has put a strong accent in its ongoing phase on the issue of courses' self-sustainability. To this purpose it has introduced requirements in its programme guide for measures to be taken by consortia to identify additional or alternative funding sources to ensure their courses' long-term sustainability. Among these sources, particular focus has been placed on the role of enterprises and other employment actors who could participate in the courses' development and funding. Already several Erasmus Mundus courses receive financial support from the business world in the form of scholarships for their students, internship or research opportunities or spin-off joint initiatives.

As an Erasmus Mundus Cluster Project on Sustainability noted, many Erasmus Mundus courses become financially self-sustaining beyond the Commission funding cycle, through a process (or a combination of processes) where students are willing to pay course fees, there is another source of direct academic funding identified for the complete course, where sponsorship can be sought from business, or where some form of 'bridge' finance is available to allow a course to 'test' the market for sustainability.

However, depending on the academic strategy of a course consortium it may be that the Erasmus Mundus course is in itself a bridge to another activity. This has also been the case in Tempus curriculum development projects. The course (as the EMQA project showed) enhances a research consortium, bringing into it cohorts of excellent third country students, and helping therefore to globalise the consortium. A feasible exit strategy would be if consortium members secured research funds for a collaborative project. A course could be 'exported' beyond Europe if third country found that the conditions are right to launch it outside Europe.

A course may have an impact within a University, internationalising support staff and support services, and acting as a beacon for other disciplines and departments to engage with the internationalisation process. Within a particular partner institution therefore, they may retreat from the Erasmus Mundus model and focus on developing their own bilateral linkages. In the context of the financial crisis, there is therefore a strong link between the 'impact' of Erasmus Mundus and the potential sustainability that emerges from running a Master (and now also the new Doctoral) programme.

The lessons learnt from the Erasmus Mundus experience can be extended to the other international cooperation programmes.

5.4. Could the same results be achieved at lower costs?

No alternative actions were identified during the course of the research undertaken for this impact assessment that could deliver equal results at a lower cost. The conclusion that the overall level of resources should be increased in relation to the current Erasmus Mundus programme was supported by the results of the online consultation, where most of respondents suggested that increases should be made in the allocations for some target groups (such as European students) or programme actions (such as operational grants for joint programmes). It is necessary to remember that the proposed programme would seek to reach a wider audience and a greater volume of beneficiaries to achieve its stated aims, which further underpins the need for the requested budget.

This discussion suggests that costs could be significantly reduced only by cutting down on the volume of activity supported or make further reductions in costs per unit, both of which would reduce the programme's outputs, results and impact as well as its multiplier effects and would jeopardise the achievement of the programme aims (e.g. too low scholarships may deter high-quality potential applicants from applying to the programme, in particular with the proliferation of high-level grants offered by the EU's competitors from the industrialised and emerging world). In this context, it also has to be underlined that the programme does not fund the actual running of the joint courses and programmes whose costs are entirely borne by the higher education institutions offering them. The Union funds only cover additional administrative costs, such as consortia meetings. It is the attribution of the "Erasmus Mundus" brand name and the award of scholarships that act as elements of attractiveness for potential applicants to the programme (due to their prestige and funding leverage effects – see above) and the lessons learnt should be considered in the future single programme.

The extensive use of lump sums and unit costs for the programme which has been in use since the beginning of Erasmus Mundus and the fact that scholarships are linked to pre-selected courses or partnerships will allow keeping the level of human resources required

for the management of the programme reasonably low, as the co-funding contributions from higher education institutions will not need to be proven, neither at application nor at reporting stage, and as the Commission will not get involved in the selection of students based on merit. These management modalities have thus a considerable advantage for both programme managers and beneficiaries.

For capacity building actions, the future programme will build on and improve what has already been achieved by programmes like Tempus or Alfa in terms of reduction of administrative costs: larger size projects and consortia, introduction of lump sums, only one annual call, simplified guidelines and evaluation procedures, etc. Reducing the management units can also decrease the administrative costs.

5.5. Could the same or better results be achieved with the same cost by using other instruments?

When analysing the various policy options, the recourse to the suggested EU action programme vis-à-vis non-intervention and other intervention (maintaining the Erasmus Mundus and other programmes as they are) was discussed.

The section concluded that an action programme would be necessary to address existing needs in the European higher education area. Moreover, as underlined in previous sections of this impact assessment, the presented needs would be unlikely to be met by action at national level, and European intervention is justified and provides a substantial added value over national interventions. The lack of EU intervention would prolong the persistence of existing needs and problems and probably lead to increased needs over time. The comparison of the proposed programme and the current Erasmus Mundus programme revealed that greater impacts on the identified needs in higher education in Europe and beyond could be expected from the proposed innovative programme design.

