

The future Education Europe Programme

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Summary

Education is crucial for local economic development; the European Union (EU) may offer enhanced opportunities for funding and cooperation through both the Structural Funds and the future Education Europe Programme, which will focus on learning mobility, cooperation and adaptation to the labour market.

Local and regional authorities (LRAs) are taking measures to improve the local educational landscape, in accordance with their room for manoeuvre, path dependencies and opportunities offered by national and EU support and funding programmes. Alternative options for local measures concern governance and funding models. Effective strategic partnering and use of available resources will be mutually reinforcing, leading to better educational attainment. Four options are suggested:

Option 1: an inclusive regional strategy, which is ambitious, rewarding and challenging. This option is more appropriate for regions with a good track record in education and adequate administrative capacity.

Option 2: an approach that has a similar governance rationale, whereby synergies are created through partnering with individual players only. Such players are generally Higher Education Institutions (HEIs) but partnering can also take the form of public-private partnerships (PPP).

Option 3: EU funding to strengthen trans-European cooperation and learning. Opportunities are offered to regions wishing to internationalise through various forms of partnering and benchmarking.

Option 4: funding opportunities through the EU Structural Funds to complement regional funding where needed. These opportunities may concern early school leavers and second-chance schools, additional or innovative infrastructure, matching of labour market needs, and leveraging for a more rapid roll-out of national schemes at the regional level.

Several of the cases examined demonstrate that rich regions are in a position to adopt broad, ambitious and inclusive strategies. In particular, they can mobilise the necessary resources, organise the necessary international partnering and/or engage and commit to continuity. Other cases indicate that individual projects can be very rewarding in terms of improving local infrastructure and enhancing the human resources and skills needed in the local labour market, all of which together improve social adaptability and economic performance. EU funding opportunities are invaluable for transnational collaboration but also enable

cohesion regions to catch up in terms of infrastructure and the digital divide.

In order to improve educational attainment levels, which are linked to economic performance, it is recommended that LRAs:

- take into consideration the general conclusions for modernising and improving the education sector;
- make sure they organise and fund their design appropriately.

As regards the general direction of educational policy, it is important to adopt structured and systemic approaches. Quality of education should be given priority, with emphasis on the relevance and ongoing improvement of teachers' qualifications. At the same time, it is important to consider the universal nature of education by addressing the issues of early school leavers and disadvantaged population groups. Special initiatives and long-term, pre-emptive policies are needed for this. Finally, to get the best out of education LRAs need to take action to ensure that education at all levels provides a balance of labour market skills.

The means of implementing these universally accepted recommendations include drawing on sources of funding, cooperation and policy learning so as to create long-term educational strategies that are agreed on by all stakeholders. But this can only be successful with a well-organised policy cycle of priority-setting (where setting priorities depends on the history of the region, its strengths and weaknesses), implementation, monitoring and evaluation (using international benchmarking) and adaptation/redesign. Working with specific private or public organisations to create individual partnerships that can leverage quantity and quality improvements in regional education can help even when no broader strategies are adopted. LRAs can provide the funding and targets sought in such partnerships. The targets are then translated into concrete milestones and achievements that characterise the progress and effectiveness of the partnership. Conversely, individual organisations will offer their own contribution, such as educational skills in the case of HEIs or discounts on products and services in the case of the business sector.

EU funding and cooperation opportunities exist - they are ample and increasing in number, and good practice demonstrates that such opportunities can be very beneficial if adequately designed. They can help internationalise, through the use of competitive EU educational funding for transnational cooperation within and beyond Europe; they can help policy learning; and they can also complement local funding through the EU Structural Funds.

