

This text is meant purely as a documentation tool and has no legal effect. The Union's institutions do not assume any liability for its contents. The authentic versions of the relevant acts, including their preambles, are those published in the Official Journal of the European Union and available in EUR-Lex. Those official texts are directly accessible through the links embedded in this document

► **B** REGULATION (EU) No 1288/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 11 December 2013

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

(Text with EEA relevance)

(OJ L 347, 20.12.2013, p. 50)

Amended by:

		Official Journal		
		No	page	date
► <u>M1</u>	Regulation (EU) 2018/1475 of the European Parliament and of the Council of 2 October 2018	L 250	1	4.10.2018



**REGULATION (EU) No 1288/2013 OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL**

of 11 December 2013

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

(Text with EEA relevance)

CHAPTER I

General provisions

Article 1

Scope of the Programme

1. This Regulation establishes a programme for Union action in the field of education, training, youth and sport called 'Erasmus+' (the 'Programme').
2. The Programme shall be implemented for the period from 1 January 2014 to 31 December 2020.
3. The Programme shall cover the following fields, whilst respecting the structures and specific needs of the various sectors in the Member States:
 - (a) education and training at all levels, in a lifelong learning perspective, including school education (Comenius), higher education (Erasmus), international higher education (Erasmus Mundus), vocational education and training (Leonardo da Vinci) and adult learning (Grundtvig);
 - (b) youth (Youth in Action), particularly in the context of non-formal and informal learning;
 - (c) sport, in particular grassroots sport.
4. The Programme shall include an international dimension aimed at supporting the Union's external action, including its development objectives, through cooperation between the Union and partner countries.

Article 2

Definitions

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

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

▼B

- (2) 'non-formal learning' means learning which takes place through planned activities (in terms of learning objectives and learning time) where some form of learning support is present (e.g. a student-teacher relationship), but which is not part of the formal education and training system;
- (3) 'informal learning' means learning resulting from daily activities related to work, family or leisure which is not organised or structured in terms of objectives, time or learning support; it may be unintentional from the learner's perspective;
- (4) 'structured dialogue' means the dialogue with young people and youth organisations which serves as a forum for continuous joint reflection on the priorities, implementation and follow-up of European cooperation in the youth field;
- (5) 'transnational' relates, unless otherwise indicated, to any action involving at least two Programme countries as referred to in Article 24(1);
- (6) 'international' relates to any action involving at least one Programme country and at least one third country ('partner country');
- (7) 'learning mobility' means moving physically to a country other than the country of residence, in order to undertake study, training or non-formal or informal learning; it may take the form of traineeships, apprenticeships, youth exchanges, volunteering, teaching or participation in a professional development activity, and may include preparatory activities, such as training in the host language, as well as sending, hosting and follow-up activities;
- (8) 'cooperation for innovation and the exchange of good practices' means transnational and international cooperation projects involving organisations active in the fields of education, training and/or youth, and may include other organisations;
- (9) 'support for policy reform' means any type of activity aimed at supporting and facilitating the modernisation of education and training systems, as well as support for the development of European youth policy, through the process of policy cooperation between Member States, in particular the Open Method of Coordination and the structured dialogue with young people;
- (10) 'virtual mobility' means a set of activities supported by information and communications technology, including e-learning, organised at institutional level, that realise or facilitate transnational and/or international, collaborative experiences in a context of teaching and/or learning;

▼B

- (11) 'staff' means persons who, on either a professional or a voluntary basis, are involved in education, training or youth non-formal learning, and may include professors, teachers, trainers, school leaders, youth workers and non-educational staff;
- (12) 'youth worker' means a professional or a volunteer involved in non-formal learning who supports young people in their personal socio-educational and professional development;
- (13) 'young people' means individuals aged between 13 and 30;
- (14) 'higher education institution' means:
 - (a) any type of higher education institution which, in accordance with national law or practice, offers recognised degrees or other recognised tertiary level qualifications, whatever such establishment may be called;
 - (b) any institution which, in accordance with national law or practice, offers vocational education or training at tertiary level;
- (15) 'joint degrees' means an integrated study programme offered by at least two higher education institutions resulting in a single degree certificate issued and signed by all the participating institutions jointly and recognised officially in the countries where the participating institutions are located;
- (16) 'double degree/multiple degree' means a study programme offered by at least two (double) or more (multiple) higher education institutions whereby the student receives, upon completion of the study programme, a separate degree certificate from each of the participating institutions;
- (17) 'youth activity' means an out-of-school activity (such as youth exchange, volunteering or youth training) carried out by a young person, either individually or in a group, in particular through youth organisations, and characterised by a non-formal learning approach;
- (18) 'partnership' means an agreement between a group of institutions and/or organisations in different Programme countries to carry out joint European activities in the fields of education, training, youth and sport or establishing a formal or informal network in a relevant field such as joint learning projects for pupils and their teachers in the form of class exchanges and individual long-term mobility, intensive programmes in higher education and cooperation between regional and local authorities to foster inter-regional, including cross-border, cooperation; it may be extended to institutions and/or organisations from partner countries with a view to strengthening the quality of the partnership;