In light of the above it can be concluded that no other instrument than a programme supporting higher education modernisation actions in the EU and worldwide would allow for the same or better results to be achieved at the same cost of the proposed programme.

6. COMPARING THE OPTIONS

The Commission proposes to rationalise and simplify the current structure of programmes by proposing a single, integrated programme on education, training and youth. The focus will be on developing the skills and mobility of human capital. One coherent and reinforced higher education programme seems to be the most effective in addressing the problems described in Section 2 and achieving the objectives defined.

The focus on actions of high added value and the mobilisation of a critical mass due to increased volumes of those actions have strongly positive consequences for cost-effectiveness. Furthermore, the exploitation of synergies between with Lifelong Learning (Erasmus) and the current EU programmes for international cooperation in higher education, will allow simplification of management and economies of scale in the delivery mechanisms, resulting in a higher cost-effectiveness in terms of the EU budget.

A higher education programme integrated in a single Education, Training and Youth programme, including differentiated approaches to appropriately respond to internal and

external needs, would ensure consistency, synergies and economies that would multiply and streamline its impact. This option would also put an end to the risk of overlapping among actions managed by different services. The option also addresses the Commission's strategy to simplify the structures of EU programmes.

Moreover this option is by far the most effective in responding to the fragmentation and visibility problems referred to under point 2.2.3. Insofar as the single programme steering involves all stakeholders (DG DEVCO, ELARG, EEAS etc) - a permanent interservice group is planned for defining the regional and country priorities for all actions in line with overall external relations' overall policy priorities - and actions in the legal basis are sufficiently open to cater for evolving needs through the subsequent calls for proposals, the single programme should not lose its ability to respond to any particular needs of different partners (eg. emerging/developing industrialised). Other instruments (ENI, IPA, EDF, DCI, PI) can cover education related issues that the future programme might not be able to cover (such as sector support, technical assistance or other actions).

(NOTE: The Impact Assessments for the Lifelong Learning Programme has identified further synergies likely to be produced through integration in a wider education and training programme. It is hence referred to the IA for the Lifelong Learning programme for further specification of the preferred option for EU action in education and related fields, in which international higher education activities can perfectly fit.)

6.1. Table: Likely effectiveness of different options in relation to suggested objectives

	++	+	0	-	--
<i>Impact compared with baseline scenario</i>	<i>positive</i>	<i>slightly positive</i>	<i>neutral</i>	<i>slightly negative</i>	<i>negative</i>

	Option 1 (Status quo)	Option 2 (No action)	Option 3 (Separate Programme)	Option 4 (Single Programme)	Explanation of given ratings:
Effectiveness in terms of achieving objectives:					
1) Promote professional, human and skills development of individuals	0	--	+	++	Option 4: The reinforced action allows for mobilisation of a critical mass, ensures a better link between mobility and partnership actions and a better integration of outwards mobility (from EU to partner countries)
2) Support quality and capacity in higher education institutions	0	--	+	++	Option 4: The reinforced option ensures a better link between partnership and mobility actions and the integration of different instruments will increase the possibilities for capacity building and allow for more flexibility to address external action priorities.

3) Promote policy dialogue in higher education	0	--	0	++	Option 4: The reinforced option will increase links within internal programmes (Erasmus and Erasmus Mundus) and between external and internal policies and programmes in the higher education field., will allow for an easier translation of programme actions into concrete policies and a more visible and readable programme will increase the impact
4. Efficiency/cost-effectiveness, in terms of					
A) Implementation costs (taking account of simplification measures);	0	N/A	+	++	<p>Option 1: As there is room for improvements of effectiveness related to the structure of the current programmes and as well to their management structures/costs, the cost-effectiveness of this option is average.</p> <p>Option 2: Although implementation costs of this option would be negligible, the effectiveness of this option is so low that an assessment of cost-effectiveness is futile and very difficult.</p> <p>Option 3: there would not be an increase of implementation costs compared to Option 1 but less economies of scale compared to the simplification measures foreseen under Option 4.</p> <p>Option 4: Since the simplification of management structure improves economies of scale and thus considerable savings, the cost-effectiveness of its implementation is very high.</p>
B) EU budget	0	N/A	+	++	<p>Option 1: Considering the fragmentation of EU action, the baseline offers only an average level of cost-effectiveness in terms of the EU budget.</p> <p>Option 2: Although implementation costs of this option would be negligible, the effectiveness of this option is so low that an assessment of cost-effectiveness is futile and very difficult.</p>

