COMMISSION OF THE EUROPEAN COMMUNITIES

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2006/0061 (CNS)

Proposal for a

COUNCIL DECISION

on the signature of the Agreement between the European Community and the United States of America renewing the co-operation programme in the field of higher education and vocational education and training

Proposal for a

COUNCIL DECISION

on the conclusion of the Agreement between the European Community and the United States of America renewing the co-operation programme in the field of higher education and vocational education and training

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The present proposal is set against the dual background of the European Union higher education agenda and EU/US relations which call, respectively, for higher education to become a world reference for relevance and excellence and for broader education cooperation.

Education has become an essential component of the Lisbon strategy which calls for European Union education to become a world reference by 2010. Such an objective can only be achieved by keeping European education tuned to world developments and in particular by collaborating and testing approaches and standards against those in the world most developed countries like the United States of America (hereafter 'the US').

The relations with the US are of strategic importance for the EU and their scope is constantly widening. Leaders at the Dromoland EU-US Summit of 2004 agreed to look for cooperative means and best practices to enhance economic growth, job creation and innovation. On 18 May 2005 the Commission adopted a communication on a stronger EU-US partnership[1] which, in line with the Lisbon strategy, identified cooperation in education and training as an important tool for stimulating knowledge and innovation dynamic and called for the renewal and reinforcement of the current agreement on Higher Education and Vocational Training. On 20 June 2005 Leaders at the Washington EU-US Summit agreed on an initiative to enhance transatlantic economic integration and growth which identified education cooperation as one of the tools "to increase synergies across the Atlantic as we become more knowledge-based economies." and committed to work to "renew and reinforce the U.S.-EU agreement on Higher Education and Vocational Training, which includes the Fulbright/European Union program, to boost education cooperation and transatlantic exchanges between our citizens".

The current agreement was concluded in 2000 and renewed the EC/US programme for another five years ending in 2005. An external evaluation was undertaken from October 2004 to March 2005. The independent evaluation concluded that the programme is a powerful tool for establishing long lasting partnerships and synergies in higher education and vocational training over the Atlantic and that this has contributed to improving mutual understanding and the quality of human resource development. On 27 June 2005 the Commission adopted a communication on the results of this evaluation.[2]

In accordance with the negotiating directives in the Annex to the Council decision of 24 October 2005 authorising the Commission to open negotiations for a new agreement with the US[3], the Commission has negotiated a new agreement with the US.

The Council is asked to approve the decisions on the signature and on the conclusion of the agreement that renews the co-operation programme between the European Community and the United States of America in the field of higher education and vocational training for the period 2006-2013.

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1 COM(2005) 196

2 COM(2005) 274

3 Point 6 in the list of "A" items in ***13437/05*** adopted at the 2685th meeting of the Council (Agriculture/Fisheries), on Monday 24 and Tuesday 25 October 2005.

2. OBJECTIVES OF THE PROPOSAL

2.1. General objective

The general objectives of the EU/US programme are to:

(1) Promote mutual understanding between the peoples of the European Community and the United States including broader knowledge of their languages, cultures and institutions; and,

(2) Improve the quality of human resource development in both the European Community and the United States, including the acquisition of skills required to meet the challenges of the global knowledge-based economy.

The EU/US programme will therefore seek to mutually enhance the quality of higher education and vocational training.

2.2. Specific Objectives

The specific objectives of the EU/US programme are to:

(1) Enhance collaboration between the European Community and the United States in the domains of higher education and vocational training

(2) Contribute to the development of higher education and vocational training institutions

(3) Contribute to individual participants' personal development for their own sake and as a way to achieve the general objectives of the Programme; and,

(4) Contribute to transatlantic exchanges between EU and U.S. citizens.

2.3. Operational objectives

The operational objectives of the EU/US programme are to:

(1) Support collaboration between higher education and vocational training institutions with a view to promoting joint study programmes and mobility

(2) Improve the quality of transatlantic student mobility by promoting transparency, mutual recognition of qualifications and periods of study and training, and, where appropriate, portability of credits

(3) Support collaboration between public and private organisations active in the field of higher education and vocational training with a view to encouraging discussion and exchange of experience on policy issues; and,

(4) Support transatlantic mobility of professionals with a view to improving mutual understanding of issues relevant to EC/U.S. relations.

3. CONSISTENCY WITH OTHER POLICIES

The EU/US programme in higher education and vocational training would be fully consistent with and complementary to those of other EU instruments in these areas giving the possibility of pursuing objectives of quality education through collaboration between the EU and the US. In addition, the programme would bring in transatlantic people-to-people cooperation which is absent in other EU education and vocational training programmes.

The programme would also complement the activities of the network of EU Centers of Excellence in US universities in that it offers additional possibilities for exchanges and encourages structural cooperation between institutions and organisations on both sides of the Atlantic.

In so doing, the programme will also contribute to the Commission's public diplomacy effort in the US, including the public diplomacy activities of the Commission's Delegations in Washington and New York, in line with the increased commitment to public diplomacy activities in particular with regard to the EU's main strategic partners.

4. CONSULTATIONS WITH STAKEHOLDERS

– 2001 Study on modalities for cooperation in vocational education and vocational training

The study contracted by the Commission confirmed the value of EC/US cooperation in vocational education and training. Vocational training institutions are not necessarily well prepared for transatlantic cooperation yet there is great potential for mutual enrichment though this type of collaboration which offers new opportunities for transatlantic mobility to students, trainees and staff who otherwise would not have access to them. The study noted that for a vocational training strand to coexist with higher education, a significant budget increase was necessary.

– Interim external evaluation

An external evaluation was concluded in early 2005. The evaluation confirmed the effectiveness and relevance of the programme and that the programme is beneficial for the institutions, faculties and students involved. The programme is, however, considered too small to have had an impact on the mutual understanding between the people of the European Union and the US. While projects are largely sustainable, not all the activities are continued in the same way. The evaluators suggest in particular introducing a system of additional mobility grants for successful projects. On 27 June 2005 the Commission adopted a communication on the results of this evaluation.[4]

-The 2004 Washington seminar on the future of EU/US cooperation.

