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EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying document to the

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**

SUMMARY AND INTEGRATED CONCLUSIONS

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INTRODUCTION

This document provides a summary of the four impact assessments covering Education, Training, Youth and Sport.

The four impact assessments examine the operations of three existing programmes and, in the case of sport, preparatory actions voted by the Budgetary Authority. Overall, the four following options have been examined into depth: Discontinuing the existing actions or programmes; continuing them in their current form; strengthening the objectives of the current programmes; and a single Programme for Education, Training, Youth and Sport to strengthen objectives and impacts through concentration and a streamlined architecture.

The preferred option identified in each of the four IAs is the merger into a single programme, which is in line with the Decision of the Commission on the Multiannual Financial Framework adopted on 29th June 2011. This preferred option would be the most coherent and cost-effective, for the main following reasons:

1. It responds to the need for increased EU investment in Education and Training in these times of financial and economic crises, as a growing economy depends on the supply of highly skilled workers and on the mobilisation of the skills and competences of the unemployed;
2. It focuses on and develops those actions identified in the current programmes as having the highest European added value and the strongest multiplier effects, leading to tangible impact on European education and training systems and thus considerably improved returns on investment;
3. The concentration of efforts within the new streamlined programme architecture will allow for greater synergies among existing programmes and across different educational sectors, thus bolstering the lifelong learning approach to education, increasing coherence and improving access to potential beneficiaries through a streamlined set of key transversal actions;
4. Beyond cooperation between education institutions themselves, it puts a stronger focus on the crucial role of education and human capital for innovation by promoting education-business partnerships, targeting excellence in teaching and learning, employability and entrepreneurship;
5. Finally, it entails a rationalisation and simplification of delivery and management procedures, offering considerable potential for reducing implementation costs - by up to 40% as compared to the sum of the implementation costs of the current programmes (i.e. Lifelong Learning, Youth in Action and the cooperation programmes in Higher Education with non-EU countries.)

This summary brings together the key elements of the four IAs; full details are provided in the individual impact assessments.

1. PROBLEM DESCRIPTION

Without substantial investment in human capital, education and in the talent of European citizens, none of the Europe 2020 objectives and headline targets will be met. The current economic climate and increasing global competition for highly skilled people, value-creation and growth require radical and widespread reform of education and training systems focused on competences.

A report¹ on sources of growth presented by the Polish Presidency of the Union recommends an increase of the funding for programmes supporting mobility of students, young researchers and employees (e.g. Erasmus, Marie Curie), stating that raising the ratio of people with higher education to 40% would contribute to increasing GDP per capita in the EU by 4%.

The experience of the current programmes demonstrates that EU budget support can contribute significantly to improving the preparedness of EU citizens for the labour market and professional life, and to tackling the key problems of education and training systems: high levels of early school leaving, low achievement in basic skills and key competences, insufficient participation in higher education and vocational training, insufficient participation of adults in education and training, insufficient opportunities for the training of education staff, and low levels of entrepreneurship and creativity among young people. EU support can also help reduce inequality in the provision and access to learning, notably vis-à-vis people with disadvantaged backgrounds, people with special needs, and gender inequalities in E&T. Similarly, EU support can contribute to the development of social capital among youth, to the empowerment of young people and to their ability to participate actively in society in line with the new Treaty.

Taking into account the lessons from the current programmes, the competences of the EU and the strengths and limits of intervention through EU financial instruments, as well as the views expressed in the consultation of stakeholders, **EU support to education and training, youth and sport in the 2014-2020 MFF should focus primarily on a series of key issues and problems:**

- The need to develop transnational mobility and the European area of education and training:

The system for recognition and transferability of qualifications and competences, needed for building-up the European area in E&T, is not yet sufficiently developed. Participation in E&T programme's mobility actions is not fully linked to the E&T policy priorities as defined in the Europe 2020 Strategy and in the ET 2020 Education and Training strategy- for example to the need to contribute to the adoption of the tools for recognition and transfer of learning outcomes. Similarly, there is an insufficient link between mobility and the institutional framework e.g. as part of a wider internationalisation effort. And there are other obstacles to learning mobility, in particular regarding languages. Moreover, in the area of non-formal learning and youth work, there is a fragmented and uneven provision of opportunities for young people.
- The need to promote cooperation between institutions, and strengthen Europe's position in the global competition for excellence and equity in education and training:

The development of joint transnational curricula for E&T institutions is not sufficiently advanced. The EU as a global study destination is not attractive enough and is losing ground to other industrialised and emerging countries. There is a limited recognition of non-formal learning and youth work activities and outcomes and a limited sharing of practices in this area. Pedagogical innovation and exchange of best practices, including the exploitation of ideas coming from the EU RTD programmes, is not sufficient. Business and research are not well linked to the E&T area to ensure their mutual contribution to the definition of education policy and tools
- The need to support the modernisation process of non-EU universities:

The EU needs its partners to be productive, healthy economies, both as sources of innovation but also as markets for European goods and services. Poor quality of their Higher Education systems limits their capacity for growth and cooperation with the EU.