▼B

- (19) 'key competences' means the basic set of knowledge, skills and attitudes which all individuals need for personal fulfilment and development, active citizenship, social inclusion and employment, as described in Recommendation 2006/962/EC of the European Parliament and of the Council ⁽¹⁾;
- (20) 'Open Method of Coordination' (OMC) means an intergovernmental method providing a framework for cooperation between the Member States, whose national policies can thus be directed towards certain common objectives; within the scope of the Programme, the OMC applies to education, training and youth;
- (21) 'Union transparency and recognition tools' means instruments that help stakeholders to understand, appreciate and, as appropriate, recognise learning outcomes and qualifications throughout the Union;
- (22) 'neighbourhood countries' means the countries and territories covered by the European Neighbourhood Policy;
- (23) 'dual career' means the combination of high-level sports training with general education or work;
- (24) 'grassroots sport' means organised sport practised at local level by amateur sportspeople, and sport for all.

*Article 3***European added value**

1. The Programme shall support only those actions and activities which present a potential European added value and which contribute to the achievement of the general objective as referred to in Article 4.
2. The European added value of the actions and activities of the Programme shall be ensured in particular through their:
 - (a) transnational character, particularly with regard to mobility and co-operation aimed at achieving a sustainable systemic impact;
 - (b) complementarity and synergy with other programmes and policies at national, Union and international level;
 - (c) contribution to the effective use of Union transparency and recognition tools.

*Article 4***General objective of the Programme**

The Programme shall contribute to the achievement of:

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

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

▼B

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

*CHAPTER II****Education and training****Article 5***Specific objectives**

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

- (a) to improve the level of key competences and skills, with particular regard to their relevance for the labour market and their contribution to a cohesive society, in particular through increased opportunities for learning mobility and through strengthened cooperation between the world of education and training and the world of work;
- (b) to foster quality improvements, innovation excellence and internationalisation at the level of education and training institutions, in particular through enhanced transnational cooperation between education and training providers and other stakeholders;
- (c) to promote the emergence and raise awareness of a European lifelong learning area designed to complement policy reforms at national level and to support the modernisation of education and training systems, in particular through enhanced policy cooperation, better use of Union transparency and recognition tools and the dissemination of good practices;
- (d) to enhance the international dimension of education and training, in particular through cooperation between Union and partner-country institutions in the field of VET and in higher education, by increasing the attractiveness of European higher education institutions and supporting the Union's external action, including its development objectives, through the promotion of mobility and cooperation between the Union and partner-country higher education institutions and targeted capacity-building in partner countries;

▼B

- (e) to improve the teaching and learning of languages and to promote the Union's broad linguistic diversity and intercultural awareness;
- (f) to promote excellence in teaching and research activities in European integration through the Jean Monnet activities worldwide, as referred to in Article 10.

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

*Article 6***Actions of the Programme**

1. In the field of education and training, the Programme shall pursue its objectives through the following types of actions:

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

2. The specific Jean Monnet activities are described in Article 10.

*Article 7***Learning mobility of individuals**

1. Learning mobility of individuals shall support the following activities within the Programme countries referred to in Article 24(1):

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

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

▼B*Article 8***Cooperation for innovation and the exchange of good practices**

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

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

*Article 9***Support for policy reform**

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

▼B

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

*Article 10***Jean Monnet activities**

The Jean Monnet activities shall aim to:

- (a) promote teaching and research on European integration worldwide among specialist academics, learners and citizens, in particular through the creation of Jean Monnet Chairs and other academic activities, as well as by providing aid for other knowledge-building activities at higher education institutions;
- (b) support the activities of academic institutions or associations active in the field of European integration studies and support a Jean Monnet label for excellence;
- (c) support the following institutions pursuing an aim of European interest:
 - (i) the European University Institute of Florence;
 - (ii) the College of Europe (Bruges and Natolin campuses);
 - (iii) the European Institute of Public Administration (EIPA), Maastricht;
 - (iv) the Academy of European Law, Trier;
 - (v) the European Agency for Development in Special Needs Education, Odense;
 - (vi) the International Centre for European Training (CIFE), Nice;

▼B

- (d) promote policy debate and exchanges between the academic world and policy-makers on Union policy priorities.