A round table discussion with prominent US and EU experts and government representatives was organised in conjunction with US Department of Education (FISPE) in Washington on 27 November 2004. The experts concluded that the EU-US programme was extremely valuable for the institutions, faculty and students involved and it was of strategic importance for EU-US people-to-people relations. They stressed that the programme allowed transatlantic

[4] COM(2005) 274

multilateral partnerships to be developed with a positive impact on the faculty and participating exchange students. The latter, in particular, could dramatically increase their cross-cultural knowledge, increase their adaptability, improve their academic performance and enhance their chances of finding quality jobs in the international market place. It was also highlighted that more should be done to ensure that the programme has a wider and longer-term impact. This called for a larger scale programme and for measures helping the sustainability of individual projects. Finally it was suggested that the programme should be coupled with measures and policy dialogue on systems issues.

5. OPTIONS EXAMINED

5.1. Approaches and instruments: Policy dialogue and co-ordination

Policy dialogue between the European Union and the US can certainly contribute to a better understanding of education and training strategies, generate exchanges of best practices and ultimately lead to measures that have a direct impact on citizens.

However, policy dialogue alone may not induce bottom-up, people-to-people innovative collaboration, or the enhancement of high quality mobility of young people and better access for young people and organisations to transatlantic exchange experience. A programme of specific actions is needed to encourage and support such activity.

5.2. Possible alternative designs for an expenditure programme

5.2.1. Integration into existing or proposed frameworks

The existing education and training programmes like "*Socrates"* or "*Leonardo da Vinci"* are designed for and target exclusively the public of the Member States. The decision making process, typology of actions and implementation mechanisms are not well suited for EU/US bilateral cooperation in the fields of higher education and vocational training. The same applies to the future Lifelong learning programme.

"Erasmus Mundus" seeks to enhance the quality of higher education in the European Union and promote it world-wide through a scholarship scheme for third country students and scholars. Erasmus Mundus is a higher education programme which aims primarily at attracting non EU students at Masters' level. As such it has not been designed for bilateral exchanges, transatlantic curriculum development and institutional cooperation. It does not concern vocational training and it focuses on graduate level while the proposed cooperation programme with the US focuses primarily on the activities at undergraduate level.

Other external programmes are also unsuitable to achieve the objectives of the EU/US bilateral cooperation.

5.2.2. Renewing the Agreement and continuing the programme in its present form

The proposed agreement and the programme it would set up does not represent a radical departure from the present structure of cooperation and it is in line with the Commission communication of 18 May 2005[5] which called for reinforcing the current cooperation and

[5] COM(2005) 196

with the joint commitment made at the EU-US Summit in June 2005 to work to renew and reinforce the agreement to boost education co-operation and transatlantic exchanges between citizens of the EU and the US.

The programme would take into account the lessons drawn from past experience and from the independent, interim evaluation by differentiating between higher education and vocational training, promoting joint study programmes, building on excellence and enhancing exchanges of students and trainees and staff.

The evaluation found that the small budget of the present programme has limited the programme's potential impact on higher education and prevented the development of significant cooperation in the field of vocational training. The programme to be created by the proposed agreement entails a budget increase (from 2 M€ to an average of 6,5 M€ per annum) to take into account the size of the EU and US higher education and vocational training systems and the potential for cooperation.

5.3. Assessment of positive and negative impacts of the options considered

In achieving its objectives, the programme would have a positive short term and long term impact on young people as well as on institutions and organisations dealing with higher education and vocational training issues. Transatlantic mobility would give participants valuable experience that will help them better integrate into today's society and knowledge economy.

Collaboration between institutions would help them to improve their curricula and teaching methods by learning from each other best practices and by jointly developing new approaches.

In the long term, collaboration would help to maintain the very good level of people-to-people understanding that exists between the European Union and the US.

There are no conflicts between impacts at social, economic or environmental level.

5.4. Reasons for choosing the present option

There is a widespread consensus that higher education should remain a central component of the programme. At the same time, the programme would also give access to transatlantic cooperation for vocational education and training organisations that would not otherwise engage in such co-operation.

In the framework of lifelong education, and to reinforce the people-to-people dimension of the EU/US relations, the programme would be also open to young professionals, mainly outside the academic and public administration world, who want to undertake studies or training, in areas of specific relevance to the EU/US relationship, which will be identified in consultation with the US authorities.

The impact of the programme would be enhanced with the introduction of policy-oriented projects in areas of common interest for the European Union and the US. That is to say, projects with a systemic impact that can have an impact beyond the institutions/organisations/individuals directly involved in their implementation. These projects would be aimed at increasing knowledge about, and exchanging best practices on issues such

as quality and compatibility of education and training systems, access to lifelong learning for all, and opening up education and training systems to the world.

6. LEGAL ELEMENTS OF THE PROPOSAL

6.1. Legal Basis

The proposal is based on articles 149, 150 and 300 of the Treaty.

6.2. Subsidiarity and proportionality

The programme would complement bilateral cooperation schemes between Member States and the US by proposing to continue a multilateral framework for cooperation. It would fully respect Member States' competence leaving the initiative to particular institutions and organisations. The proposed renewal of the programme does not contemplate any regulatory approach, which would conflict with Member States' exclusive competence in this area. Proportionality is ensured.

7. DESCRIPTION OF THE INTERVENTION

The programme would pursue its objectives through the following actions:

7.1. Higher education and vocational training programme actions:

7.1.1. Consortia projects

The target public of this action would be higher education and vocational training institutions and organisations, their staff, students and trainees. The action will respond to two specific objectives: contributing to the development of higher education and vocational training institutions and organisations, and increasing the mobility of staff, students and trainees.

This type of projects would largely inspired on the type of joint projects currently funded and will provide support for double or joint degrees set up and run by multilateral consortia of EU and US higher education, including scholarships for students, faculty and staff.

Consortia projects would focus on the priority fields identified as key to EU/US cooperation in consultation with US authorities.