EU support is relevant and can further enhance a good balance of excellence and cohesion as well as increased focus on economic benefits for local communities, through the concentration of resources, improvements in management and type of eligible funding. In particular:

1. Concentration of resources helps trigger synergies and enhance leverage effects.
2. Management improvements are necessary in order to keep costs to a minimum while reducing the administrative burden for applicants. It is also important to reduce the share paid to intermediaries and increase that paid to beneficiaries (compensation for students' living costs, which goes back to the local economy in different forms).
3. Both excellence and cohesion are important, as not all regions have the same ability to target excellence.
4. Both social and economic benefits are important. For the latter, the main aspect is employability so consideration should be given to providing students with placement opportunities on a more systematic basis. This would significantly contribute to raising the profile of the programme among employers.
5. Monitoring and assessment are an important aspect, not only for EU programmes but also in helping regions build a more ambitious education policy.

1. Set of policy options/hypothesis

1.1 Introduction: current EU initiatives in education

Education is the cornerstone of the knowledge society and has gained increasing attention globally. Education policies in the EU are supported by LRAs, national governments and European institutions. At EU level, budgets allocated to education have increased significantly from both the Structural Funds and programmes of the Directorate-General for Education and Culture. For the latter, mobility and the transnational dimension of education are crucial elements in justifying intervention. The new Education Europe Programme will include three key priorities: (i) support for transnational learning mobility with strict quality conditions; (ii) fostering of co-operation between education institutions and the labour market; and (iii) provision of policy support to gather evidence on the effectiveness of education investment.

LRAs are increasingly active in education policies, but there are no one-size-fits-all approaches that can guarantee improvements in educational performance. Although there is currently enough knowledge to guide decisions (quality of teachers, institutional independence, inclusiveness and resources being the most important¹), the options for LRAs depend on their socio-economic characteristics, their autonomy vis-à-vis the national system, and their past performance (and reputation) in education. Section 1.2 discusses LRAs' options for successful intervention depending on their characteristics and opportunities.

1.2 Options for LRAs to contribute to educational attainment

Four different options for involving LRAs are presented below. They concern governance (possible partners) and funding (how to mobilise additional resources) models, which are obviously not mutually exclusive as partnering and funding can be reciprocally reinforcing. These options are presented with an emphasis on their relevance for better education and their appropriateness for different needs and types of regions, for which examples, some of which will be further explained in Part 2 of this file note, are provided.

¹ OECD Education at a Glance 2011; McKinsey & Company (2010).

Option 1: Create strong local partnerships by adopting a systemic view and embed different funding opportunities into a single local or regional strategy

This seems to be the most effective and difficult option because on the one hand it addresses all levels of education and all stakeholders, but on the other it requires strong coordination, regional autonomy and continuity of resources. It is a particularly appropriate option for local authorities or regions with high degrees of autonomy (Berlin in Germany, Andalusia and Catalonia in Spain), educational infrastructure and adequate administrative capacity. Regions that wish to adopt such a model have to make a longer-term commitment, ensure resources (own, national and European) and implement a carefully designed monitoring system. For LRAs that select this option, the self-assessment exercises provided by the OECD are a valuable support tool.

Option 2: Create partnerships between LRAs and individual educational establishments, in particular HEIs

Regions in countries with centralised regulatory systems, limited administrative capacity and scarce funding are likely to concentrate their partnering on fewer actors, mainly HEIs, as investments in upper secondary or post-secondary non-tertiary education are very rewarding for the local economy². Partnering with HEIs can have different objectives, namely: (i) strengthening excellence (as in the case of the Regional Council of Rhône-Alpes, France, or in the region of Lombardy, Italy); (ii) better linking of tertiary education with the labour market (Montpellier in Languedoc-Roussillon, France, and Bornholm, Denmark); or (iii) trying to meet the need to increase the effectiveness of regional thematic areas and develop the knowledge economy (Ostrobothnia, Finland). Individual partnering can take the form of a PPP, where for instance businesses can offer discounts in procurement and services to education (voucher system in Lombardy, Italy; Montpellier in Languedoc- Roussillon, France).

The main difference between Options 1 and 2 is the existence (or not) of an overall strategic framework and its monitoring.

Option 3: Use of EU funding for internationalisation

There are several opportunities for obtaining EU funding when there is a rationale for working across borders.

- Cross-border twinning is important in making the European Higher Education Area a reality, with quality and mutual recognition (Joint

² OECD (2011).