*CHAPTER III**Youth**Article 11***Specific objectives**

1. In line with the general objective of the Programme as specified in Article 4, in particular the objectives of the renewed framework for European cooperation in the youth field (2010–2018), the Programme shall pursue the following specific objectives:

- (a) to improve the level of key competences and skills of young people, including those with fewer opportunities, as well as to promote participation in democratic life in Europe and the labour market, active citizenship, intercultural dialogue, social inclusion and solidarity, in particular through increased learning mobility opportunities for young people, those active in youth work or youth organisations and youth leaders, and through strengthened links between the youth field and the labour market;
- (b) to foster quality improvements in youth work, in particular through enhanced cooperation between organisations in the youth field and/or other stakeholders;
- (c) to complement policy reforms at local, regional and national level and to support the development of knowledge and evidence-based youth policy as well as the recognition of non-formal and informal learning, in particular through enhanced policy cooperation, better use of Union transparency and recognition tools and the dissemination of good practices;
- (d) to enhance the international dimension of youth activities and the role of youth workers and organisations as support structures for young people in complementarity with the Union's external action, in particular through the promotion of mobility and cooperation between the Union and partner-country stakeholders and international organisations and through targeted capacity-building in partner countries.

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

*Article 12***Actions of the Programme**

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

- (a) learning mobility of individuals;

▼ B

- (b) cooperation for innovation and the exchange of good practices;
- (c) support for policy reform.

▼ M1*Article 13***Learning mobility of individuals**

1. Learning mobility of individuals shall support:
 - (a) the mobility of young people in non-formal and informal learning activities between the Programme countries; such mobility may take the form of youth exchanges, as well as innovative activities building on existing provisions for mobility;
 - (b) the mobility of persons active in youth work or youth organisations and youth leaders; such mobility may take the form of training and networking activities.
2. This action shall also support the mobility of young people, as well as the mobility of persons active in youth work or youth organisations and youth leaders, to and from partner countries, in particular neighbourhood countries.

▼ B*Article 14***Cooperation for innovation and the exchange of good practices**

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

*Article 15***Support for policy reform**

1. Support for policy reform shall include activities relating to:
 - (a) the implementation of the Union policy agenda on youth through the OMC;

▼B

- (b) implementation in the Programme countries of Union transparency and recognition tools, in particular the Youthpass, and support for Union-wide networks and European youth NGOs;
 - (c) policy dialogue with relevant European stakeholders and structured dialogue with young people;
 - (d) the European Youth Forum, resource centres for the development of youth work and the Eurodesk network.
2. This action shall also support policy dialogue with partner countries and international organisations.

*CHAPTER IV**Sport**Article 16***Specific objectives**

1. In line with the general objective of the Programme, as specified in Article 4, and with the Union work plan for sport, the Programme shall focus in particular on grassroots sport and shall pursue the following specific objectives:
- (a) to tackle cross-border threats to the integrity of sport, such as doping, match-fixing and violence, as well as all kinds of intolerance and discrimination;
 - (b) to promote and support good governance in sport and dual careers of athletes;
 - (c) to promote voluntary activities in sport, together with social inclusion, equal opportunities and awareness of the importance of health-enhancing physical activity through increased participation in, and equal access to, sport for all.
2. For the purposes of evaluating the Programme, measurable and relevant indicators in relation to the specific objectives referred to in paragraph 1 are set out in Annex I.

*Article 17***Activities**

1. The objectives of cooperation shall be pursued through the following transnational activities, which shall focus in particular on grassroots sport:
- (a) support for collaborative partnerships;
 - (b) support for not-for-profit European sport events involving several Programme countries and contributing to the objectives set out in point (c) of Article 16(1);

▼B

- (c) support for strengthening the evidence base for policy-making;
- (d) dialogue with relevant European stakeholders.

2. The activities referred to in paragraph 1 may leverage supplementary funding from third parties such as private undertakings.