7.1.2. Excellence (follow-up) mobility projects

Under this action, the programme may provide support mainly for student mobility to consortia projects of higher education and vocational training institutions with a proven record of excellence, including those funded under the preceding EU-US Agreements. This measure would enhance the profile of the programme, placing the emphasis on excellence. This would increase motivation of funded projects to deliver and contribute to sustainability of good quality mobility projects.

7.2. Policy-oriented measures

The target public of this action is organisations dealing with higher education and vocational training. This action would pursue the specific objective of enhancing collaboration between

the EU and the US as regards the development of higher education and vocational training, focusing on priority themes. In the longer term, this action would have an impact on policy and system development.

Activities under this category could include studies, conferences, seminars, working groups, benchmarking exercises.

7.3. "Schuman-Fulbright" Individual Mobility grants

The target group of this action would be professionals (including professionals in training), mainly from outside the academia and public administration (decision makers, social partner representatives, journalists, etc.) who want to undertake studies or training, in areas of specific relevance to the EU/US relationship, which would be identified in consultation with US authorities.

7.4. Alumni Association

Under this action the programme may provide support to Alumni Associations involving students who have participated in exchanges supported by the EC/U.S. cooperation programme in higher education and vocational training.

8. BUDGETARY IMPLICATION

The proposed programme would cost a maximum of 46 M€ over an eight year period (2006-2013), provided that matching funds are made available by the US.

8.1. The rationale for a budget increase

As indicated under 5.2, the small budget of the 2000-2005 programme has limited its potential impact on higher education and prevented the development of significant cooperation in the field of vocational training.

8.2. Costing-Reference amounts for calculation purposes

8.2.1. Higher Education and Vocational Training measures

Where projects do not involve mobility the average grant would be 120.000 €.

Joint consortia projects: **664,000** € for four-year projects resulting from 544,000 € for student scholarships (calculated on the basis of 1000 € per month, and 2000 € for travel and relocation per student for average study periods of 15 months for a total of 32 students), 60,000 € in lump sumps for consortia partners (7,500 € per institution per year: 7500x2x4), and 60,000 € for mobility grants for faculty and staff (1,000 € per scholar-week plus 1000 € for travel).

Excellence Mobility consortia projects: will be funded on a similar basis as Joint consortia projects.

8.2.2. Other measures

Policy-Oriented Measures: 100.000 €

"Schuman-Fulbright" Individual mobility grants: 20.000 (3.000 € per month + 2.000 for travel per grantee for average grant duration of 6 months)

Support for the Alumni association could be estimated at 15.000 € per year.

8.3. Target outputs

The programme will support some 274 projects over an eight year period (see details under point 8 of the Financial Statement). Some 6.000 EU and US people will participate in mobility activities over the duration of the programme.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 149 and 150 in conjunction with the first sentence of the first subparagraph of Article 300 (2) thereof,

Having regard to the proposal from the Commission[6],

Whereas:

(1) By its decision of 24 October 2005 the Council authorised the Commission to negotiate with the United States of America an agreement renewing the cooperation programme in higher education and vocational training.

(2) On behalf of the Community, the Commission negotiated an agreement with the United States of America in accordance with the directives in the Annex to the Council decision authorising the Commission to negotiate with the United States of America an agreement renewing the cooperation programme in higher education and vocational training.

(3) The Community and the United States of America expect to obtain mutual benefit from such co-operation, which must, on the Community's side, be complementary to the bilateral programmes between the Member States and the United States of America and provide a European added value;

(4) It is necessary to sign the Agreement negotiated by the Commission in view of its possible conclusion at a later date.

HAS DECIDED AS FOLLOWS:

[6] OJ C , , p. .

Sole Article

1. Subject to its conclusion at a later date, the President of the Council is hereby authorised to designate the person or the persons empowered to sign on behalf of the Community the Agreement between the European Community and the United States of America renewing the cooperation programme in higher education and vocational education and training.

2. The text of the Agreement is annexed to this decision

Done at Brussels,

For the Council
The President

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on the conclusion of the Agreement between the European Community and the United States of America renewing the co-operation programme in the field of higher education and vocational education and training

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 149 and 150 in conjunction with the first sentence of the first subparagraph of Article 300 (2) and the first subparagraph of article 300 (3) thereof,

Having regard to the proposal from the Commission[7]

Having regard to the opinion of the European Parliament,

Whereas:

(1) By its decision of 24 October 2005 the Council authorised the Commission to negotiate with the United States of America an agreement renewing the cooperation programme in higher education and vocational training.

(2) On behalf of the Community, the Commission has negotiated an agreement with the United States of America in accordance with the directives in the Annex to the Council decision authorising the Commission to negotiate with the United States of America an agreement renewing the cooperation programme in higher education and vocational training.

(3) The Community and the United States of America expect to obtain mutual benefit from such cooperation, which must, on the Community's side, be complementary to the bilateral programmes between the Member States and the United States of America and provide a European added value.

(4) The Agreement was signed on behalf of the Community on .....subject to its possible conclusion at a later date, in conformity with Decision …/…/EC of the Council on …….

(5) The Agreement should be approved,

[7] OJ C , , p. .

HAS DECIDED AS FOLLOWS:

Article 1

1. The Agreement between the European Community and the United States of America renewing the cooperation programme in higher education and vocational education and training is approved on behalf of the Community.

2. The text of the Agreement is annexed to this Decision.

Article 2

The delegation of the European Community to the Joint Committee referred to in Article 6 of the Agreement shall consist of a representative from the Commission assisted by a representative from each Member State.

Article 3

The President of the Council is authorised to designate the person empowered to make the notification provided in Article 12(1) of the Agreement.