Masters courses on the initiative of HEIs). This can also help neighbouring regions to improve their university systems by joining forces and improving their reputation (Belgium, Germany, France, and Luxembourg in the University of the Greater Region; Bristol-Bordeaux twinning). In such projects individual actors take initiatives but the support of the relevant LRA is crucial for funding and implementation.

- Exploiting potential economies of scale and learning from piloting common projects in neighbouring regions with similar problems is another important option offered by EU funding (e.g. knowledge hubs in Poland-Lithuania; individuals with specific learning difficulties in Ireland and UK). This is most effective in regions that share the same language.
- Cooperation beyond Europe to avoid introspection is offered by the European Neighbourhood Programme (ENP). However, in this case it is mainly individual organisations (HEIs or other educational establishments) that are eligible and LRAs can only play an indirect, supportive role.
- Benchmarking for mutual learning (EuroApprenticeship³) is another option offered by the EU. This involves a combination of tools at national/regional and/or local level for fixing policy goals, creating targeted educational programmes, building up educational capacity and monitoring results. Effective monitoring is a crucial element of modern public management⁴ and can be facilitated by EU-supported funding exercises.

Option 4: Use of the EU Structural Funds to address a region-specific problem and to complement regional funding where insufficient

LRAs can choose to use structural funding earmarked for them to support educational measures. For regions with limited means which need new approaches, the Structural Funds offer specific opportunities to address their internal problems⁵. Examples of such problems include:

- Drop-outs from primary and secondary education and attainment gaps (lower educational attainment of migrants, and socially deprived and handicapped students) are major obstacles to development of the knowledge society

³ Mobility of apprentices in Europe, [The European network to promote, implement and enhance learning mobility for apprentices](#).

⁴ The World Bank (2004).

⁵ The main difference between this and the previous option is that international cooperation is not a mandatory eligibility criterion here.

(Montpellier, Languedoc-Roussillon, France, runs "Regional schools for a second chance"; Greece is using EU funding for a country-wide project with calls for regional proposals for second-chance education).

- Inadequate educational infrastructure is also a general problem, in particular in less-favoured regions, and the Structural Funds can be used to cover straightforward needs (e.g. the new university campus in French Guiana, the new science departments in the university in Pomorskie, Poland, and the extension of the Faculty of Mathematics and Computer Science and the Regional Centre for ITC training at the Nicolaus Copernicus University in Toruń, Poland). Inadequate infrastructure can also be addressed through innovative approaches (such as the "library bus" project in Baranya County, South Transdanubia, Hungary that aims to make books, articles, specialised literature and digital documents accessible to people living in small and remote villages; the Student Incubator in Aarhus, Denmark; or the virtual campus in Andalusia, Spain).
- In regions where the basic infrastructure is available, the Structural Funds can add value to existing organisations and improve the matching of skills to labour market needs (in Hainaut, Belgium, setting up of an applied research centre of excellence with support from the Walloon Region and the initiative of the Polytechnic Faculty of Mons, Belgium, creating local skills to attract investment; the library on wheels for remote communities in Hungary).
- Finally, the Structural Funds can be used to complement large-scale ambitious national programmes (as with the "learning regions" in Germany; or the "all-day schools" in Greece).

1.3 Hypotheses on the relevance of the options outlined

These options appear best suited to exploit the benefits of education based on the following hypotheses, substantiated by the literature:

1. Education is an excellent tool for promoting economic growth and social development; this has gained universal recognition in the academic⁶ and policy literature.
2. EU Member States (MS) and regions can only survive international competition through increased investment in the knowledge society⁷.

⁶ Psacharopoulos G., Patrinos H.A. (2002).

⁷ European Commission (2010).