*CHAPTER V****Financial provisions****Article 18***Budget****▼M1**

1. The financial envelope for the implementation of the Programme as from 1 January 2014 is set at EUR 14 542 724 000 in current prices.
2. The amount referred to in paragraph 1 shall be allocated to the actions of the Programme as follows, with a margin of flexibility not exceeding 5 % of each of the allocated amounts:
 - (a) at least 80,8 % to education and training, from which the following minimum allocations shall be assigned:
 - (i) 44,3 % to higher education, representing 35,7 % of the total budget;
 - (ii) 21,4 % to vocational education and training, representing 17,3 % of the total budget;
 - (iii) 14,6 % to school education, representing 11,8 % of the total budget;
 - (iv) 4,9 % to adult learning, representing 3,9 % of the total budget;
 - (b) 8,6 % to youth;
 - (c) up to 1,5 % to the Student Loan Guarantee Facility;
 - (d) 1,9 % to Jean Monnet;
 - (e) 1,8 % to sport, of which no more than 10 % to the activity mentioned under point (b) of Article 17(1);
 - (f) 3,4 % as operating grants to national agencies;
 - (g) 1,8 % to cover administrative expenditure.

▼ M1

3. Of the allocations referred to in points (a) and (b) of paragraph 2, at least 63 % shall be allocated to learning mobility of individuals, at least 27 % to cooperation for innovation and the exchange of good practices and at least 4,2 % to support for policy reform.

▼ B

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

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

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

5. The financial allocation for the Programme may also cover expenses pertaining to preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives, in particular, studies, meetings of experts and information and communication actions, including corporate communication of the political priorities of the Union as far as they are related to the general objective of this Regulation, expenses linked to IT focusing on information processing and exchange, and all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.

6. The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC. If necessary, appropriations could be entered in the budget beyond 2020 to cover similar expenses, in order to allow the management of actions and activities not yet completed by 31 December 2020.

▼B

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

8. Allocation of funds based on performance shall apply in order to promote an efficient and effective use of resources. The criteria used to measure performance shall be based on the most recent data available and shall focus in particular on:

(a) the level of annual realised outputs; and

(b) the level of annual payments realised.

9. The allocation of funds for the year 2014 shall be based on the latest available data on actions carried out and the budget take-up under the Lifelong Learning, Youth in Action and Erasmus Mundus programmes up to and including 31 December 2013.

10. The Programme may provide support through specific innovative funding modalities, in particular those set out in Article 20.

*Article 19***Specific funding modalities**

1. The Commission shall implement the Union financial support in accordance with Regulation (EU, Euratom) No 966/2012.

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

3. Public bodies, as well as schools, higher education institutions and organisations in the fields of education, training, youth and sport that have received over 50 % of their annual revenue from public sources over the last two years shall be considered as having the necessary financial, professional and administrative capacity to carry out activities under the Programme. They shall not be required to present further documentation to demonstrate that capacity.

▼B

4. By way of derogation from Article 130(2) of Regulation (EU, Euratom) No 966/2012, and in duly justified cases, the Commission may consider the costs directly linked to the implementation of the supported activities and incurred during the first six months of 2014 as eligible for financing from 1 January 2014, even if they were incurred by the beneficiary before the grant application was submitted.

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

*Article 20***Student Loan Guarantee Facility**

1. The Student Loan Guarantee Facility shall provide partial guarantees to financial intermediaries in respect of loans granted on the most favourable terms possible to students undertaking a second-cycle degree, such as a Master's degree, at a recognised higher education institution in a Programme country, as referred to in Article 24(1), which is neither their country of residence nor the country in which they obtained their qualification granting access to the Master's programme.

2. Guarantees issued through the Student Loan Guarantee Facility shall cover new eligible student loans up to a maximum of EUR 12 000 for a one-year programme and up to EUR 18 000 for a programme lasting up to two years, or their equivalent in local currency.

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

4. Technical information on the functioning of the Student Loan Guarantee Facility is provided in Annex II.

*CHAPTER VI**Performance, results and dissemination**Article 21***Monitoring and evaluation of performance and results**

1. The Commission, in cooperation with the Member States, shall regularly monitor and report on the performance and results of the Programme as measured against its objectives, with particular regard to:

- (a) the European added value referred to in Article 3;
- (b) the distribution of funds associated with the education, training and youth sectors, with a view to ensuring, by the end of the Programme, an allocation of funding which guarantees a sustainable systemic impact;
- (c) the use of the funds derived from the external instruments as referred to in Article 18(4) and their contribution to the respective objectives and principles of those instruments.