1 "Towards a European consensus on growth", October 2011

- The need for evidence-based analysis to support the reform and modernisation of education systems as well as youth work development:

The collection of data, their analysis and their use – including within the Open Method of coordination and the governance of Europe 2020 – for evidence-based policy making and reform are insufficient. The provision of policy tools and peer comparison/pressure for programming smart investments in the areas of education and training as well as youth is insufficient.

- The need to reduce inequality in the provision and access to learning opportunities, relating to gender, people with disadvantaged background and with special needs.
- The need to ensure that young people participate actively and constructively in society and in democratic life.
- The need to increase awareness and knowledge-sharing on how to address sport-related problems, mainly at local and grassroots level, notably in the fields of good governance, health-enhancing physical activity, social inclusion, violence and intolerance, dual careers and doping

While these problems refer to the scope and content of EU support, it is also essential to tackle, in parallel, **the key issue of European added value, management and simplification**. Even if the results of the interim evaluations of current programmes, as well as the online consultations of stakeholders, reflect relatively high levels of satisfaction, there is considerable room for improvement, particularly in light of the current difficult budget constraints.

Current programmes in the field of education, training and youth are too complex, with too many objectives and actions which limit the systemic impact and thus the European added value and potential investment value of EU interventions. By way of illustration, the Lifelong Learning Programme (LLP) has 6 sub-programmes, more than 50 objectives and over 60 actions. The Youth in Action Programme focuses on the mobility and (non-formal) learning of young people, while approximately 80% of the LLP's funding also benefits youth. Some actions simply lack the critical mass required for long-lasting impact. International cooperation in higher education is also characterized by the fragmentation between different EU instruments implementing similar objectives and actions.

This **fragmentation of current EU support** hampers the exploitation of various policy-based and operational synergies and the elimination of overlaps, both across different educational sectors from a lifelong learning perspective, between the Education, Training and Youth Sectors themselves and between the latter and other vital policy fields and funding sources such as Employment, Research and Innovation and the Structural Funds. It also unnecessarily increases complexity and administrative burden for stakeholders and EU bodies alike, while limiting the scope for simplification and economies of scale.

2. JUSTIFICATION OF EU INTERVENTION

EU action in Education, Training, Youth and Sport has its legal base in Articles 165 and 166 of the Treaty on the Functioning of the European Union.

Without prejudice to the subsidiarity principle, EU intervention should aim to complement Member States' actions by supporting policy reform and modernisation and by helping to deliver systemic impact under the agreed objectives of the Europe 2020 and ET 2020 strategies. In this respect, the European added value of the new EU programme supporting education, training, youth (as well as sport) rests on four main aspects:

- **The transnational and innovative character of its activities and the outputs it helps develop:** The existing actions of Member States remain at national level. The EU added value lies in that the Community budget promotes and supports individual mobility, cooperation, collaboration and partnerships across participating countries and with non EU partner countries (notably for higher education cooperation and mobility), to enable learning and transfer of knowledge and innovation between education and training and youth stakeholders, institutions, organisations and systems.
- **The way it supports cooperation between Member States,** particularly through the Open Method of Coordination. EU supports the priorities outlined in EU strategies, to help create a consensus among the various stakeholders on the role of education, training and youth support for economic and social development, and to contribute to improvements in the knowledge of policy makers and education and training specialists regarding international good practices, including in the field of sports. With the aim to influence systemic changes in the field of education and training, the programme should act as a driving force for the implementation of general European tools for mobility and recognition of qualifications².
- **The way it complements national, international and EU programmes:** The specific added value of EU support, as compared with other (national and international) programmes, lies also in the broader geographical coverage of its activities and in the fact that it promotes consistent cooperation in the fields of education, training, youth and sports, as well as mobility and the internationalisation of education and training. The initiatives of other EU programmes, mainly the EU structural funds, in the area of education and training, are different. Activities of the European Social Fund are generally linked to the provision of assistance with a focus on jobs and the labour market integration of participants, whereas the future programme will provide opportunities for mobility, and for the development of new projects, ideas and techniques - which can subsequently be supported and mainstreamed by the ESF. The European Regional Development Fund can invest in educational infrastructure – which help to strengthen communities and improve access. The Socio-economic science and humanities research programme (DG RTD – FP7) play an important role in supporting educational research, by funding research projects on lifelong learning, skills needs, education, youth and social inclusion, involving the whole research community in Europe and beyond. There is thus at the same time a clear-cut distinction and scope for synergies and cooperation amongst these programmes.
- **The way it contributes to achieving systemic impact:** An EU-wide tool can achieve strong systemic impact, notably by acting as a laboratory to test new approaches, which can inspire national/regional schemes or help them develop a transnational dimension.