3. All levels of education are relevant. OECD *Indicators 2011*⁸ gives an overview of the relevance of different education levels. The OECD believes that investment in upper secondary or post-secondary non-tertiary education can bring an average gain of about USD 78 000 over the working life span of the person who received that education. The benefits are higher in advanced countries, where skills can be exploited. The rewards for tertiary education are typically twice as large. At a social level, the report shows that adults aged 25-64 with higher education are often more satisfied with their life and engage more in society. The problem of early school leavers in primary and secondary education, diversity issues (lower educational attainment of migrants and handicapped people in particular), mismatches between education and skills needed in the market, and the rapid obsolescence of knowledge are factors that make education and human capital development the most crucial elements for success in contemporary societies⁹.
4. LRAs have a crucial role to play in the EU. They are best positioned to address the importance of vocational training in the labour market, because skills respond to local rather than nationwide requirements. In addition, they can enhance learning mobility not only as a means of personal advancement but also as a tool for cultural exchange. Finally, they are the most appropriate level for measures to help migrant populations, which often differ from one region to the other within the same country.
5. Vocational training, educational initiatives and work placements in foreign countries may be an important tool for developing personal intellectual qualities and qualifications in the labour market.

⁸ OECD (2011).

⁹ Rumberger and Lim, 2008; Traag and van der Velden, 2008; Markussen, 2010; Byrhagen *et al.*, 2006; Markussen *et al.*, 2008.

2. Inventory of local and regional initiatives

Ten initiatives are described below as examples of the four options outlined in section 1.2 above being implemented. The examples were selected on the basis of availability of information and of a good geographical balance across Europe. They are presented in alphabetical order, by country.

Area -Title of initiative	HIGHER EDUCATION - Student Incubator
Country	DENMARK
Relevant links	European Commission, Regional Policy - Inforegio: Energising the entrepreneurial spirit at Aarhus University
LRAs involved	Aarhus University is implementing this project in the context of a broader regional strategy aimed at making Aarhus a hub of the knowledge economy, with relevant authorities working on the development of framework conditions for cooperation with business.
Other stakeholders	Aarhus community
Implementation period	2007-2013
Relevant option	Option 4
Description	The project provides a mechanism for students to exchange ideas on promoting entrepreneurship as an alternative career path. Students from different faculties and professions interact to develop "business concepts that generate value". Within the project, the Take Off initiative has been developed as an incubator facility for students wishing to start their own business. The incubator provides training and office space for the students.
Target groups	BA and graduate students at Aarhus University.
Implementation procedures	A training course (Sand Box) is in place to teach students about entrepreneurship. The course serves as an intermediate step for those who have not yet decided to join the Take Off initiative.
Difficulties encountered	None reported.
Financing	The total cost is EUR 871 800, of which EUR 435 900 is funded by the EU.
Evaluation	The actual number of students enrolled in the scheme was three times higher than original estimates: 152 students spread over 95 enterprises. Over one year, 102 students took part in the Sand Box.

Area - Title of initiative	ADULT LEARNING - ER2C - Regional schools for a second chance
Country	FRANCE
Relevant links	European Commission, Regional Policy - Inforegio: ER2C - Regional schools for a second chance Open Days 2011 presentation
LRAs involved	The Regional Authority of Languedoc-Roussillon launched the initiative and the municipal authority of Montpellier was responsible for coordination.
Other stakeholders	Companies, residents of Montpellier
Implementation period	2006-today
Relevant option	Option 4
Description	<p>The project is a vocational training programme designed to address the problem of early school leaving by offering the option of additional education for school drop-outs. The initiative is considered to give them more social and economic opportunities.</p> <p>In the southern region of France, drop-outs account for 6% of students leaving high school or leaving the first year of a vocational training programme (CAP or BEP). About 33% have literacy problems. In Languedoc alone about 5 000 people leave school without qualifications.</p> <p>The objectives of the programme are summarised as follows:</p> <ul style="list-style-type: none"> - development of basic skills enabling adults to enter the business sector; - development of social and behavioural skills so that targeted adults can function better in society;provision of customised training to enhance personal skills and setting professional goals, through apprenticeships <p>The only selection criterion for the programme is self-motivation. Innovative teaching techniques are used, combining periods of work and internship.</p>
Target groups	Young people aged 18-25. The programme is for people who have: (i) left school at least six months before applying for the programme; (ii) are officially looking for a job, having registered with the National Employment Agency.
Implementation procedures	Applications are encouraged through the local employment centre and other regional bodies.
Difficulties encountered	In the past, applications were evaluated on the basis of specific criteria, which meant that maximum opportunities for applicants were not ensured.
Financing	EUR 4.8 million since launch in 2006, of which 50% has been EU funding.
Evaluation	64% of students made a "fresh start" in 2010, entering employment (subsidised contracts, apprenticeship contracts, training contracts), going on to gain a training qualification or diploma, returning to training. The average success rate has been about 60%. Since 2006, 2 133 adults have benefited from the programme.

