

COMMISSION OF THE EUROPEAN COMMUNITIES

SEC(92) 1023 final

Brussels, 27 May 1992

COMMUNICATION FROM THE COMMISSION

CONCERNING

**THE DEVELOPMENT
OF**

**EC/US COOPERATION IN THE FIELD OF
EDUCATION AND TRAINING**

COMMUNICATION FROM THE COMMISSION

ON EC/US COOPERATION

IN THE FIELD OF EDUCATION AND TRAINING

I.

- I.1. The Transatlantic Declaration on EC/US relations was agreed by the Community and the United States in November 1990. A special chapter in the agreement deals with education. It declares:

"The partnership between the European Community and its member States on the one hand, and the United States on the other, will be based on continuous efforts to strengthen mutual cooperation in various fields which directly affect the present and future well-being of their citizens, such as exchanges and joint projects in science and technology, including, inter alia, research in medicine, environment protection, pollution prevention, energy, space, high-energy physics, and the safety of nuclear and other installations, as well as in education and culture, including academic and youth exchanges".

- I.2 In this context the EC/US Ministerial Meeting at the end of 1990 agreed, in a Memorandum of Understanding, to establish an EC/US Working Group on Higher Education and Vocational and Continuing Training. This was subsequently agreed to by Commissioner Vasso Papandreou, in consultation with Vice President Andriessen, on the EC side, and by Mr. Lamar Alexander, US Secretary for Education, and Mr. Bruce Gelp, Director of the US Information Agency, on the US side. The objective of the Working Group is:

"to increase transparency and mutual understanding of EC and US activities and programmes related to higher education, and vocational and continuing training. In this framework, the Working Group should pool information and experience on the current situation and latest developments in these fields, including evaluations of international cooperation to date".

II.

Strategic significance of transatlantic links

- II.1 The long-term strategic significance of collaboration in education and training has to be seen as an important building block for strengthening relations between the Community and the US, especially as a counterpart to some of the tensions experienced in the commercial field. There is a clear need to have better mutual understanding of the development of our respective interests and policies in the human resources area. It is also now all the more important to cement this alliance between two of the world's three major democratic and market-oriented economic powers as some other parts of the world show signs of political and economic upheaval. Moreover, the decision of the G7 leaders meeting at the Sommet de l'Arche in 1989 to associate the US and other G24 Members with the Community programmes in education and training being introduced in Central and Eastern Europe has given further impetus to the need for EC/US collaboration via, inter alia, US involvement in TEMPUS.

- 11.2 The nature of EC/US relations is also changing considerably. This is now highlighting the growing importance of economic, scientific, educational and cultural relations. Education and training, through interactive schemes of exchange at staff and student levels, and analyses of changes in the demand and supply of human skills and qualifications, help to cultivate that mutual understanding and respect on which successful political and commercial relationships can be constituted.
- 11.3 The definition of the Community's developing position in the world requires the widest possible dissemination of knowledge concerning the Community, its laws, its policies, its practices and its institutions. This has been underlined by the decision of the US Information Agency, which chairs the Working Group on the US side, to offer, in 1991, a number of scholarships for US doctoral and post-doctoral scholars to come to Europe to study Community institutions. Moreover, for the academic year 1991/92 the Fulbright Scholar-in-Residence Program (funded by USIA) has invited 3 senior EC officials to teach at selected US universities. The objective is mainly to disseminate information about the Community within the host academic institution and in the surrounding - academic, business, social, news media - community in the US. Accomodation and costs are mainly financed by the USIA, the EC paying the normal salary costs. Another scheme involves inviting Member State government officials, policy makers and journalists responsible for Community affairs, but who are working in their home country, to undertake study visits to the US as part of the International Visitors Programme. Over 20 participants have already been invited in the first year. These initiatives were undertaken to coincide with the first meeting of the Working Group.
- In 1991, an agreement had been reached by the Commission as organiser of the European Community Contest for Young Scientists and the US Organiser of the International Science & Engineering Fair concerning a mutual exchange of delegations of young scientists each year. To this effect, in 1991 some European students participated as guests to the 42nd International Science & Engineering Fair and two American students attended the 3rd EC Contest for Young Scientists.
- 11.4 Closer ties between the EC and the US, a traditional ally of Western European values, can only enhance the prospects for economic and social stability in the new world order. Cooperation in education and training constitutes a powerful bond in cementing those mutual values and interests: it is unique in being entirely non-contentious, offering a balance of benefits from complementary strengths and cross-fertilisation of ideas.
- 11.5 The educational institutions of the Member States of the Community and of the United States are the custodians of much that is valuable in European and American culture and science and thus constitute the ideal instruments for EC/US cultural, educational and scientific interchange. Living and studying over a period of time in another country is an ideal means of breaking down cultural barriers, encouraging friendship and understanding and

establishing contacts which can prove invaluable in later working life, especially in such areas as manufacturing, trade, finance, journalism and public administration, including international relations.