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

3. The Commission shall submit the mid-term evaluation report referred to in paragraph 2 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

4. Without prejudice to the requirements set out in Chapter VIII and the obligations of national agencies as referred to in Article 28, Member States shall submit to the Commission, by 30 June 2017, a report on the implementation and the impact of the Programme in their respective territories.

5. The Commission shall submit a final evaluation of the Programme to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions by 30 June 2022.

*Article 22***Communication and dissemination**

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

2. Beneficiaries of the projects supported through actions and activities as referred to in Articles 6, 10, 12, 17 and 20 should ensure that the results and impacts obtained are properly communicated and disseminated. This may include the provision of peer-to-peer information in relation to mobility opportunities.

3. The national agencies referred to in Article 28 shall develop a consistent policy with regard to the effective dissemination and exploitation of results of activities supported under the actions they manage within the Programme, shall assist the Commission in the general task of disseminating information concerning the Programme, including information in respect of actions and activities managed at national and Union level, and its results, and shall inform relevant target groups about the actions undertaken in their country.

4. The public and private bodies within the sectors covered by the Programme shall use the brand name 'Erasmus+' for the purpose of communication and dissemination of information relating to the Programme. For the different sectors of the Programme, the following brand names shall be used:

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

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

*CHAPTER VII**Access to the Programme**Article 23***Access**

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

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

*Article 24***Country participation**

1. The Programme shall be open to the participation of the following countries (the 'Programme countries'):
 - (a) the Member States;

 - (b) the acceding countries, candidate countries and potential candidates benefiting from a pre-accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements, Association Council decisions or similar agreements;

 - (c) those EFTA countries that are party to the EEA Agreement, in accordance with the provisions of that agreement;

 - (d) the Swiss Confederation, on the basis of a bilateral agreement to be concluded with that country;

 - (e) those countries covered by the European neighbourhood policy which have concluded agreements with the Union providing for the possibility of their participation in the Union's programmes, subject to the conclusion of a bilateral agreement with the Union on the conditions of their participation in the Programme.

2. The Programme countries shall be subject to all the obligations, and shall fulfil all the tasks set out in this Regulation in relation to Member States.

3. The Programme shall support cooperation with partner countries, in particular neighbourhood countries, in actions and activities as referred to in Articles 6, 10 and 12.

*CHAPTER VIII***Management and audit system***Article 25***Complementarity**

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

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

*Article 26***Implementing bodies**

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

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

*Article 27***National authority**

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

2. By 22 January 2014, the Member States shall notify the Commission, by way of a formal notification transmitted by their Permanent Representation, of the person(s) legally authorised to act on their behalf as the national authority for the purposes of this Regulation. In the event of replacement of the national authority during the course of the Programme's lifetime, the relevant Member State shall notify the Commission thereof immediately, in accordance with the same procedure.

3. The Member States shall take all appropriate measures to remove legal and administrative obstacles to the proper functioning of the Programme, including, where possible, measures aimed at resolving issues that give rise to difficulties in obtaining visas.

▼B

4. By 22 March 2014, the national authority shall designate a national agency or national agencies. In cases where there is more than one national agency, Member States shall establish an appropriate mechanism for the coordinated management of the implementation of the Programme at national level, particularly with a view to ensuring coherent and cost-efficient implementation of the Programme and effective contact with the Commission in this respect, and to facilitating the possible transfer of funds between agencies, thereby allowing for flexibility and better use of funds allocated to Member States. Without prejudice to Article 29(3), each Member State shall determine how it organises the relationship between its national authority and the national agency, including tasks such as the establishment of the national agency's annual work programme.

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

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

6. The national authority shall base its ex-ante compliance assessment on its own controls and audits, and/or on controls and audits undertaken by the independent audit body referred to in Article 30.

7. Where the national agency designated for the Programme is the same as the national agency designated for the predecessor Lifelong Learning or Youth in Action programmes, the scope of the controls and audits for the ex-ante compliance assessment may be limited to the requirements that are new and specific to the Programme.

8. The national authority shall monitor and supervise the management of the Programme at national level. It shall inform and consult the Commission in due time prior to taking any decision that may have a significant impact on the management of the Programme, in particular regarding its national agency.