Area - Title of initiative	HIGHER EDUCATION - Initiative for Excellence
Country	GERMANY
Relevant links	Federal Ministry of Education and Research
LRAs involved	City of Berlin
Other stakeholders	Local universities
Implementation period	2007-2017 in two phases: 2007-2012 and 2012-2017
Relevant option	Option 1
Description	<p>The programme provides funding for:</p> <ul style="list-style-type: none"> - Research Schools, offering PhD programmes in "excellent research environments and in broad areas of science". During the first phase, 39 research schools received an average of EUR 5.7 million each. - Excellence clusters, designed to establish "internationally visible and competitive research beacons at universities". Thirty-seven clusters were selected in the first phase of the programme and received an average of EUR 31.8 million each. - "Future concepts for top-class research at universities", with at least one excellence cluster, one research school and a strategy for improving its research profile. Nine universities have been funded by the programme in its first round.
Target groups	German universities
Implementation procedures	<p>In order to secure adequate funding for the three types of measure that are currently part of the programme (research schools, excellence clusters, future concepts) an annual funding contribution has been agreed by leaders of the Federal Government and the Länder:</p> <ul style="list-style-type: none"> - for research schools: EUR 1-2.5 million per year (approximately EUR 60 million per year in total); - for excellence clusters: EUR 3-8 million per year (a total of EUR 292 million per year); - for future concepts: approximately EUR 142 million per year. <p>An international expert committee will evaluate the programme in 2012/2016.</p>
Difficulties encountered	There is a two-step selection process that is time-consuming, also in view of the large number of proposals that are currently being submitted.
Financing	<ul style="list-style-type: none"> - EUR 1.9 billion for five years (first round) from federal and state governments - EUR 2.7 billion for five years (second round) from federal and state governments - 75% of funding came from the federal government

Evaluation	<p>The programme contributes to:</p> <ul style="list-style-type: none">- creation of research-friendly structures;- promotion of interdisciplinary cooperation within universities, between different universities, and between universities, non-university research institutes and the private sector;- ensuring equal opportunities and measures to help balance work and family life;- enhancing the internationalisation of German universities;- increasing the appeal of German universities to students and scientists from Germany and abroad;- employment of scientists: 4 200 scientists have been recruited so far in the projects funded. 25% of whom are from abroad.
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Area - Title of initiative	SCHOOL, ADULT LEARNING - The Dote System
Country	ITALY
Relevant links	Sabatinelli & Villa, 2011 - OECD, Directorate for Education
LRAs involved	Region of Lombardy
Other Stakeholders	Bookshops, stationers, transport services, student canteens, travel agencies, municipalities
Implementation period	2005-today
Relevant option	Option 2
Description	<p>Dote is "a mix of resources and services provided through a targeted voucher system". The system operates along three axes:</p> <ul style="list-style-type: none"> - public or private schools (education up to the age of 18); - vocational training for jobless people for a maximum of 12 months, where the Dote may reach a maximum amount of EUR 5 000; labour market (employment), where beneficiaries receive a maximum of EUR 3 000 EUR for accessing services and EUR 3 000 for accessing financial incentives. <p>Beneficiaries receive vouchers with which they can purchase services or resources from participant organisations in the region. Applications are submitted to regional authorities and must be accompanied by a Personalised Intervention Plan (PIP) which describes the individual "insertion/qualification path", specifies the actors that will help to carry it out, and set out the activities and services envisaged and the available budget". Dotes can be claimed only for a specified period of time and each person is entitled to only one Dote.</p>
Target groups	Citizens of Lombardy aged 18-64
Implementation procedures	Vouchers are provided to participant organisations/people.
Difficulties encountered	None stated.
Financing	The budget for vocational training was EUR 25 million in 2009. The budget for the labour market axis was EUR 112 million during the same period.
Evaluation	In the 2008-2009 school year, 3 million vouchers were given to 170 000 students/pupils. In vocational training, vouchers were given to 5 000 beneficiaries for a total of 13 798 courses in 2009. The number of training hours was 3 032 000, divided into basic training (37%), managerial training (1%), professional training (57%) and cross-curricular training (5%). The labour market axis had 27 000 beneficiaries in 2009.