EU intervention should conform to the principle of proportionality established by the Treaty as it should not go beyond what is necessary to achieve the objectives pursued. It must be implemented within member states' existing policy frameworks.

3. OBJECTIVES OF THE FUTURE INTERVENTION

The problems identified in the different IA reports highlight that the European Union and its Member states have set out clear common objectives and policy processes in the field of education, training, youth and sports: The Education and Training strategic framework 2020 (ET2020), the renewed framework for European Cooperation in the Youth field (2010-2018), and the 2011 Communication "Developing the European Dimension in Sport". These policy frameworks are fully relevant also for

² For example the Europass, Youthpass, European Qualifications Framework (EQF) or European Credit System for vocational education and training (ECVET).

the 2014-2020 MFF; therefore, EU budget support in these areas should have as the overarching aim to contribute to these EU strategies; the main associated impact indicators should be the relevant headline targets of Europe 2020.

General objectives

The overall general objective of the programme is to contribute to the objectives of the Europe 2020 strategy and of the Education and Training strategic framework 2020 (ET2020), including the corresponding targets, to the renewed framework for European Cooperation in Youth field (2010-2018), to the sustainable development of third countries in the field of higher education and to develop the European dimension in sport.

In the individual Impact Assessments, the following general objectives have been set for future support:

Lifelong Learning/education and training: To empower individuals of all ages and social backgrounds by contributing to the development of quality education and training systems, as part of the Europe 2020 strategy of smart, inclusive and sustainable growth and of the ET 2020 strategic framework.

International cooperation in Higher Education: To strengthen openness, innovation and excellence in education, 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.

Youth non-formal education: To contribute to young people's employability, active participation in society and sense of belonging to the EU, as a means to foster human and social capital development and promote growth and social cohesion in support to the Europe 2020 Strategy and the EU Youth Strategy.

Sport: To develop the European dimension in sport.

Related specific and operational objectives are developed in each IA report, with indicators at different levels. For illustrative purpose a summary of indicators can be found in Annex to the Impact Assessment on Lifelong Learning.

4. OPTIONS

The research carried out in support of the impact assessments has enabled identifying "what works and what doesn't work" at the baseline. The results have been applied in the process of defining the preferred option, 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;

For the IA reports on the current LLP and Youth programmes, the four options described hereafter have been considered. The two IA reports for International Cooperation in Higher Education and Sport take into account the structure of the two other IA reports, and in particular the objectives and streamlined architecture of their preferred option (i.e. a single programme for education, training, youth and sports).

Option 3 and to a higher extent Option 4 offer the possibility of achieving a significant critical mass of beneficiaries and systemic impact through a discontinuation of current actions with insufficient EU added value. Option 4 will in addition offer a higher potential impact through the streamlining into three key actions and exploring in full the synergies between the education sectors and youth.

Certain policy choices on content were explored, but were rejected as they contradicted research findings and/or would not be in line with Member States and EU priorities. Furthermore, options based on other policy instruments could be theoretically envisaged. However, such options would fall outside the mandate for EU action in the areas concerned, and were thus discarded at an early stage.

Policy option 1: Status quo (baseline option)

The current programmes and sub-programmes would broadly retain their current, independent objectives, actions, structures and management systems, as well as their current budget allocations. Therefore, these programmes would essentially be the same as the ongoing:

- Lifelong Learning Programme
- Erasmus Mundus Programme and other external cooperation programmes in Higher Education
- Youth in Action Programme

There would be no programme specifically devoted to Sport.

Policy option 2: 'No action'

Under this option there would be no EU spending programmes in the areas concerned after 2013. Policy coordination and mutual learning processes (i.e. the Open Method of Coordination in Education and Youth policies, policy coordination in Sport) would continue. The EU would continue its obligations under Article 165 and Article 166 of the Treaty, which would necessitate some expenditure on the provision of information and analysis and human resources in order to fulfil its mandate. Some sport-related projects might be funded within other EU programmes and related instruments, such as Public Health or via the ESF. Otherwise, spending on education, training and non-formal learning mobility, youth work and transnational cooperation activities would be entirely reliant on non-EU resources (in particular, from the Member States).