9. The national authority shall provide adequate co-financing for the operations of its national agency to ensure that the Programme is managed in compliance with the applicable Union rules.

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

▼B

10. In the event that the Commission rejects the designation of the national agency based on its evaluation of the ex-ante compliance assessment, the national authority shall ensure that the necessary remedial steps are taken to enable the national agency to comply with the minimum requirements set by the Commission, or shall designate another body as national agency.

11. Based on the national agency's yearly management declaration, the independent audit opinion thereon and the Commission's analysis of the national agency's compliance and performance, the national authority shall provide the Commission, by 31 October of each year, with information concerning its monitoring and supervision activities in relation to the Programme.

12. The national authority shall take responsibility for the proper management of the Union funds transferred by the Commission to the national agency by way of grant support to be awarded under the Programme.

13. In the event of any irregularity, negligence or fraud attributable to the national agency, or any serious shortcomings or underperformance on the part of the national agency, where this gives rise to claims by the Commission against the national agency, the national authority shall be liable to reimburse to the Commission the funds not recovered.

14. In the circumstances described in paragraph 13, the national authority may, on its own initiative or upon request from the Commission, revoke the mandate of the national agency. Should the national authority wish to revoke that mandate for any other justified reason, it shall notify the Commission of the revocation at least six months before the envisaged date of termination of the mandate of the national agency. In such cases, the national authority and the Commission shall formally agree on specific and timed transition measures.

15. In the event of revocation, the national authority shall carry out the necessary controls regarding the Union funds entrusted to the national agency whose mandate has been revoked, and shall ensure an unimpeded transfer to the new national agency of those funds and of all documents and management tools required for the management of the Programme. The national authority shall provide the national agency whose mandate has been revoked with the necessary financial support to continue to meet its contractual obligations vis-à-vis the beneficiaries of the Programme and the Commission pending the transfer of those obligations to a new national agency.

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

*Article 28***National agency**

1. The term 'national agency' refers to one or more national agencies in accordance with national law and practice.

▼B

2. The national agency shall:
 - (a) have legal personality or be part of an entity having legal personality, and be governed by the law of the Member State concerned; a ministry may not be designated as a national agency;
 - (b) have the adequate management capacity, staff and infrastructure to fulfil its tasks satisfactorily, ensuring efficient and effective management of the Programme and sound financial management of Union funds;
 - (c) have the operational and legal means to apply the administrative, contractual and financial management rules laid down at Union level;
 - (d) offer adequate financial guarantees, issued preferably by a public authority, corresponding to the level of Union funds it will be called upon to manage;
 - (e) be designated for the duration of the Programme.

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

4. By way of derogation from paragraph 3, the selection and award decisions for the strategic partnerships referred to in point (b) of paragraph 3 may be managed at Union level, if a decision to that effect is taken in accordance with the examination procedure referred to in Article 36(3) and only in specific cases where there are clear grounds for such centralisation.

5. The national agency shall issue grant support to beneficiaries either by way of a grant agreement or a grant decision, as specified by the Commission for the Programme action concerned.

6. The national agency shall report each year to the Commission and to its national authority in accordance with Article 60(5) of Regulation (EU, Euratom) No 966/2012. The national agency shall be in charge of implementing the observations issued by the Commission following its analysis of the yearly management declaration and of the independent audit opinion thereon.

▼B

7. The national agency may not without prior written authorisation from the national authority and the Commission delegate to a third party any task of Programme or budget implementation conferred on it. The national agency shall retain sole responsibility for any tasks delegated to a third party.

8. Where the mandate of a national agency is revoked, that national agency shall remain legally responsible for meeting its contractual obligations vis-à-vis the beneficiaries of the Programme and the Commission pending the transfer of those obligations to a new national agency.

9. The national agency shall be in charge of managing and winding up the financial agreements relating to the predecessor Lifelong Learning and Youth in Action programmes that are still open at the beginning of the Programme.

*Article 29***European Commission**

1. Within two months of receipt from the national authority of the ex-ante compliance assessment referred to in Article 27(4), the Commission shall accept, conditionally accept or reject the designation of the national agency. The Commission shall not enter into a contractual relationship with the national agency until it has accepted the ex-ante compliance assessment. In the event of conditional acceptance, the Commission may apply proportionate precautionary measures to its contractual relationship with the national agency.