Area – Title of initiative	LIFELONG LEARNING - Creating modern knowledge hubs
Country	LITHUANIA, POLAND
Relevant links	European Commission, Regional Policy - Inforegio: Creating modern knowledge hubs
LRAs involved	Warmian-Masurian Voivodship region (Poland) and Marijampolė County (Lithuania)
Other stakeholders	All residents of Warmian-Masurian Voivodship region and Marijampolė County
Implementation period	2007
Relevant option	Option 3
Description	<p>The public libraries of Olsztyn, Poland, and Marijampolė, Lithuania, have set up multimedia training centres at their premises for adults and children. There are free courses in IT, music, languages, science and art, taught by professional IT specialists, musicians, artists and teachers. The emphasis is on fun and interactive education using modern computers and other equipment.</p> <p>The programme was initiated Olsztyn public library, followed by Marijampolė library three months later. The Polish partner shared its experience with its Lithuanian counterpart, and both tested their equipment through virtual cross-border communication (such as e-conferences and joint weather forecasting).</p>
Target groups	Children and adults.
Implementation procedures	The libraries are committed to funding the training centres (staff and maintenance) for a period of five years.
Difficulties encountered	None reported.
Financing	Total cost was EUR 666 900, of which EUR 500 200 was EU funded.
Evaluation	So far 1 400 elderly people have learned to use a computer. The centres have contributed to the social revitalisation of the regions.

Area - Title of initiative	SCHOOLS – Drop-out covenants
Country	NETHERLANDS
Relevant links	CPB Netherlands Bureau for Economic Policy Analysis
LRAs involved	39 municipalities in the Netherlands.
Other stakeholders	Schools in the municipalities.
Implementation period	2006-2011
Relevant option	Option 2
Description	<p>The covenant is a financial incentive provided by the Dutch government to the municipalities, with the aim of reducing their school drop-out rate by about 10% in the first year of implementation.</p> <p>The financial incentive was EUR 2 000 for each student not dropping out in 2006-2007 compared with 2004-2005, for a period of three years. The reward stops once the threshold of a 10% reduction is realised.</p>
Target groups	Pupils in the 39 regions in the Netherlands.
Implementation procedures	<p>Covenants were initially offered by the government to the 14 regions in the Netherlands with the highest school drop-out levels, or 2/3 of the total number of regions. In 2007, covenants started being offered to all 39 regions in the country.</p> <p>An important element of the programme was the advance payment of part of the covenant to the regions when it was introduced: 60% in 2006, 30% in 2007 and 10% in 2008. Payments were reduced if the region did not achieve a 10% reduction.</p>
Difficulties encountered	Regions often withheld the advance payments to cover local needs and did not allocate any advance payment to the participating schools ("no cure, no pay arrangements"). Disbursement of the payment from the government directly to participating schools improved the results of the programme.
Financing	The total government budget for the 2006 covenants was EUR 16 million.
Evaluation	Covenants in 2006 did not reduce the school drop-out rate. Improving the programme (direct funding to participating schools) is expected to make the 2007-2011 covenants more effective.