Policy option 3: Strengthening the objectives of the current programmes

Building on the strengths and eliminating the weaknesses of the current programmes, this option would consist of refocusing the objectives of the existing separate programmes to better support the Europe 2020 strategic framework and the new EU political context relative to Education, Training and Youth. The administrative structures and the architecture of the different (sub) programmes of education, training and youth would not be altered for the sake of continuity. A small Sport Programme with a modest budget would be created separately. The changes to the current programmes would be led by the following guiding principles:

- (a) Focussing each separate programme on activities with the highest added value, where a critical mass can be mobilized, and on strong conditionality/incentives, to achieve the Union's policy objectives targeting systemic change;
- (b) Simplifying and rationalising the actions supported by each programme, while respecting the separation of the programmes by categories of beneficiaries with different operational objectives, activities, etc.

A number of actions currently funded by the programmes would be discontinued, i.e. those that do not have sufficient links to policy priorities, potentially overlap with other EU financial instruments, have high management costs, or present insufficient EU value added. More specifically, the programmes would aim at:

- Improving spending related to mobility, including:
 - "multiplier" mobility (staff, teachers, youth workers),

- focus on mobility with strong systemic impact, in particular higher education students,
- traineeships in enterprises to support the transition between education and work and foster entrepreneurship;
- Supporting mutual learning guided by excellence and modernisation of systems both in the EU and its partner countries, including:
 - peer learning activities,
 - exchange of good practices,
 - development of joint projects and innovative methods,
 - stronger cooperation with the world of work,
 - incentives to reward excellence in education for innovation and entrepreneurship;
- Supporting OMC policy networks with Member States and to the joint testing of innovative policy approaches, e.g. on
 - development of EU tools for transparency/ transferability/recognition of qualifications,
 - analysis directly linked to the Europe 2020 and Annual Growth Survey priorities, as well as the Bologna and Copenhagen processes,
 - policy exchange between education authorities and other stakeholders on the modernisation agenda,
 - policy exchange between youth authorities and other stakeholders within the European framework of cooperation in the youth field,
 - policy dialogue with third countries, focusing on strategic partners.

A separate Sport programme would facilitate the generation, exchange and dissemination of knowledge and good practices in the fields identified, and the awareness-raising of key issues. It would also build the evidence base for policy making, and provide capacity building for sport organisations.

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

This option takes the rationale of Option 3 one step further, by exploiting the scope for concentration and simplification within existing programmes, but also across the various existing programmes which share similar broad objectives, types of action and delivery mechanisms. This option would therefore increase the potential for improvements contained in Option 3 as concerns the EU added value and systemic impact of actions, by **integrating** all Education, Training and Youth activities into a single programme. The main rationale for this is that the types of actions presently supported within each programme and by separate sub-programmes can be readily harmonised and streamlined since they are similar in nature, and that simplification of actions and delivery can increase both the impact and the cost-effectiveness of EU support.

The Programme would include a separate chapter and budget for Sport activities.. This would avoid a proliferation of individual legal bases – in line with the overall MFF approach towards streamlining and simplification – whilst still exploiting both the common general objectives and the potential for economies of scale and harmonisation of administrative and management procedures.

The single programme would inherently deepen the scope for systemic impact and returns on investment through a concentration of activities with European added value and through increased synergies and reduced duplications across sectors, policies and . The architecture of, and access to, the programme will be greatly simplified and delivered through three types of actions: mobility, cooperation and policy reform –oriented activities. It would be improved mainly by:

- (a) As illustrated for Option 3, concentrating on activities with the highest added value, where a critical mass can be mobilized, and on strong conditionality/incentives to achieve the Union’s policy objectives targeting systemic change.
- (b) 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 synergies and complementarities between different sectors, policy fields and other funding sources.
- (c) Reducing radically the complexity of the architecture of the programmes, and identifying the scope for economies of scale and for simplifying the programme management and increasing the programme user-friendliness.

Regarding the delivery mechanism, the programme would build on the present strengths of the National Agency system, as specified under section 6 of this document.

This policy option would aim at providing more flexibility and incentives to promote EU added value, so that budget allocation between actions, beneficiaries and countries can take better account of actual quantitative and qualitative performance. It would also allow for making wider use of research results and transferring mature innovations/best practices that are ready for mainstreaming at lower level programming.

The sport actions within the programme would benefit from the existing delivery mechanisms, allowing economies of scale (with respect to creating a new, separate programme alongside the current ones as in Option 3) and the use of good practices.

5. MAIN IMPACTS OF THE OPTIONS

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.

Option 1: Status Quo

Social Impacts

The programmes would continue being a driving force for the implementation of European tools for mobility, support to youth work development and for the internationalisation of Education and Training. They would also allow for a continued contribution to policy processes such as the Bologna and the Copenhagen process, the European framework of cooperation in the youth field and, to a lesser extent, the OMC.