- 11.6 Students of economic and commercial subjects, for example, will find a sojourn in a foreign academic institution an invaluable training for a future career in international production and trade. This should encourage the competitiveness of exporters, considering the falling shares of the EC and US in world trade, especially high technology sectors, and in view of the opening up of new markets in post-1992 Europe and the North American free trade area. European students could, for example, benefit from US specialisation in Asian studies, while Americans could benefit from specialised courses in Europe in Oriental, especially middle-Eastern studies.
- 11.7 Cooperation between the EC and the US in this area could also serve as a model for similar actions with other parts of the world (such as, for example, Canada and Japan), should this be appropriate.

111.

III.1

- 111.1 The Memorandum of Understanding, referred to in para. 1.2 above, identified two areas of mutual interest, namely:

- * the comparative analysis of qualifications and skill needs together with training policy responses;
- * the development of cooperation at the Higher Education level.

The first two meetings of the Working Group in 1991 in Leuven and Washington respectively confirmed the priority of both these areas and provided the basis for this present Communication.

Skills Shortages and Qualifications

- 111.2 Both the European Community and the United States' administration are concerned about the perception that they are under-investing in education and training, that their structures do not sufficiently answer to the rapidly changing requirements of the 1990s and that educational and training standards are falling. Both sides are faced with such common challenges as: the obsolescence of existing skills with the advance of technology, especially such pervasive technologies as digital information processing or flexible manufacturing; the changing demographic pattern, with a higher proportion of dependants and women-returns to the labour market requiring new skills; and increasing competition, particularly from South East Asia, in technology-intensive trade products. The Community is also faced with the prospect of a rapidly changing pattern of demand and supply for skills and qualifications as a result of the completion of the internal market. The United States is faced with structural change resulting from the free trade agreement with Canada and Mexico.

- III.3 The need for a concerted reaction at the level of the Community to this evolving situation has been recognised for some time. Part of the Community response has lain in the introduction of a series of training initiatives such as PETRA (transition from school to work), FORCE (continuing training for employees), COMETT (training for technology) and LINGUA (training in foreign languages), with the objective of encouraging a transeuropean approach and maximising the transfer of knowledge and experience between different national systems. On the research side the Framework Programme includes the action "Human Capital and Mobility" for the training and mobility of young researchers. The US response has been the launching of President Bush's strategic action plan "America 2000", which includes plans to radically reform American schools and introduce opportunities for continuing education and training for all Americans.
- III.4 The Technical Group on Skill Shortages has identified, in particular, the following areas as meriting joint attention:
- new skill needs for the workforce and the framework for policy priorities and operational activities;
 - continuing training of the adult workforce, with special attention to the needs of small and medium-sized industries;
 - the comparison of qualifications and the potential contribution of labour mobility; and
 - interfaces between secondary/postsecondary education and industry.

Academic Cooperation

- III.5 The basic principle of the proposal for EC/US multilateral academic exchanges is that it be designed specifically to be complementary to existing and future bilateral schemes for exchanges between Member States and the US and between individual academic institutions. The proposed pilot scheme should build upon and add to such bilateral arrangements, and should be based as far as possible on the own-initiative of the institutions concerned. For example, the scheme could exploit experience already gained in the Community in the areas of academic recognition of periods of study spent abroad and of study credit transfers and ongoing work in the area of open and distance learning.
- III.6 The principles of reciprocity and multilaterality which will underlie such a EC/US scheme for balanced academic exchanges will complement the tradition of one-way traffic of European graduates towards the US, and will ensure that universities in regions within the EC which have hitherto had little access to cooperation with the US will now have enhanced opportunities of cooperating with US centres of excellence. An influx of Americans into some of the lesser-frequented institutions in the Community regions could similarly induce a fresh approach to perceptions of society while providing a generation of young Americans with an insight into the widest possible range of European culture and traditions.