					<p>Option 3: this option offers an increased level of cost effectiveness but less than Option 4.</p> <p>Option 4: The focus on actions of high added value and the mobilisation of a critical mass due to increased volumes of those actions have strongly positive consequences for the cost-effectiveness. Furthermore, the exploitation of synergies between with Lifelong Learning (Erasmus) and the current EU programmes for international cooperation in higher education, will allow simplification of management and economies of scale in the delivery mechanisms, resulting in a higher cost-effectiveness in terms of the EU budget.</p>
5. Coherence (with strategic objectives, etc.)	0	--	0	++	<p>Option 1: The baseline offers certain incoherence with EU policy objectives and MS actions.</p> <p>Option 2: Coherence would suffer significantly: it would be left to MS to decide how they implement the EU2020 and ET 2020 strategic objectives and priorities. Furthermore, the feasibility of this option would be very limited, as it would go against the views of most stakeholders.</p> <p>Option 3: Will not reflect sufficiently EU interests in external cooperation and linkages between internal and external action would be weak.</p> <p>Option 4: Will increase the rationalisation in EU higher education activities on the international scene and can gain in coherence and efficiency by pursuing both "Eurocentric" and mutually beneficial international cooperation objectives with the same instrument. Would allow for stronger coherence with EU policy priorities and MS actions and respect the geographical priorities as established by the future external action funding Furthermore, the internal coherence would be considerably</p>

					<p>strengthened through the integration into a single programme, and reduction of overlaps. It will propose a clear and consistent offer for the same group of stakeholders and the potential risk of losing visibility of popular brand names can be minimized through references in calls. The option also addresses the Commission's strategy to simplify the structures of EU programmes.</p>
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7. MONITORING AND EVALUATION

The monitoring and evaluation of the future programme should contain both continuing monitoring to assess the progress towards achieving the objectives of the programme and the formal evaluation exercises as well.

Continuous monitoring could be based on the following approaches:

Collection of information on progress in relation to the quantitative outputs of the Programme via its dedicated IT system. Such potential output indicators would be reported in the regular annual programme activity reports.

A regular assessment of qualitative outcomes, aimed at measuring impact on individual beneficiaries (young people, teachers, staff, youth workers) organisations and systems. Such indicators would be based on the intervention logic of the future programme and its general and specific policy objectives. The regular annual programme activity reports could make this information public. Such assessments could take place through the means of online survey(s), longitudinal studies on programme beneficiaries, ministries of education, teaching and training bodies, education think-tanks, employer organisations etc., and other source of verification such as the analysis of work plans and reports.

Member states, including the managing authorities, will be requested to contribute to the monitoring and evaluation process through national reports and analysis of the final beneficiaries feedback.

It will also be important to better communicate the achievements of the programme. The programme statistics would thus be released on a more regular basis, for which full exploration of the potential of current IT management tools for a support of monitoring and reporting mechanism would be necessary. For a tentative list (still work in progress) of identified output, result and impact indicators for the new programme, see Annex 7.

The Commission will regularly monitor the programme in cooperation with the Member States (represented in the Programme Committee) having regard to its objectives, impact and complementarity with actions pursued under other relevant EU policies, instruments and actions.

The results of the process of monitoring and evaluation will be utilised when implementing the programme. The monitoring will include an analysis of the geographic distribution of programme beneficiaries by action and by country, relevant reports and communications and specific activities.

A single evaluation will be carried out during the programme cycle. This exercise should be organised mid-term and include an ex-post evaluation of the previous programme and a mid-term evaluation of the running programme, the latter having a prospective focus. Accordingly, the ex-post evaluation of the next programme would be included in the evaluation carried out mid-term for the programme coming after the next. The Commission Report on the mid-term evaluation of the programme would be submitted to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions in spring 2017.

At the same time the EACEA will ensure the regular monitoring of projects through the punctual analysis of progress and final reports and monitoring visits. Assessment will be carried out against precise and measurable criteria (quantitative and qualitative indicators measuring relevance, efficiency, effectiveness, sustainability and impact), defined according to the project lifecycle and duly explained in the administrative handbook. National Structures do not have an official role in the monitoring of the programme but provide support in the dissemination of the information, help participants and beneficiaries and provide valuable contributions for the future development of the programme.