However, only a relatively limited number of participants from disadvantaged socio-economic groups would be reached, as the costs of mobility would prevent their participation in mobility experiences.

Economic Impacts

The programmes would improve to a limited extent the functioning of the single market by increasing the number of people willing to work abroad, and it would facilitate the transparency of qualifications. Thus there would be a mid- and long-term positive impact on competitiveness at the European level, thanks to the improvement of the skills levels of the population and to a better allocation of human capital in Europe through mobility.

Fundamental Rights

The programmes would have positive impacts in relation to a number of fundamental rights, such as the right to education and right to freedom of movement. Mobility flows would also consider linguistic diversity, as countries with less widely spoken languages are involved in mobility flows.

Option 2: No action

Social Impacts

Future developments in the area of mobility, cooperation and policy development would be much more fragmented and bilateral, would take place at a smaller scale and would not develop as consistently across EU Member States.

It would result in missed opportunities in terms of development of European citizenship and the understanding of European integration. As some of the most popular EU actions in the eyes of the citizens would disappear, this would create a negative image of the Union.

Economic Impacts

It could aggravate future shortages of labour-market relevant skills such as linguistic skills, communication skills and technical skills resulting in loss of productivity and competitiveness.

The discontinuation of the programmes would not contribute to the creation of the necessary conditions for European citizens to actively enjoy the right to move and work across the EU.

Fundamental Rights

It would not contribute to the creation of the necessary conditions for European citizens to actively enjoy the right to move and work across the EU. Mobility flows would respect linguistic diversity to a lower extent, as countries with less widely spoken languages would be less involved in mobility flows.

Policy option 3: Strengthening the current programmes

Social Impacts

The social impacts would increase in relation to the most significant problems faced by Europe in its skills development. In terms of social cohesion, it is likely that the concentration of activities would favour those countries and groups that are worse off in terms of skills development, in particular through the new emphasis on basic skills.

A more significant impact would be achieved on a smaller set of priorities that count the most, such as youth employability. This would increase the relevance of the programmes' impact in relation to wider policy developments and benchmarks. Greater partnership work with other organisations and sectors outside education – such as the productive and voluntary sector - would take place.

This option is expected to result in the improvement of the skills supply in the short-term through mobility and in the medium term through international learning at the practitioner and policy level. It

would enhance the perception of beneficiaries of being European citizens and empower them to contribute to economic and social life. A focus on hard-to-reach and disadvantaged groups could also favour the development of European citizenship among those participants who are traditionally not engaging in any transnational activity. Furthermore, enhanced cooperation in promoting participation in sport would lead to potential impacts e.g. in the field of health.

Economic Impacts

Economic impacts are likely to be positive as the future programme would tackle, in a more effective way, problems which generate considerable costs in terms of unemployment benefits and active labour market measures, as well as hidden costs in terms of loss of productivity. Even with a moderate contribution to the reduction of these problems, the future programme would ensure significant savings and generate growth in the long-term. By improving its skills supply, Europe would become a more attractive business location, which has positive consequences for the smart growth of the European economy.

Fundamental Rights

Compared to Option 1 (Status Quo), this option would provide a further positive impact on fundamental rights, as it would put greater emphasis on ensuring the right to education of all in the EU – in particular for disadvantaged groups.

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

Social Impacts

The social impacts listed for Option 3 also apply for this option, but on a higher level, given that the fragmentation of programmes and actions limits the scope for increasing the impact, simplification and effectiveness of current programmes. Furthermore, the integration and considerable simplification of the programme would generate a positive impact in terms of administrative expenditure and accessibility: more individuals, education and training institutions and youth organisations could be in a position to apply for funding, with the establishment of mobility ‘one-stop-shops’ (integrated NAs). The new structure of the programme would also facilitate the development of activities across different education sectors and thus help promote the development of lifelong learning in a more efficient way.

Similarly, a merger of the current Erasmus-type of activities with the similar ones currently carried out through separate cooperation programmes in higher education with non-EU partner countries (Erasmus Mundus, Tempus, etc) would imply a greater coherence of cooperation with such countries, a strong incentive towards the internationalisation of higher education, and a significant simplification of management and procedures. Activities would benefit from the merger with Youth in Action by fostering the interaction with other actors from the non-formal education sector and would aim at better recognition by education and training stakeholders and employers of the knowledge, skills and competence acquired in non-formal contexts.

Economic Impacts

The same as for Option 3, but on a higher scale, as in the case of social impacts. On top of that, the integration of different programmes would involve significant economies of scale, compared to the current separate management structures of the LLP, Erasmus Mundus and Youth in Action, allowing for more targeted and impactful spending in areas with strong European added value.