III.7 The pilot scheme will be open to all types of higher education institutions and would involve students at both undergraduate and graduate levels as well as teaching staff. The subject areas covered could include Natural Sciences, Social Sciences and the Humanities, but every effort would be given to diversifying the range of subjects traditionally involved in European-US exchanges, by including disciplines such as architecture and business studies. Particular emphasis could be placed on European Studies, American Studies and projects focussing on EC/US relations, thereby contributing directly to the furthering of EC/US relations and to a heightening of US awareness of the process of European integration.

III.8 American students could benefit from the experience of speaking European languages, especially the lesser-used ones, as living languages rather than as written text only. Europeans would benefit from exposure to English as spoken and used in the US.

IV. [REDACTED]

IV.1 With regard to the financial implications, the Commission estimates, on the basis of discussions held to date with the US authorities, that an initial sum of 3 MECU from the Community budget for 1993 would be required. A similar financial contribution from the US side would be envisaged and the principle of co-financing would be respected across the range of activities foreseen. Based on the experience of activities during that time, the budget would then be reviewed. The possibility of private sector funding could also be examined in this context. A detailed budget is contained in Annex II.

V. [REDACTED]

V.1 The Council and the Parliament are requested:

to approve the policy orientations contained in this Communication and, in particular, the outline programme of activities set out in Annex I as a basis for discussions between the Commission and the relevant US authorities. Once these discussions have been completed the Commission will report on the outcome with a view to implementing a pilot programme with effect from 1 January 1993. Based on the experience of 1993 and 1994, the Commission will submit an evaluation to the Council and Parliament together with such proposals as may be deemed appropriate for the continuation and development of the activities.

OUTLINE PROGRAMME
FOR COOPERATION BETWEEN THE EUROPEAN COMMUNITY AND THE UNITED STATES
IN HIGHER EDUCATION AND TRAINING

AREA OF ACTIVITY A: Skill Needs and Training

- support of comparative studies on qualifications and skill needs and shortages;
- support of joint seminars on topics of common interest related to skill shortages and training of the present and future workforce to meet these challenges.

AREA OF ACTIVITY B: Cooperation in Higher Education

- establishment of a pilot scheme to exchange students and staff (teachers and administrators) between EC and US. The pilot scheme should take into account any complementary experience to be derived from bilateral or other schemes already in existence, but should aim to add a distinctive European dimension to the present arrangements;
- support of inter-institutional cooperation between universities in the EC and the US aiming at the development of joint curricula and testing the possibilities of credit transfer and mutual recognition of credits for students exchanged in the pilot scheme;
- support and information activities for the institutions involved in the pilot scheme;
- support of the establishment of relations between relevant sectors in industry and universities in order to implement placement in industry as part of the pilot scheme.

AREA OF ACTIVITY C: Complementary Measures

- support of the Fulbright Programme by assisting US fellows visiting the Community and its institutions (set up welcome programmes e.g., on EC legislation and integration and provide the necessary facilities) and co-finance of the costs of EC fellows visiting US universities;
- organisation of summer schools and intensive seminars;
- monitoring and evaluation;
- technical assistance including organisation of meetings of the Working Group (twice a year) and of the two technical groups supporting the Working Group (approx. 4 times a year).

FINANCIAL TABLE (ECU)Subject: EC/US Cooperation in Higher Education

	■	■
AREA OF ACTIVITY A:		
<u>Skill Needs and Training</u>		
- sectoral studies:	150.000	250.000
- meetings and seminars:	100.000	100.000
subtotal:	250.000	350.000
AREA OF ACTIVITY B:		
<u>Cooperation in Higher Education</u>		
- studies:	100.000	100.000
- preparatory visits:	400.000	500.000
- staff exchanges:	800.000	1.400.000
- student exchanges:	700.000	1.700.000
- information material and support:	100.000	100.000
subtotal:	2.100.000	3.800.000
AREA OF ACTIVITY C:		
<u>Complementary Measures</u>		
- support to the Fulbright Programme: (3 persons excl. salary costs)	200.000	200.000
- summer schools, intensive seminars:	50.000	50.000
- monitoring and evaluation:	100.000	100.000
- technical assistance:	300.000	500.000
subtotal:	650.000	850.000
TOTAL:	3.000.000 (3 MECU)	5.000.000 (5 MECU)

FINANCIAL RECORD

STRAND I: FINANCIAL IMPLICATIONS

1. TITLE

EC/US Cooperation in the field of Higher Education and Vocational Training

2. BUDGETARY LINE

B 3.107 (APB 1993)

3. LEGAL BASIS

3.1 The Transatlantic Declaration, issued in the context of European Political Cooperation, agreed by the Community (Italian) Presidency and Foreign Ministers and the US Secretary of State in November 1990, following endorsement at the European Council in June 1990 in Dublin.