Done at Brussels,

For the Council
The President

ANNEX

AGREEMENT BETWEEN THE EUROPEAN COMMUNITY AND THE UNITED STATES OF AMERICA RENEWING A PROGRAMME OF COOPERATION IN HIGHER EDUCATION AND VOCATIONAL EDUCATION AND TRAINING

THE EUROPEAN COMMUNITY,

of the one part, and

THE UNITED STATES OF AMERICA,

of the other part (hereinafter collectively referred to as "the Parties"),

NOTING that the Transatlantic Declaration adopted by the European Community and its Member States (hereinafter referred to as "the European Community") and the Government of the United States of America (hereinafter referred to as "the United States") in November 1990 makes specific reference to strengthening mutual cooperation in various fields which directly affect the present and future wellbeing of their citizens, such as exchanges and joint projects in education and culture, including academic and youth exchanges

NOTING that the new Transatlantic Agenda adopted at the EU-U.S. Summit in December 1995 in Madrid refers under Action IV-Building Bridges Across the Atlantic-to the EC/U.S. Agreement establishing a Cooperation Programme in Education and Vocational Training as a potential catalyst for a broad spectrum of innovative cooperative activities of direct benefit to students and teachers and refers to the introduction of new technologies into classrooms, linking educational establishments in the United States with those in the European Union and encouraging the teaching of each other's languages, history and culture;

NOTING that the 1997 "Bridging the Atlantic: People to People Links" Transatlantic Conference underlined the potential for cooperation between the European Community and the United States of America in the field of non-formal education

NOTING that at the EU-U.S. Summit in June 2005, leaders agreed on an initiative to enhance transatlantic economic integration and growth which identified education cooperation as one of the tools "to increase synergies across the Atlantic as we become more knowledge-based economies" and committed to work to "renew and reinforce the U.S.-EU Agreement on Higher Education and Vocational Training, which includes the Fulbright/European Union programme, to boost education cooperation and transatlantic exchanges between our citizens

CONSIDERING that the adoption and the implementation of the 1995 Agreement Between the European Community and the United States of America Establishing a Cooperation Programme in Higher Education and Vocational Education and Training and the 2000 Agreement Between the European Community and the United States Renewing a Programme of Cooperation in Higher Education and Vocational Education and Training give effect to the

commitments of the Transatlantic Declaration and constitute examples of highly successful and cost-effective cooperation

ACKNOWLEDGING the crucial contribution of education and training to the development of human resources capable of participating in the global knowledge-based economy

RECOGNISING that cooperation in education and vocational training should complement other relevant cooperation initiatives between the European Community and the United States

ACKNOWLEDGING the importance of ensuring complementarity with relevant initiatives carried out in the field of higher education and vocational training by international organisations active in these fields such as OECD, UNESCO and the Council of Europe

RECOGNISING that the Parties have a common interest in cooperation in higher education and vocational education and training

EXPECTING to obtain mutual benefit from cooperative activities in higher education and vocational education and training

RECOGNISING the need to widen access to the activities supported under this Agreement, in particular those activities in the vocational education and training sector; and

DESIRING to establish a formal basis for continued cooperation in higher education and vocational education and training,

HAVE AGREED AS FOLLOWS:

Article 1

Purpose

This Agreement renews the 2000 Cooperation Programme in Higher Education and Vocational Education and Training (hereinafter referred to as "the Programme"), originally established under the 1995 Agreement Between the European Community and the United States of America establishing a Cooperation Programme in Higher Education and Vocational Education and Training.

Article 2

Definitions

For the purpose of this Agreement:

1. “Higher education institution” means any establishment, according to the applicable laws or practices, which offers qualifications or diplomas at the higher education level, whatever such establishment may be called;

2. “Vocational education and training institutions” means any type of public, semi-public or private body, which, irrespective of the designation given to it, in accordance with the applicable laws and practices, designs or undertakes vocational education or training, further vocational training, refresher vocational training or retraining; and

3. “Students” means all those persons participating in learning or training courses or programmes which are run by higher education or vocational education and training institutions as defined in this Article.

Article 3

Objectives

1. The general objectives of the Programme shall be to:

(a) Promote mutual understanding between the peoples of the European Community and the United States including broader knowledge of their languages, cultures and institutions; and,

(b) Improve the quality of human resource development in both the European Community and the United States, including the acquisition of skills required to meet the challenges of the global knowledge-based economy.

2. The specific objectives of the Programme shall be to:

(a) Enhance collaboration between the European Community and the United States in the domains of higher education and vocational training

(b) Contribute to the development of higher education and vocational training institutions

(c) Contribute to individual participants’ personal development for their own sake and as a way to achieve the general objectives of the Programme; and,

(d) Contribute to transatlantic exchanges between EU and U.S. citizens.

3. The operational objectives of the Programme shall be to:

(a) Support collaboration between higher education and vocational training institutions with a view to promoting joint study programmes and mobility

(b) Improve the quality of transatlantic student mobility by promoting transparency, mutual recognition of qualifications and periods of study and training, and, where appropriate, portability of credits

(c) Support collaboration between public and private organisations active in the field of higher education and vocational training with a view to encouraging discussion and exchange of experience on policy issues; and

(d) Support transatlantic mobility of professionals with a view to improving mutual understanding of issues relevant to EC/U.S. relations.

Article 4

Principles

Cooperation under this Agreement shall be guided by the following principles:

1. Full respect for the responsibilities of the Member States of the European Community and the United States of America and the autonomy of higher education and vocational education and training institutions

2. Mutual benefit from activities undertaken through this Agreement

3. Broad participation across the different Member States of the European Community and the United States of America; and,

4. Recognition of the full cultural, social, and economic diversity of the European Community and the United States of America.

Article 5

Programme Actions

The Programme shall be pursued by means of the actions described in the Annex, which forms an integral part of this Agreement.

Article 6

Joint Committee

1. A Joint Committee is hereby established. It shall comprise an equal number of representatives from each of the Parties.

2. The functions of the Joint Committee shall be to:

(a) Review the cooperative activities envisaged under this Agreement; and

(b) Provide a biannual report to the Parties on the level, status and effectiveness of cooperative activities undertaken under this Agreement.

3. The Joint Committee shall meet every second year or as agreed upon by the Parties, with such meetings being held alternately in the European Community and the United States.

4. Decisions of the Joint Committee shall be reached by consensus. Minutes, comprising a record of the decisions and principal points, shall be taken at each meeting. These Minutes shall be approved by those persons selected from each side to chair jointly the meeting, and shall, together with the biannual report, be made available to appropriate Minister-level officials of each Party.