2. Upon accepting the ex-ante compliance assessment by the national agency designated for the Programme, the Commission shall formalise the legal responsibilities with regard to the financial agreements relating to the predecessor Lifelong Learning and Youth in Action programmes which are still open at the start of the Programme.

3. In accordance with Article 27(4), the document governing the contractual relationship between the Commission and the national agency shall:

- (a) stipulate the internal control standards for national agencies and the rules for the management of the Union funds for grant support by the national agencies;
- (b) include the national agency work programme comprising the management tasks of the national agency to which Union support is provided;
- (c) specify the reporting requirements for the national agency.

4. The Commission shall each year make the following Programme funds available to the national agency:

- (a) funds for grant support in the Member State concerned for the actions of the Programme the management of which is entrusted to the national agency;

▼B

(b) a financial contribution in support of the Programme management tasks of the national agency. This shall be provided in the form of a flat-rate contribution to the operational costs of the national agency and shall be established on the basis of the amount of Union funds for grant support entrusted to the national agency.

5. The Commission shall set the requirements for the national agency work programme. The Commission shall not make Programme funds available to the national agency until the Commission has formally approved the national agency's work programme.

6. On the basis of the compliance requirements for national agencies referred to in Article 27(4), the Commission shall review the national management and control systems, in particular on the basis of the ex-ante compliance assessment provided to it by the national authority, the national agency's yearly management declaration and the opinion of the independent audit body thereon, taking due account of the yearly information provided by the national authority on its monitoring and supervision activities with regard to the Programme.

7. After assessing the yearly management declaration and the opinion of the independent audit body thereon, the Commission shall address its opinion and observations thereon to the national agency and the national authority.

8. In the event that the Commission cannot accept the yearly management declaration or the independent audit opinion thereon, or in the event of unsatisfactory implementation by the national agency of the Commission's observations, the Commission may implement any precautionary and corrective measures necessary to safeguard the Union's financial interests in accordance with Article 60(4) of Regulation (EU, Euratom) No 966/2012.

9. The Commission shall organise regular meetings with the network of national agencies in order to ensure coherent implementation of the Programme across all Programme countries.

*Article 30***Independent audit body**

1. The independent audit body shall issue an audit opinion on the yearly management declaration referred to in Article 60(5) of Regulation (EU, Euratom) No 966/2012.

2. The independent audit body shall:

(a) have the necessary professional competence to carry out public sector audits;

(b) ensure that its audits take account of internationally accepted audit standards;

▼B

(c) not be in a position of conflict of interest with regard to the legal entity of which the national agency forms part. In particular, it shall be independent, in terms of its functions, of the legal entity of which the national agency forms part.

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

*CHAPTER IX****Control system****Article 31***Principles of the control system**

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

2. The Commission shall be responsible for the supervisory controls with regard to the Programme actions and activities managed by the national agencies. It shall set the minimum requirements for the controls by the national agency and the independent audit body.

3. The national agency shall be responsible for the primary controls of grant beneficiaries for the Programme actions and activities referred to in Article 28(3). Those controls shall give reasonable assurance that the grants awarded are used as intended and in compliance with the applicable Union rules.

4. With regard to the Programme funds transferred to the national agencies, the Commission shall ensure proper coordination of its controls with the national authorities and the national agencies, on the basis of the single audit principle and following a risk-based analysis. This provision shall not apply to investigations carried out by the European Anti-Fraud Office (OLAF).

*Article 32***Protection of the financial interests of the Union**

1. The Commission or its representatives and the Court of Auditors shall have the power to conduct audits, on the basis of documents and on the spot, in relation to all grant beneficiaries, contractors, subcontractors and other third parties who have received Union funds. They may also conduct audits and carry out controls in relation to the national agencies.

▼B

2. OLAF may carry out on-the-spot controls and inspections of economic operators concerned directly or indirectly by such funding in accordance with the procedure laid down in Council Regulation (Euratom, EC) No 2185/96⁽¹⁾, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract concerning Union funding.

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

*CHAPTER X**Delegation of powers and implementing provisions**Article 33***Delegation of powers to the Commission**

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

*Article 34***Exercise of the delegation**

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 33 shall be conferred on the Commission for the duration of the Programme.

3. The delegation of power referred to in Article 33 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

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

▼B

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

*Article 35***Implementation of the Programme**

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

*Article 36***Committee procedure**

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. The committee may meet in specific configurations to deal with sectoral issues. Where appropriate, in accordance with its rules of procedure and on an ad hoc basis, external experts, including representatives of the social partners, may be invited to participate in its meetings as observers.