3.2 The Memorandum of Understanding on Cooperation in Higher Education and Vocational Training signed in November 1990 by Commissioner Vasso Papandreu in consultation with Vice-President Andriessen and, on the US side, by Mr B. Gelb, Director US Information Agency and Mr L. Alexander, Secretary US Department of Education, in December 1990.

4. DESCRIPTION OF THE ACTION

4.1 Specific objectives

As stated in the Declaration the objective is to base the partnership between the EC and the US on continuous efforts to strengthen mutual cooperation in fields which directly affect the present and future well-being of their citizens, including exchanges and joint projects in education and culture, including academic and youth exchanges.

As described in the Memorandum the purpose of the Working Group is to increase transparency and mutual understanding of EC and US activities and programmes related to higher education and vocational and continuing training.

4.2 Duration

The Declaration does not specify an expiry date. Two years (1993/94); initially.

4.3 Target Population

Academic and administrative staff and students in third level education in the EC; Community functionnaires (Commission, Council, Parliament, ESC) invited by the US authorities as part of the International Visitor Exchange Programme; public administration and policy researchers in the area of skills needs and academic and vocational curricula.

5. CLASSIFICATION OF THE EXPENDITURE

- 5.1 Non-compulsory expenditure
- 5.2 Non-associated appropriations
- 5.3 US parallel funding

6. NATURE OF THE EXPENDITURE

- 6.1 Not 100%
- 6.2 Topping-up grants to academic staff and students to cover part of transport and accommodation costs; co-financing with USIA costs of Community officials visiting US centres of learning. The US intends to match the level of spending secured in the Community.
- 6.3 Not applicable
- 6.4 Not applicable
- 6.5 Not applicable
- 6.6 Although there will be an addition of funds from the US, a non-Member of the EC, for the purpose of augmenting the budget available for the programme, there are no implications for revenue as such.

7. ESTIMATE OF FINANCIAL IMPLICATION (PART B OF BUDGET)

7.1 Mode of calculation of the action

The cost of the action has been calculated on the basis of the various activities to which we are committed by the Memorandum of Understanding. These may be grouped into 3 main areas of activity:

AREA OF ACTIVITY A: Skill Needs and Training

- support of comparative studies on qualifications and skill needs and shortages;
- support of joint seminars on topics of common interest related to skill shortages and training of the present and future workforce to meet these challenges.

AREA OF ACTIVITY B: Cooperation in Higher Education

- establishment of a pilot scheme to exchange students and staff (teachers and administrators) between EC and US. The pilot scheme should take into account any complementary experience to be derived from bilateral or other schemes already in existence, but should aim to add a distinctive European dimension to the present arrangements;
- support of inter-institutional cooperation between universities in the EC and the US aiming at the development of joint curricula and testing the possibilities of credit transfer and mutual recognition of credits for students exchanged in the pilot scheme;
- support and information activities for the institutions involved in the pilot scheme;
- support of the establishment of relations between relevant sectors in industry and universities in order to implement placement in industry as part of the pilot scheme.

AREA OF ACTIVITY C: Complementary Measures

- support of the Fulbright Programme by assisting US fellows visiting the Community and its institutions (set up welcome programmes e.g., on EC legislation and integration and provide the necessary facilities) and co-finance of the costs of EC fellows visiting US universities;
- organisation of summer schools and intensive seminars;
- monitoring and evaluation;
- technical assistance including organisation of meetings of the Working Group (twice a year) and of the two technical groups supporting the Working Group (approx. 4 times a year).

The cost of executing these actions was then estimated according to the following main principles:

The Commission will evaluate the needs within the Community for student and staff exchanges with the US as well as analyses of skill shortages within the Community as influenced by such external changes as foreign competition and new technology. The Community will cover only its own costs, including the exchanges of Community students and academic staff.