Fundamental Rights

The same as for Option 3.

6. COMPARISON OF OPTIONS

The following table provides a comparison of the options identified.

Comparison of options

Legend:

	++	+	0	-	--
<i>Comparison to baseline scenario</i>	<i>Positive</i>	<i>slightly positive</i>	<i>neutral</i>	<i>slightly negative</i>	<i>negative</i>

Criteria	Option 1 Status quo	Option 2 No action	Option 3 Policy option 3: Strengthening the current programmes	Option 4: A single Programme for education, training, youth and sports	Explanation of given ratings:
Effectiveness in terms of achieving specific objectives:					
1. To empower individuals of all ages and social backgrounds by contributing to the development of quality education and training systems, as part of the Europe 2020 strategy of smart, inclusive and sustainable growth and of the ET 2020 strategic framework.	0	--	+	++	<p>Option 1: Only a limited number of participants from disadvantaged groups would be reached. Certain countries would continue having a low participation in the initiative. The current fragmentation of EU action and lack of focus and critical mass would persist.</p> <p>Option 2: The identified problems would not be addressed, causing fragmentation and back-sliding of EU competitiveness.</p> <p>Option 3: The increased focus on skills and added value would contribute to increasing competitiveness of the EU. The increased volume would allow mobilising a critical mass for achieving the desired impacts. The problems identified at the baseline would be well addressed, but the potentials of synergies between the different, separate programmes would remain unexploited.</p> <p>Option 4: As for Option 3. Furthermore, merging the programmes into one would</p>

Criteria	Option 1 Status quo	Option 2 No action	Option 3 Policy option 3: Strengthening the current programmes	Option 4: A single Programme for education, training, youth and sports	Explanation of given ratings:
					promote the development of Lifelong Learning in a more effective way.
2. 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.	0	--	+	++	<p>Option 1: Fragmentation of EU action would persist, resulting in insufficient EU contribution to quality of HE and the realisation of a European area of HE. Certain partner countries would not have the capacity in HE to establish mutually beneficial partnerships with the EU.</p> <p>Option 2: The identified problems would not be addressed, causing fragmentation and back-sliding of EU competitiveness.</p> <p>Option 3: The divide between the different EU external cooperation programmes in HE would be addressed, and this in combination with increased volumes would significantly strengthen systemic impacts.</p> <p>Option 4: In addition to the benefits of Option 3, this option would facilitate further the exploitation of synergies between Erasmus and the international cooperation programmes in higher education, which would strengthen impacts.</p>
3. To contribute to young people's employability, active participation in society and sense of belonging to the EU as a means to foster human and social capital development, support growth and social cohesion in support to the Europe 2020 Strategy	0	--	+	++	<p>Option 1: This option would not address in the most effective way the priorities of the new policy context and the recommendations of the YiA interim evaluation, notably as regards the possibility to strengthen focus on youth employability without losing the participation dimension; the need to further clarify support to disadvantaged young people; the need to improve and streamline the programme rationale and structure; the possibility to simplify administrative requirements.</p> <p>Option 2: The identified problems would not be addressed, causing fragmentation and</p>

Criteria	Option 1 Status quo	Option 2 No action	Option 3 Policy option 3: Strengthening the current programmes	Option 4: A single Programme for education, training, youth and sports	Explanation of given ratings:
and the EU Youth Strategy.					<p>back-sliding of EU competitiveness.</p> <p>Option 3: This option would involve focusing on actions with the highest added value and creating the strongest multiplier effects. Furthermore, a better alignment with policy priorities would be achieved. However, these improvements would be limited to what can be done within each separate programme.</p> <p>Option 4: In addition to the benefits of Option 3, this option would further provide synergies and cross-fertilisation with the formal education area, which would bring positive impacts in relation to promotion and recognition of youth work and learning pathways for young people.</p>
4. To develop the European dimension in sport.	0	N/A	+	+	<p>Option 1: The problems identified in the areas of awareness and knowledge sharing would remain unaddressed.</p> <p>Option 2: N/A (new actions, thus identical to Option 1)</p> <p>Option 3: This option would address the identified problems by promoting the establishment of a framework for stakeholders for cooperation on the substantial problems identified in the area of sport, such as doping and low participation rates in sport activities. The measures planned are expected to have a great leverage effect and a high EU added value.</p> <p>Option 4: As for Option 3.</p>
5. Efficiency/cost-effectiveness, in terms of:					