Article 7

Monitoring and Evaluation

The Programme shall be monitored and evaluated as appropriate on a cooperative basis. This shall permit, as necessary, the reorientation of activities in light of any needs or opportunities becoming apparent in the course of its operation.

Article 8

Funding

1. Activities under this Agreement shall be subject to the availability of funds and to the applicable laws and regulations, policies and programmes of the European Community and the United States. Financing will be, to the extent possible, on the basis of an overall matching of funds between the Parties. The Parties shall attempt to offer Programme activities of comparable benefit and scope.

2. Costs incurred by or on behalf of the Joint Committee shall be met by the Party to whom the members are responsible. Costs, other than those of travel and subsistence, which are directly associated with meetings of the Joint Committee, shall be met by the host Party.

Article 9

Entry of Personnel

Each Party shall use its best efforts to facilitate entry to and exit from its territory of personnel, students, material and equipment of the other Party engaged in or used in cooperative activities under this Agreement.

Article 10

Other Agreements

This Agreement shall not replace or otherwise affect other agreements or activities undertaken in the fields covered between any Member State of the European Community and the United States of America.

Article 11

Territorial Application of this Agreement

This Agreement shall apply, on the one hand, to the territories in which the Treaty establishing the European Community is applied and under the conditions laid down in that Treaty and, on the other hand, to the United States.

Article 12

Entry into Force and Termination

1. This Agreement shall enter into force on the first day of the month following the date on which the Parties shall have notified each other in writing that their legal requirements for the entry into force of this Agreement have been fulfilled, whichever is the later date. This Agreement replaces the 2000 Agreement Between the European Community and the United States Renewing a Programme of Cooperation in Higher Education and Vocational Education and Training in its entirety.

2. This Agreement shall remain in force for eight years and may be extended or amended by mutual written agreement.

Amendments or extensions shall enter into force on the first day of the month following the date on which the Parties shall have notified each other in writing that their requirements for entry into force of the agreement providing for the amendment or extension in question have been fulfilled.

3. This Agreement may be terminated at any time by either Party by providing twelve months' written notice. The expiration or termination of this Agreement shall not affect the validity or duration of any pre-existing arrangements made under it.

Article 13

Done at (location) this (XX) day of (month) 2006, in duplicate in the English, Czech, Danish, Dutch, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Slovak, Slovenian, Spanish and Swedish languages, all texts being equally authentic. In the event of discrepancies, the English language shall prevail.

IN WITNESS WHEREOF the undersigned, being duly authorised, have signed the present Agreement.

For the European Community **For the United States of America**

ANNEX

ACTIONS

ACTION 1-Joint European Community/United States Consortia Projects

1. The Parties shall provide support to higher education and vocational education and training institutions which form joint EC/U.S. consortia for the purpose of undertaking joint projects in the area of higher education and vocational education and training.

2. Each joint consortium must be formed by a multilateral partnership of EC and U.S. higher education and vocational training institutions.

3. Joint consortia projects should normally involve transatlantic mobility of students in the framework of joint study programmes, with a goal of parity in the flows in each direction, and should foresee adequate language and cultural preparation.

4. Appropriate authorities on each side will jointly agree upon the eligible subject areas for joint EC/U.S. consortia based on priority fields which are key to EC–U.S. cooperation.

ACTION 2-Excellence (follow-up) Mobility Projects

The Parties may provide financial support for student mobility to joint consortia of higher education and vocational training institutions that have a proven track record of excellence in the implementation of joint projects funded by the Parties.

ACTION 3-Policy-oriented measures

The Parties may provide financial support to multilateral projects involving organisations active in the field of higher education and vocational training with a view to enhancing collaboration between the European Community and the United States as regards the development of higher education and vocational training. Policy-oriented measures may include studies, conferences, seminars, working groups, benchmarking exercises and address horizontal higher education and vocational training issues, including recognition of qualifications.

ACTION 4 – "Schuman-Fulbright" Grants

The Parties intend to provide scholarships to highly qualified professionals (including professionals-in-training, who may be engaged in advanced studies at universities and professional schools) who want to undertake studies or training, in areas of specific relevance to the EU/U.S. relationship, which would be jointly identified by the Parties. For the purpose of promoting "Schuman-Fulbright" grants and supporting grantees, the Parties may provide financial support to an organisation that they shall jointly designate.

ACTION 5 – Alumni Association

The Parties may provide financial support to Alumni Associations involving students who have participated in exchanges supported by the EC/U.S. cooperation programme in higher education and vocational training. Alumni Associations may be run by organisations that the Parties shall jointly designate.

PROGRAMME ADMINISTRATION

Administration of these Actions shall be implemented by the competent officials of each Party. These tasks may include:

1. Deciding upon the rules and procedures for the presentation of proposals, including the preparation of a common set of guidelines for applicants

2. Establishing a timetable for publication of calls for proposals, submission and selection of proposals

3. Providing information on the Programme and its implementation

4. Appointing academic advisors and experts

5. Recommending to the appropriate authorities of each Party which projects to finance

6. Providing financial management; and

7. Promoting a cooperative approach to programme monitoring and evaluation.

As a rule, the European Community will provide support for the use of the European Community project partners; the United States will provide support for United States project partners. In providing support, the Parties may have recourse to flat-rate grants, scales of unit costs and/or scholarships.

TECHNICAL SUPPORT MEASURES

Funds may be used for the purchase of services necessary to the implementation of the Programme. In particular, the Parties may have recourse to experts; may organise seminars, colloquia or other meetings likely to facilitate the implementation of the Programme; and may undertake evaluation, information, publication and dissemination activities.

LEGISLATIVE FINANCIAL STATEMENT

1. NAME OF THE PROPOSAL:

Proposal for COUNCIL DECISIONS on the signature and conclusion of the Agreement between the European Community and the United States of America (hereafter 'the US') renewing the co-operation programme in the field of higher education and vocational training.

2. ABM / ABB FRAMEWORK

Policy area: EDUCATION AND CULTURE

Objective: "Mutually improve the quality of education through cooperation with third countries".