3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

*CHAPTER XI****Final provisions****Article 37***Repeal and transitional provisions**

1. Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC shall be repealed with effect from 1 January 2014.

▼B

2. Actions initiated on or before 31 December 2013 on the basis of Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC shall be administered, where relevant, in conformity with the provisions of this Regulation.

3. Member States shall ensure at national level the unimpeded transition between the actions carried out in the context of the previous programmes in the fields of lifelong learning, youth and international cooperation in higher education and those to be implemented under the Programme.

*Article 38***Entry into force**

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

It shall apply from 1 January 2014.

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



ANNEX I

INDICATORS FOR THE EVALUATION OF THE PROGRAMME

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

Europe 2020 headline education target	The percentage of 18-24 year-olds with only lower-secondary education who are not enrolled in education or training
	The percentage of 30-34 year-olds with completed tertiary or equivalent education
Mobility benchmark, in line with the Council conclusions on a benchmark for learning mobility	The percentage of higher education graduates who have had a period of higher education-related study or training (including work placements) abroad
	The percentage of 18-34 year-olds with an initial vocational education and training qualification who have had an initial vocational education and training-related study or training period (including work placements) abroad
Quantitative (general)	The number of staff supported by the Programme, by country and by sector
	The number of participants with special needs or fewer opportunities
	The number and type of organisations and projects, by country and by action
Education and training	The number of pupils, students and trainees participating in the Programme, by country, sector, action and gender
	The number of higher education students receiving support to study in a partner country, as well as the number of students from a partner country coming to study in a Programme country
	The number of partner country higher education institutions involved in mobility and cooperation actions
	The number of users of Euroguidance
	The percentage of participants who have received a certificate, diploma or other kind of formal recognition of their participation in the Programme
	The percentage of participants declaring that they have increased their key competences
	The percentage of participants in long-term mobility declaring that they have increased their language skills
Jean Monnet	The number of students receiving training through Jean Monnet activities

▼ B

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

*ANNEX II***TECHNICAL INFORMATION CONCERNING THE STUDENT LOAN
GUARANTEE FACILITY**

1. Selection of financial intermediaries

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

- (a) the volume of financing to be made available to students;
- (b) the most favourable possible terms offered to students, subject to compliance with the minimum standards of lending as set out in paragraph 2;
- (c) access to finance by all residents of Programme countries as referred to in Article 24(1);
- (d) fraud prevention measures; and
- (e) adherence to Directive 2008/48/EC of the European Parliament and of the Council ⁽¹⁾.

2. Protection for borrowers

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

- (a) no collateral or parental guarantee shall be requested;
- (b) loans shall be granted on a non-discriminatory basis;
- (c) as part of the assessment process, the financial intermediary shall consider the student's risk of over-indebtedness, taking into account levels of accrued debt and any judicial decision relating to an unpaid debt; and
- (d) repayment shall be based upon a hybrid model combining 'mortgage-based' standardised payments with social safeguards, in particular:
 - (i) an interest rate that is significantly lower than the market rate;
 - (ii) an initial grace period before the commencement of repayments, lasting a minimum of 12 months after the end of the study programme or, where national law does not provide for such delays, a provision whereby nominal repayments are to be made during that 12-month period;
 - (iii) a provision for a 'repayment holiday' of a minimum duration of 12 months over the lifetime of the loan, which can be invoked at the graduate's request, or, where national law does not provide for such delays, a provision whereby nominal repayments are to be made during that 12-month period;
 - (iv) an option to defer the payment of interest during the study period;
 - (v) insurance against death or disability; and
 - (vi) no penalties for early total or partial repayment.

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

▼ B

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

3. Monitoring and evaluation

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

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

- (a) the number of students in receipt of loans backed by the Student Loan Guarantee Facility, including data on their completion rates;
- (b) the volume of lending contracted by financial intermediaries;
- (c) the level of interest rates;
- (d) outstanding debt and default levels, including any measures taken by financial intermediaries against those who default on their loans;
- (e) fraud prevention measures taken by financial intermediaries;
- (f) the profile of students supported, including their socio-economic background, subject of study, country of origin and country of destination, in accordance with national data protection legislation;
- (g) geographical balance of uptake; and
- (h) geographical coverage of financial intermediaries.

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

4. Budget

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

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

5. Visibility and awareness-raising

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