Criteria	Option 1 Status quo	Option 2 No action	Option 3 Policy option 3: Strengthening the current programmes	Option 4: A single Programme for education, training, youth and sports	Explanation of given ratings:
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: This option involves a relatively high level of cost-effectiveness concerning implementation costs, as the effectiveness is increased compared to the baseline. However, as the current fragmented management structure is to a large extent maintained (apart from the integration of the external cooperation programmes), there is still room for improvement.</p> <p>Option 4: Since the simplification of management structure improves economies of scale and thus considerable savings, the cost-effectiveness of its implementation 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: Considering the increased focus on actions of high added value and the mobilisation of a critical mass due to increased volumes of those actions, the cost-effectiveness in terms of EU budget is considered as high.</p> <p>Option 4: On top of benefits under Option 3, the exploitation of synergies between Youth</p>

Criteria	Option 1 Status quo	Option 2 No action	Option 3 Policy option 3: Strengthening the current programmes	Option 4: A single Programme for education, training, youth and sports	Explanation of given ratings:
					and Lifelong Learning, and between the LLP (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.
6. Coherence (with strategic objectives, etc.):	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: Would allow for stronger coherence with EU policy priorities and MS actions.</p> <p>Option 4: As for Option 3. Furthermore, the internal coherence would be considerably strengthened through integration of the four programmes and reduction of overlaps, and it addresses the Commission's strategy to simplify the structures of EU programmes.</p>

Conclusion: On the basis of the above comparison, **Option 4** comes out clearly as the best option; a detailed description of this option is provided in the next section.

7. DESCRIPTION OF THE PREFERRED OPTION

The Lifelong Learning Programme, the current international cooperation programmes in higher education such as Erasmus Mundus, Tempus, Alfa and EduLink and the Youth in Action Programme all provide support for structures which deliver either formal or non formal learning, and do so through a variety of activities, projects, etc, which can be summed up in three key types of actions:

- support for learning mobility of individuals;
- support for institutional cooperation for innovation and good practices; and
- support for policy reform.

The existing actions on sport have focused primarily on policy dialogue and, more recently, cooperation projects in the framework of the on-going preparatory actions.

The integration of all the current, fragmented EU programmes into a common, simplified and transparent architecture will allow the new programme to create enhanced synergies between both formal and non-formal education at all levels, reinforcing therefore the lifelong learning perspective, as well as with other policies. An integrated programme, focusing on a limited number of key transversal actions, would structurally deepen the scope for systemic impact and high returns on investment through a concentration of activities with European added value. It will also include an important international dimension, reinforcing Europe as an excellence destination, as a promoter of modernisation of systems and institutions and as an important player in the field of education worldwide, while promoting teaching and research on European integration. The programme will also support activities in the field of sport which will benefit from the continuity of existing management structures and know-how.

As detailed in the impact assessment report related to education and training within the current LLP, the future programme should be implemented through three key types of actions, namely: learning mobility of individuals, cooperation for innovation and good practices, and support to policy reform.

All the relevant activities funded by the current programmes covered by the merger fall into one of these three key types of actions³. Bringing them together will allow simplification and greater visibility of the EU support. For example, a university which organises in and out mobilities for both European and non-European students and teachers will be able to present a single dossier, following a single guide and set of rules instead of currently 4 or 5.

The option would also offer the greatest value for money in term of administrative costs to manage the programme. The cumulative effect of refocused concentration, streamlining and exploitation of economies of scale would lead to greater efficiency and effectiveness in the delivery system along the complete chain, from the Commission down to final beneficiaries passing through National Agencies and the Executive Agency. The cumulative savings in administrative costs could be tentatively estimated at 40 % for the Commission and National Agencies compared to the current situation.

The resulting simplified and streamlined architecture would be easily scalable with low marginal costs and an increase of the budget in the order of 70%, as proposed by the MFF Communication, could be

³ Except for the activities related to Sport currently included in preparatory actions and to Jean Monnet which will deserve specific architectural design.

accommodated with the current level of resources. For the currently existing programmes, 1 FTE (full-time equivalent) manages around EUR 20 millions. With the merge of the programmes and the envisaged improvements, it could manage 32 millions. For each of the foreseen actions, the following principles should apply:

1. Learning mobility of individuals

- The mobility action will aim at supporting the mobility of learners and learning providers (including to and from non EU countries) in order to undertake periods of study, training, teaching, placement, volunteering or youth activity at a partner institution/organisation abroad.
- Education and training institutions and youth organisations will apply for mobility grants to the National Agency⁴ in their country. NAs will give mobility grants only via institutions and no longer to individual staff or students. The grant will cover the actual mobility grants as well as support to the institution for organising high quality mobility.
- To qualify for mobility grants, the organisation will have to prove that the conditions for high quality mobility are in place.
- For mobility between institutions in a participating and in a third country, the grant will be managed by the institution in the participating country for both incoming and outgoing mobility. No National Agencies will be set up in third countries.