Activity: EDUCATION

3. BUDGET LINES

3.1. Budget lines (operational lines and related technical and administrative assistance lines (ex-B.A lines) including headings :

15.02.03 Co-operation with non-member countries on education and vocational training

15.01.04.17 Co-operation with non-member countries on education and vocational training – Expenditure on administrative management

15.01.04.32 Executive agency for education, audiovisual and culture – subsidies for programmes under heading 4

3.2. Duration of the action and of the financial impact: 2006-2013

The final duration of the action will be determined in the course of the negotiation and will be subject to a mid-term review clause.

3.3. Budgetary characteristics (*add rows if necessary*) :

Budget line	Type of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
15.02.03	Non-comp	Diff	NO	NO	NO	**No** 4
15.01.04.17	Non-comp	Diff	NO	NO	NO	**No 4**
15.01.04.32	Non-comp	Diff	NO	NO	NO	**No 4**

4. SUMMARY OF RESOURCES

4.1. Financial Resources

4.1.1. Summary of commitment appropriations (CA) and payment appropriations (PA)

EUR million (to 3 decimal places)

Expenditure type	Section no.		2006	2007	2008	2009	2010	2011-2013	Total
Operarational expenditure									
Commitment Appropriations (CA)	8.1	a	2,224	3,780	4,957	5,924	6,004	20,551	43,441
Payment Appropriations (PA)		b	0,994	3,158	4,486	5,537	5,972	23,294	43,441
Administrative expenditure within reference amount[2]									
Technical & administrative assistance (NDA)	8.2.4	c	0,000	0,352	0,352	0,352	0,352	1,056	2,464
TOTAL REFERENCE AMOUNT									
Commitment Appropriations		**a+c**	**2,224**	**4,132**	**5,309**	**6,276**	**6,356**	**21,607**	**45,905**
Payment Appropriations		**b+c**	**0,994**	**3,510**	**4,838**	**5,889**	**6,324**	**24,350**	**45,905**
Administrative expenditure not included in reference amount[3]									
Human resources and associated expenditure (NDA)	8.2.5	d	0,378	0,378	0,378	0,378	0,378	1,134	3,024
Administrative costs, other than human resources and associated costs, not included in reference amount (NDA)	8.2.6	e	0,010	0,028	0,010	0,028	0,010	0,065	0,150

Co-financing details: N.A.

Under the programme to be renewed by the agreement, the EU will support the involvement of the EU institutions and students. No co-financing from Member States or other bodies is expected.

4.1.2. Compatibility with Financial Programming

☑ Proposal is compatible with existing financial programming.

☐ Proposal will entail reprogramming of the relevant heading in the financial perspective.

☐ Proposal may require application of the provisions of the Inter-institutional Agreement[8] (i.e. flexibility instrument or revision of the financial perspective).

Proposal is compatible with existing financial programming. In particular the estimates of expenditure and financial impact for 2006 are in line with the Budget for that year, whereas the estimates of expenditure and financial impact for the period 2007-2013 are indicative and reflect the current Commission's orientation with regard to the new financial perspectives. These estimates of expenditure do not prejudge the resources available under Heading 4 after an agreement between Council and Parliament on the future financial framework 2007-2013, and may have to be adjusted following such an agreement.

4.1.3. Financial impact on Revenue

☑ Proposal has no financial implications on revenue

4.1.4. Human Resources FTE (including officials, temporary and external staff) – see detail under point 8.2.1.

Annual requirements	2006	2007	2008	2009	2010	2011-2013 on an annual basis and later
Total number of human resources	2,5	3,5	3,5	3,5	3,5	3,5

5. CHARACTERISTICS AND OBJECTIVES

5.1. Need to be met in the short or long term

The bilateral cooperation agreement in the field of higher education and vocational training and youth will seek to enhance mutual understanding among the peoples of the EU and The US, to better prepare citizens for the knowledge society and to mutually enhance the quality of higher education, training and non-formal education for young people in the EU and in The US.

The bilateral cooperation agreement responds to a political desire by the parties at the highest level.

5.2. Value-added of Community involvement and coherence of the proposal with other financial instruments and possible synergy

The relations with the US are of strategic importance for the EU and their scope is constantly widening. Leaders at the Dromoland EU-US Summit of 2004 agreed to look for cooperative means and best practices to enhance economic growth, job creation and innovation. On 18 May 2005 the Commission adopted a communication on a stronger EU-US partnership which, in line with the Lisbon objective, identified cooperation in education and training as an

[8] See points 19 and 24 of the Interinstitutional agreement.

important tool for stimulating knowledge and innovation dynamic and called for renewing and reinforcing the current agreement on Higher Education and Vocational Training.

The EU-US programme would provide added value at a number of levels: building institutional Transatlantic bridges, provide individuals, academic and administrative staff and students with their own transatlantic networks, develop specific subjects and disciplines. Also the renewal of EU-US cooperation programme in higher education and vocational training would preserve and develop the multilateral approach involving in each action institutions and people from different Member States. This multilateral approach has so far proved to be effective to purse the objective of the programme in terms of increasing mutual understanding and improving the quality of education and training in the EU in The US. It has also proved to bear certain economies of scope, scale and quality enhancement with respect to bilateral programmes.

The objectives of the EU/US programme in higher education and vocational training would be fully consistent with those of other EU instruments in these areas. The agreement would set up a framework that would complement other programmes giving the possibility of pursuing objectives of quality education though collaboration between the EU and The US. In addition, the programme would bring in a transatlantic people-to-people cooperation which is absent in other EU education and training programmes.

In particular, the bilateral cooperation programme will complement the Erasmus Mundus programme in that it will focus on undergraduate mobility and include transatlantic exchanges in the field of vocational training.

The programme would also complement the activities of EU Centres supported by the European Union in that it offers additional possibilities for exchanges and encourages structural cooperation between institutions and organisations from both sides of the Atlantic.