Mobility will be funded at levels commensurate in relative terms with existing Community programmes taking into account, nonetheless, the specific situation which Community staff and students will face in the US.

Analyses of skill needs will be conducted as much as possible within Commission services, with only a limited number of sectoral studies conducted by external consultants. To reduce administrative costs, members of the Working and Technical

Groups on both sides of the Atlantic will strive to combine working sessions and seminars with existing engagements such as visits to OECD in Paris or ILO in Geneva.

The estimated needs for 1993 are for MECU 3 to cover activities in the 12 member States and associated technical assistance.

These amounts represent the department's technical estimates and are given purely as an indication. The sums earmarked for 1993 are subject to renewal of the financial perspective as appropriate.

7.2 Schedule for payments

Most activities such as sectoral studies, information support, preparatory visits, could start in early 1993 and be paid, following accepted practice, as services are provided. Student exchanges would commence later at the start of the academic year in 1993. Monitoring and evaluation would commence at the end of each calendar year.

8. ANTI-FRAUD

The TFHR would closely monitor movements of students and academic staff to ensure conformity to conditions for receipt of grants, especially by checking progress with recognised, participating institutions.

STRAND 2: ADMINISTRATIVE EXPENSES

1. STAFF REQUIREMENTS

- 1 A Grade
- 1 B Grade
- 1 C Grade

Subject to the new staff made available by the budgetary authority in the 1993 budget.

2. TECHNICAL ASSISTANCE COSTS

Based on existing experience with movements of academic staff and students, the organisation of seminars, summer schools, the commissioning of studies, preparation of promotional material and activities, the TFHR estimate that this would cost some 10% of the overall budget i.e., ECU 300.000 per annum.

Subject to the amounts for technical assistance to the Commission made available by the budgetary authorities in the 1993 budget.

3. MISSIONS

An amount of Ecu 50,000 is foreseen for mission expenses subject to amounts for this purpose being made available by the budgetary authorities in the 1993 budget.

STRAND 3: COST BENEFIT ANALYSIS

1. OBJECTIVES AND COHERENCE

1.1 Among the main activities proposed are student exchanges, staff exchanges and preparatory visits. Cost of these will vary in each case depending on the time spent in the US, distance travelled, cost of study and accommodation at different US academic institutions. The objective is to achieve the maximum number of exchanges possible under these circumstances from all 12 Member States. This Memorandum has estimated that the average incentive necessary to encourage participation would be ECU 3.000 per head for students. Presuming each "transatlantic exchange project" consisted of 5 students from each one institution in at least 2 Member States this would cost ECU 30.000. Preparatory meetings and short-term exchanges of teaching and administrative staff would be closely involved in each such project. This would be especially so in the initial stages of the programme when early contacts with the more heterogeneous structure of US academia would involve more detailed discussion. (This has been the experience in other programmes such as ERAMUS and TEMPUS). These preparatory visits and staff exchanges would include:

- (i) ad hoc visits for an average duration of less than one week in the US institution;
- (ii) staff exchanges lasting 1 week or more; and
- (iii) visits of staff for planning which would involve a few days duration.

1.2 There is no existing provision within the TFHR budget for such collaboration with the US.

1.3 To learn of best practice internationally in higher education and vocational training and diffuse such knowledge throughout the Community regions.

2. JUSTIFICATION

2.1 a) There being no realistic alternative means to the Declaration's objective of encouraging exchanges of persons and information it is believed that an average annual subvention of ECU 3.000 is cost-effective considering location and duration of the exchanges, while other costs, such as for studies and seminars, represent minimum costs for an acceptable standard based on past experience.

- b) the proposed action would have the additional, major effect of improving relations with the Community's main trading partner at a time of major change and instability in international relations.
- c) the US authorities promise to match the level of Community expenditure. Already the USIA have increased their expenditure and scope of the International Visitors Programme.

3. FOLLOW-UP AND EVALUATION

- 3.1 One of the main indicators would be the proportion of European students who successfully completed the annual study course and the level at which this was achieved.
- 3.2 Annual evaluation by an external independent analyst.
- 3.3 The main preoccupation would be to ensure a balance in the reciprocal exchange of US students among the Member States, especially those with less-frequently spoken languages.