In addition, DG EAC will continue to carry out a quality assessment exercise to disseminate good practice in terms of quality enhancement. In monitoring activities the indicators in Annex 3 will be taken into consideration and new indicators will be developed for the new types of actions that will be introduced. A particular focus will be to develop quantitative and qualitative indicators across all regions and actions transversally with the aim of assessing the effects of the programme (and mobility in particular) on brain circulation, on capacity building in developing countries and on return effects for EU institutions. Student and graduate tracking, self-evaluation, employers feedback, institutional evaluation, reports and field visits are examples of tools which will be used.

For illustrative purpose a summary of indicators covering the whole programme can be found in Annex to the Impact Assessment on Lifelong Learning.

Annex 1:

List of Studies which have informed the IA exercise (next to consultations and evaluations):

The **Erasmus Mundus Quality Assessment project** (<http://www.emqa.eu/>) has produced a Handbook of higher-education best practice when designing international Master courses, as well as an interactive tool to assess existing or planned courses against international best practice. These instruments facilitate participation in a growing community of higher-education expertise and practice, thus contributing to excellence. The findings of this study allowed to fine tune and strengthen the quality requirements included in the programme guidelines and provided ideas for further increased quality in a future programme.

The **Graduate Impact Study** (<http://www.em-a.eu/erasmus-mundus/graduate-impact-survey.html/>) is another effective instrument aimed to monitor the careers of the Erasmus Mundus graduates. The findings of this study provide valuable insight into the programme quality, the employment perspectives for graduates and brain drain phenomenon. All these elements are useful to monitor the programme and take remedial measures if and when necessary.

Tuning projects with different world regions (Latin America, Africa, and the US) have offered concrete support to higher education institutions in partner countries to adapt their study programmes and internal procedures to the standards required to cooperate in an efficient manner with EU institutions.

The **Mapping Study** (<http://www.mapping-he.eu/Default.aspx>) describes the Member States' external action in higher education. It is now possible to access information on how higher education external cooperation is supported and prioritised at national level and to identify programmes. The results of this study have helped to demonstrate the specificity and added value of the Erasmus Mundus programme with respect to national initiatives. The study is instrumental in helping to build synergy and coherence between EU and Member States' intervention.

Joint studies (two with China on "EU-China learning mobility exchanges" and "Race for new talents", a study on doctoral studies in Neighbouring countries, a joint EU-US study on higher education credit systems, a joint EU-US study on university-business cooperation") have allowed getting a more in-depth insight into the relations with strategic partner countries and adapt specific bilateral action accordingly (this applies for instance to possible priorities to be set in the framework of the geographical lots of Action 2 of Erasmus Mundus).

Commission staff working document "progress towards the common European objectives in education and training. Indicators and benchmarks 2010/2011" (April 2011) http://ec.europa.eu/education/lifelong-learning-policy/doc/report10/report_en.pdf .

Findings of the "**Experts' Report**" EAC requested from Ecorys which contains results of consultations conducted by the experts, factual evidence collected, and analysis carried out by the experts to support EAC's IA work.

Multi-actor recommendations from the Erasmus Mundus Access to Success Project: "*Africa-Europe Higher Education Cooperation for Development: meeting regional and global challenges*". http://www.eua.be/Libraries/Publications_homepage_list/Africa-Europe_Higher_Education_Cooperation_White_Paper_EN_FR.sflb.ashx

Annex 2:

The table below shows the main outcomes of the Erasmus Mundus programme since its launch in 2004 and possible room for improvement. Some actions (namely 1.2, 1.4, 1.6, 1.7 and 1.8) only started in 2009, which explains the relatively low figures. Though outcomes up to now are satisfactory, they could still improve if problems described in section 2 were correctly addressed.

Index	Actions and sub-actions	Outputs	Description of action	Room for improvement
	Action 1 - Erasmus Mundus Joint Programmes			
1.1	Erasmus Mundus Joint Masters Programmes	123	Joint masters in all disciplines are selected on the basis of their quality and are linked to a scholarships system	Success rate (funded applications versus submitted applications) is around 14%. Could be improved by offering more space particularly in certain subject areas
1.2	Erasmus Mundus Joint Doctoral Programmes	24	Joint doctorates in all disciplines are selected on the basis of their quality and are linked to a fellowships system	Request is high and success rate is low (around 7%). Could be definitely increased
1.3	Scholarships for non-EU students at masters level	11,000	Students from non-EU countries are offered generous scholarships to study in EM joint masters	Request is very high and success rate is extremely low (less than 1%). Better attention to students with fewer opportunities needed. More funding is necessary
1.4	Scholarships for EU students at masters level	1,000	Students from EU countries are offered attractive scholarships to study in EM joint masters	There is a need to further promote the offer of integrated courses and joint degree in the EU
1.5	Scholarships for non-EU academics at masters level	1,600	Academic staff from non-EU countries are paid to carry out research and teaching in EM joint masters	Mobility of academic staff should become even more strategic to disseminate knowledge, expertise and contribute to capacity building