5.3. Objectives, expected results and related indicators of the proposal in the context of the ABM framework

Objective	Non exhaustive list of indicators
General objectives	
– To enhance mutual understanding among the peoples of the European Union and the US – To better prepare citizens for the knowledge society – To mutually enhance the quality of education.	– Quantitative data on perception among programme users and stakeholders obtained through surveys carried out during interim and ex-post evaluation
Specific objectives	
– to enhance collaboration between the European Union and the US in the domains of higher education and	– Quantitative data on perception of officials and administrators obtained through direct interviews;

training – to contribute to the development of higher education and training institutions – to contribute to individual participants' personal development for their personal sake and as a way to achieve the general objective of the programme.	– Quantitative data on perception of individuals responsible for institutions and organisations involved in the programme obtained through surveys – Quantitative data on participants' perceptions obtained through surveys.

Results can be defined as an advantage or disadvantage which direct addressees obtain at the end of their participation in a public intervention. They should therefore be identified in relation with the operational objectives of the intervention.

Operational objectives	Results obtained by participants
– To support collaboration between higher education and vocational training institutions with a view to promoting joint study programmes and mobility;	– Institutions: improved curricula and teaching methodologies; greater transparency and understanding of respective credit system; improved preparedness for transatlantic cooperation – Students: enriching transatlantic experience; better education and cultural understanding.
– To support collaboration between public and private organisations active in the field of higher education and vocational training with a view to encouraging discussion and exchange of experience on policy issues;	– Organisations, institutions: better understating of policy issues;
– To support transatlantic mobility of professionals with a view to improving mutual understanding of issues relevant to EU/US relations.	– Individuals: better understanding of key issues in EU/US relations.

5.4. Method of Implementation (indicative)

Show below the method(s)[9] chosen for the implementation of the action.

X ***Centralised Management***

X Directly by the Commission

X Indirectly by delegation to:

X Executive Agency

□ Bodies set up by the Communities as referred to in art. 185 of the Financial Regulation

□ National public-sector bodies/bodies with public-service mission

□ ***Shared or decentralised management***

□ With Member states

□ With Third countries

□ ***Joint management with international organisations (please specify)***

The proposed programme is based on the principle of joint funding from the European Union and from the US. Call for proposals are administered by the European Commission on the basis of joint guidelines agreed beforehand with US authorities.

For the purpose of managing the programme, the European Commission may have recourse to an Executive Agency. If the proposed financial envelope of the EU/US programme is maintained the recourse to an Executive Agency will be justified. The recourse to an Executive agency will also be justified in the case the financial envelope of the EU/US programme is reduced but a very similar agreement be concluded with Canada increasing economies of scale and providing a rationale for implementation of some actions through an Executive Agency.

6. MONITORING AND EVALUATION

6.1. Monitoring system

Monitoring of the joint EU/US projects will be implemented through a combination of desk monitoring (based on regular reporting from grant holders), and on site monitoring carried out by the Commission and by the appropriate structure designated by the US.

[9] If more than one method is indicated please provide additional details in the "Relevant comments" section of this point

6.2. Evaluation

6.2.1. Ex-ante evaluation

The ex-ante evaluation is based on experience acquired implementing the current phase of the programme, direct feedback from programme users, a study on the vocational training strand within the programme, expert consultations and an interim evaluation of the current phase of the programme.

The explanatory memorandum covers the main aspects of ex-ante evaluation and impact assessment.

The main findings of the ex-ante evaluation as regards higher education and vocational training are the following:

– the programme is beneficial for the institutions, faculties and students involved. In particular the programme is effective in improving students and staff cross-cultural understanding.

– the programme also contributed to curriculum development and especially to consolidating transatlantic networks of universities and vocational training institutions.

– the programme is, however, considered too small to have had an impact on the mutual understanding between the people of the European Union and the US.

– sustainability of mobility projects was put into question due to lack of follow-up funding.

– for a vocational training strand to coexist with higher education, a significant budget increase is necessary

– a specific approach was necessary for vocational education and training adapting certain implementation criteria to the specific reality of this field

– the interim evaluation suggest some operational changes: a) increase the duration of consortia projects; b) put emphasis on identification and exchange of best practices; c) introduce a system of additional mobility grants for successful projects.

6.2.2. Measures taken following an intermediate/ex-post evaluation (lessons learned from similar experiences in the past)

The proposed programme will be designed taking into account the conclusions from the ex-ante evaluation, namely, it would

– maintain and develop the well tested and proven components of the programme

– develop a specific approach for vocational training

– build on projects of proven excellence

– reinforce mobility

– increase the financial envelope of the programme.

6.2.3. Terms and frequency of future evaluation

In principle, an interim evaluation will be undertaken after the first three years of implementation and an ex-post final evaluation will be launched at the end of the intervention.

7. ANTI-FRAUD MEASURES

Funding decisions and contracts between the Commission and the beneficiaries provide for in situ checks to be carried out on the premises of beneficiaries of a European Community grant by the Commission and the Court of Auditors, and bestow the power to require evidence of any expenditure made under such contracts, agreements and legal undertakings within five years following the end of the contractual period.

Beneficiaries are subject to reporting and financial accounting obligations, and these are analysed from the point of view of content and eligibility of expenditure, bearing in mind the purpose of the European Community funding, and taking account of contractual obligations and of the principles of economy and sound financial management.

Appended to the financial agreements is information of an administrative and financial nature, designed to specify the kind of expenditure which is eligible under such agreements. Where appropriate, European Community coverage of certain cost elements will be limited to items which are real, identifiable and verifiable in the beneficiary's book-keeping arrangements, so as to facilitate checking and auditing (and evaluation for selection purposes) of projects in receipt of funding.