Benefits:

- National Agencies will become the "one-stop shop" for EU mobility, easy to understand and access.
- National Agencies will manage only contracts with institutions (as opposed to individual persons now).
- Beneficiary institutions will have to improve the quality of mobility, as this will become a condition for participation.

2. Institutional cooperation for innovation and good practices

- Trans-national cooperation projects will aim at 1) developing innovation, and/or 2) transferring and implementing innovative practices, including development of web platforms building on the successful example of e twinning for schools and/or 3) modernising systems and institutions, notably in the field of higher education, in and outside the EU.
- The coordinating organisation will apply on behalf of the project partnership as a whole for a grant to the National Agency in its own country or to the Executive Agency. The grant will cover the development work and mobility other than for study, training, teaching, placements (see 1. Learning mobility of individuals above).
- To qualify for a project grant, the coordinating organisation will have to prove that it has 1) established the necessary cooperation agreements with its partner organisations and that 2) they have the capacity to undertake the envisaged project activities.

⁴ National Agencies already exist in each participating countries

- Depending on the sector, cooperation of business, regional authorities and other relevant actors may be a condition for participation. Cooperation across sectors will be strongly favoured. Participation of third country partners will be encouraged.
- Management should be shared between national agencies and EU level, with possible outsourcing of management to an executive agency.

Benefits:

- Easy access thanks to harmonisation of actions that address the same target public (e.g. universities) but are now managed by different bodies with different rules and tools
- Participation of organisations from third countries will ensure that E&T in EU can benefit maximum from innovation and good practices in the wider world. Intense cooperation with business will help institutions develop teaching and training for the skills and competences that are needed on the job market.

3. Support for policy reform

- The policy support action will aim at 1) developing and steering policy and innovation top down; 2) developing and experimenting EU tools to support policy; and 3) providing for international comparison and exchange of best practice.
- The policy support action will finance OMC activities and policy initiatives such as the Bologna and Copenhagen processes, the Youth Strategy as well as support tools such as ECTS, ECVET, Youthpass, EU wide networks etc.
- Financial support will be provided via service contracts or grants. Both service contracts and grants can be given to consortia/partnerships and individual organisations.
- Management will be centralised at EU level, with possible outsourcing of management to an executive agency.

Providing leverage through an innovative financial instrument for Masters' students

An extensive assessment of the specific situation of Masters' students in the Member states, an analysis of EU and non-EU funding schemes for these students, as well as a comprehensive independent feasibility study, point to the opportunity of developing a new, innovative financial instrument, within the preferred option of a single programme.

The EU Student Loan Guarantee Facility, as synthetically described in Annex to the Impact Assessment on the Lifelong Learning Programme, would contribute to greatly increasing the leverage of investment (calculated at a factor of between 6 and 8). By way of illustration, €100 million per year from the EU budget could generate loans totalling at least €600m per year, representing around 55,000 borrowers. The critical success factor for any loan scheme, national or transnational, is the repayment rate: student mobility leads to increased labour market mobility, and recovery of loans is more difficult once borrowers leave the lender's Member State. To reduce default to a minimum, the Facility would focus exclusively on Masters level students (i.e. with higher earnings potential), and use peer pressure (a central register and/or alumni associations) and/or incentivisation (notification to national credit reference agencies).

The simplified architecture of the single programme described above would facilitate the smooth administrative implementation of the Loan Guarantee.

8. MONITORING AND EVALUATION

Monitoring and evaluation should be a core element of a future programme which should emphasise EU added value and performance. Therefore, in order to ensure the EU added value of the programme, throughout the entire period of programming, the Commission, in cooperation with the Member States, should regularly monitor and evaluate the performance and results against the objectives.

Regarding monitoring, the intention is to publish an annual activity report which will include both statistics and qualitative assessment, based in particular on performance indicators. A generic common framework of indicators is provided in Annex to the Impact Assessment on Lifelong Learning. Both reports from the beneficiaries and extensive surveys will be used to assess the impact at three levels: individuals (increase in skills), the institutions (internationalisation) and the systems (improvement of the quality, including the implementation of recognition and transparency EU tools).

In addition to the continuous monitoring, the Commission shall arrange for regular independent external evaluations in order to assess the effectiveness and efficiency of the programme. The evaluations should also contribute to the assessment of the programme's EU added value and contribution towards the general and specific objectives. A mid term evaluation, including also the results of the ex post evaluations of the current programmes, should be carried out at EU level. Member States shall submit to the Commission reports on the implementation and the impact of the programme, at least twice (in 2016 and 2019).