1.6	Scholarships for EU academics at masters level	400	Academic staff from EU countries are paid to carry out research and teaching in EM joint masters	Mobility of academic staff should become even more strategic to disseminate knowledge, expertise and contribute to capacity building
1.7	Fellowships for non-EU doctoral candidates	250	Doctoral candidates from non-EU countries receive employment contract or stipends to study and carry out research in EM joint PhDs	Certain non-EU countries in particular request for reinforced cooperation at PhD level
1.8	Fellowships for EU doctoral candidates	100	Doctoral candidates from EU countries receive employment contract or stipends to study and carry out research in EM joint PhDs	The co-tutelle or multi-tutelle principle needs to be further developed within the EU
Action 2 - Partnerships				
2.1	Partnerships	100	Partnerships of EU universities and universities from specific world regions as basis for exchange of students	An "Erasmus"-like system of bilateral exchanges between EU and non-EU universities should be further fostered to strengthen cooperation in particular with certain strategic partner countries
2.2	Scholarships for non-EU individuals	12,000	Students from non-EU countries are offered scholarships to spend a period of study in one of the EU universities of the partnership	There is growing demand from non-EU students to spend a period of studies in the EU (even if not necessarily leading to a degree)
2.3	Scholarships for EU individuals	3,000	Students from EU countries are offered scholarships to spend a period of study in one of the non-EU universities of the partnership	There is growing demand from EU students to spend a period of studies in non-EU countries (especially those more advanced or emerging)

Action 3 – Promotion projects				
3.1	Attractiveness projects	50	Projects aimed to promote the attractiveness and visibility of EU higher education in the world	Promotion of EU higher education in the world is instrumental for an effective internationalisation process
3.2	Information grants for National Structures	5	Grants offered to Erasmus Mundus National Structures to implement projects aimed to promote the attractiveness and visibility of EU higher education in the world	National structures are insistently requesting for more responsibility and financial support to carry out also small-scale and national projects
3.3	Studies and seminars	50	Organisation of studies or other events aimed to support policy dialogue with non-EU countries	There is a growing need (and demand particularly from certain strategic partner countries) to carry out more and more structured cooperation activities to strengthen relations and mutual understanding. These activities enable to share policy best practices in higher education, facilitate the implementation of our programmes, and more generally foster academic cooperation and mobility
3.4	Erasmus Mundus Alumni Association (EMA)	1	This association aims to strengthen alumni networking and disseminate information on the programme	EMA has proven to be a crucial tool for the promotion of EU higher education worldwide. They will need continuous and possibly reinforced assistance
3.5	Study in Europe campaign	30	Activities (mainly participation in international fairs) are	Participation in main international fairs should become a rule and the

			supported to promote the attractiveness of EU higher education in the world. They are often complemented by conferences on EU higher education and by policy dialogues	"SiE" logo should be represented in all international events and fora. "SiE" should constitute a hub to which member state offer can connect
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Annex 3:

Monitoring indicators

Number	Indicator	Description
1	Grants by consortia	Number and size
2	Grants by partner	Number and size
3	Grants per participant	Number and size (number of staff, students, pupils, learners, per country)
4	Consortium composition and size (size, legal status and commercial orientation)	Type of partners, hosts and homes, per action, per country
5	Consortium composition and size, by type of institution	Type of participating institutions (institution type, sector), per country
6	Consortium composition and size, intensity of cooperation and country of coordinator	Number of consortia, number of partners per consortia, per coordinator country, per partner country
7	From/to mobility	Number students, pupils, learners, in-flows and out-flows matrix per country
8	Duration of mobility	Number of participant in-flows and out-flows durations, per country
9	Educational map of action	Subjects, educational areas (ISCED), of the project, per action
10	Social cohesion topics addressed by the projects	Social cohesion topics addressed by the project (cultural diversity, xenophobia, special needs, equal treatment, sexual discrimination, racial discrimination, age discrimination.

Annex III: Public consultation

See http://ec.europa.eu/dgs/education_culture/consult/higher/report_en.pdf