8. DETAILS OF RESOURCES

8.1. Objectives of the proposal in terms of their financial cost

Commitment appropriations in EUR million (to 3 decimal places)

Headings of operational objectives	**Type of output**	**Av. cost**	**2006**		**2007**		**2008**		**2009**		**2010**		**2011-2013**		**TOTAL**	
			No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost	No. outputs	Total cost
Support collaboration between higher education and vocational training institutions	Transatlantic Degrees	0,664	3	1,924	5	3,320	5	3,320	6	3,984	6	3,984	20	13,280	45	29,812
	Excellence consortia projects	0,203	0	0,000	0	0,000	5	1,017	6	1,220	6	1,220	21	4,271	38	7,729
Support to policy-oriented collaboration	Policy-oriented projects	0,100	1	0,100	2	0,200	3	0,300	4	0,400	4	0,400	12	1,200	26	2,600
Support to mobility of professionals	Schuman–Fulbright Individual Mobility Grants	0,020	10	0,200	13	0,260	16	0,320	16	0,320	20	0,400	90	1,800	165	3,300
TOTAL COST			**14**	**2,224**	**20**	**3,780**	**29**	**4,957**	**32**	**5,924**	**36**	**6,004**	**143**	**20,551**	**274**	**43,441**

8.2. Administrative Expenditure

8.2.1. Number and type of human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources (**number of posts/FTEs**)					
		2006	2007	2008	2009	2010	2011-2013 on annual basis
Officials or temporary staff[10] (XX 01 01)	A*/AD	1	2	2	2	2	2
	B*, C*/AST	¾ 3/4	3/4 3/4	3/4 3/4	3/4 3/4	3/4 3/4	3/4 3/4
Staff financed[11] by art. XX 01 02			0	0	0	0	0
Other staff[12] financed by art. XX 01 04/05		0	2	2	2	2	2
TOTAL		2,5	5,5	5,5	5,5	5,5	5,5

8.2.2. Description of tasks deriving from the action

A*/AD: Policy development, programme manager, relations with partner countries:

B*/AST Financial assistant

C*/AST Secretarial and financial support

8.2.3. Sources of human resources (statutory)

(When more than one source is stated, please indicate the number of posts originating from each of the sources)

2,5 Posts currently allocated to the management of the programme to be replaced or extended.

☐ Posts pre-allocated within the APS/PDB exercise for year n

1 Posts to be requested in the next APS/PDB procedure

☐ Posts to be redeployed using existing resources within the managing service (internal redeployment)

☐ Posts required for year n although not foreseen in the APS/PDB exercise of the year in question

[10] Cost of which is NOT covered by the reference amount
[11] Cost of which is NOT covered by the reference amount
[12] Cost of which is included within the reference amount

8.2.4. Other Administrative expenditure included in reference amount (XX 01 04/05 – Expenditure on administrative management)

EUR million (to 3 decimal places)

	2006	2007	2008	2009	2010	2011	2012	2013	Total
1) Technical and administrative assistance									
a) Executive Agency[13] 5.01.04.32	0,000	0,272	0,272	0,272	0,272	0,272	0,272	0,272	1,904
b) Other technical and administrative assistance:15.01.04.17									
-intra muros:		0,080	0,080	0,080	0,080	0,080	0,080	0,080	0,560
-extra muros:									
TOTAL	**0,000**	**0,352**	**0,352**	**0,352**	**0,352**	**0,352**	**0,352**	**0,352**	**2,464**

The Budget 2006 does not include specific budget line for administrative assistance. Expenditure such as that generated by experts for the assessment of proposals is funded under the DG's global envelope. As from 2007 a budget line for administrative support will be created. This is justified by the potentially higher budget allocated to not only to the EU/US agreement but also to the future EU/Canada agreement (both programmes combined would total 8M€ per annum, up from 3M€ per annum at present). The budget line for administrative assistance is justified also by the possibility of implementing the programme through the existing Executive Agency Education, Audiovisual and Culture. The scale of the proposed budget for the EU/US agreement justifies the recourse to an Executive Agency. In addition, if a similar agreement is concluded with Canada there would be additional economies of scale and a strong rationale for implementing some actions of the programmes through the existing Executive Agency Education, Audiovisual and Culture. For this reason, the table above includes the amount equivalent to 1 contractual agent and 1 temporary post for the Executive Agency.

8.2.5. Financial cost of human resources and associated costs <u>not</u> included in the reference amount

EUR million (to 3 decimal places)

Type of human resources	2006	2007	2008	2009	2010	2011	2012	2013	Total 2006-2013
Officials and temporary staff (XX 01 01)	0,270	0,378	0,378	0,378	0,378	0,378	0,378	0,378	2,916
Staff financed by Art XX 01 02 (auxiliary, END, contract staff, etc.) (specify budget line)									
Total cost of Human Resources and associated costs (NOT in reference amount)	0,270	0,378	0,378	0,378	0,378	0,378	0,378	0,378	2,916

Calculation– ***Officials and Temporary agents:***

[13] The possibility of having recourse to the existing Executive Agency Education, Audiovisual and Culture will be examined in the context of the evaluation of the Agency. The evaluation will be carried out in 2006 in view of the implementation of the new education programmes 2007-2013.

(2,5 staff in 2006 x108.000 EUR) + (3,5 staff in 2007-2013 x 7 years x 108.000 EUR) = 2.916.000 EUR

This calculation is based on the assumption that the Executive Agency Education, Audiovisual and Culture will be involved in the implementation of the programme. If this is not the case, 2 additional Commission staff would be required.

Calculation– ***Staff financed under art. XX 01 02***

N.A.

8.2.6. Other administrative expenditure not included in reference amount

EUR million (to 3 decimal places)

	2006	2007	2008	2009	2010	2011-2013	TOTAL
XX 01 02 11 01 – Missions	0,010	0,010	0,010	0,010	0,010	0,030	0,080
XX 01 02 11 02 – Meetings & Conferences							
XX 01 02 11 03 – Committees[14] Joint EU/US committee set up by the agreement		0,018		0,018		0,035	0,070
XX 01 02 11 04 – Studies & consultations							
XX 01 02 11 05-Information systems							
2 Total Other Management Expenditure (XX 01 02 11)							
3 Other expenditure of an administrative nature (specify including reference to budget line)							
Total Administrative expenditure, other than human resources and associated costs (NOT included in reference amount)	0,010	0,028	0,010	0,028	0,010	0,065	0,150

Calculation-***Other administrative expenditure not included in reference amount***

Missions: 2 x 3000 (to the US) + 6 x 700 (to Member States) = EUR 10.200

Joint Committee meeting with Member States every other year: 25 x 700 x 4 = EUR 70.000

[14] Specify the type of committee and the group to which it belongs.