Area - Title of initiative	HIGHER EDUCATION- Extension of the Faculty of Mathematics and Computer Science and the Regional Centre for ITC training at the Nicolaus Copernicus University in Toruń
Country	POLAND
Relevant links	European Commission, Regional Policy - Inforegio: Copernicus University at the heart of a regional information and communication pole
LRAs involved	Region of Cujavia-Pomerania
Other stakeholders	Teachers at Copernicus University
Implementation period	2004-2006
Relevant option	Option 4
Description	The project consisted in extending a wing of the Copernicus University in Toruń. The extension work was accompanied by changes in faculty rooms to provide "more work and leisure space for students who would now have a bar, club and patio at their disposal".
Target groups	Students at Copernicus University
Implementation procedures	Construction work started in 2004, almost concurrently with the setting up of the Regional ICT Centre.
Difficulties encountered	The project had to be completed within two years, which may have affected quality. There was a "lack of real creativity" in the design of the new wing.
Financing	<ul style="list-style-type: none"> - ERDF: EUR 4 million - The Voivodia region of Cujavia-Pomerania contributed 16% of the total. - The Polish government and the university contributed 4.4% of the total. The university also bore the costs of integrating the new wing.
Evaluation	<p>The benefits of the extension are summarised as follows:</p> <ul style="list-style-type: none"> - improvement in teaching and study conditions and access for an increased number of students and academic staff; - enhancement of ICT education in Poland, through benefits from the Regional ICT Centre.

Area – Title of initiative	HIGHER EDUCATION - Andalusian Virtual Campus Project
Country	SPAIN
Relevant links	OECD, 2010: Higher Education in Regional and City Development: Andalusia, Spain 2010
LRAs involved	Andalusia Region
Other stakeholders	Local community
Implementation period	2006
Relevant option	Option 4
Description	The project was launched in 2006 as part of the Digital University Project set up in 2005 by the Regional Ministry for Innovation, Science and Enterprise.
Target groups	Andalusian students.
Implementation procedures	Cooperation between the LRA and the university.
Difficulties encountered	None reported.
Financing	Not available.
Evaluation	<p>The Digital University programme:</p> <ul style="list-style-type: none"> - improved electronic library services; - provided advanced virtual computer classrooms; - improved the accessibility of content digitalisation via virtual campuses; - created a wifi network accessible to everybody at Andalusian universities. <p>The Virtual Campus Project generally enhanced and broadened the education opportunities of Andalusian students.</p>

Area - Title of initiative	HIGHER EDUCATION - Programme contracts
Country	SPAIN
Relevant links	Catalonia's Regional Steering Committee (2010), " The Autonomous Region of Catalonia, Spain: Self-Evaluation Report ", OECD Reviews of Higher Education in Regional and City Development, IMHE Ribas & Vilalta, 2002
LRAs involved	Autonomous Region of Catalonia
Other stakeholders	Local public universities
Implementation period	1997-2013 (four-year programme contracts)
Relevant option	Option 1
Description	<p>The programme provides extra funding to public universities based on the achievement of specific pre-agreed objectives in the areas of "teaching (education and the learning process); research and technology-knowledge transfer; university-society relations (the third mission of the university) and internal university organisation and management to improve quality and accountability". There are penalties if the objectives are not met. Two types of contract exist:</p> <ul style="list-style-type: none"> - Type A: contracts or programme contracts with a four-year term. These contracts are signed with well-established universities. - Type B: contracts or pre-contracts with a three-year term. These contracts are signed with more recently created universities and are intended to resolve shortages of human and material resources (not very common today). <p>The basis for each contract is the Strategic Plan of each university.</p>
Target groups	Spanish public universities
Implementation procedures	Objectives are evaluated by the Autonomous Region of Catalonia and university representatives (Monitoring Committee) on the basis of annually reviewed indicators (50-70) that are pre-determined and mainly quantitative. Funding is allocated according to achievement of these objectives.
Difficulties encountered	<p>The objectives are very ambitious and sometimes difficult to define in a common level playing field. They may lead to:</p> <ul style="list-style-type: none"> - judgemental opinions or "inter-institutional mistrust"; - increased competition between universities; - difficulties in determining the proportion of basic funding to objective-based funding. <p>Furthermore, there is little involvement of universities in defining the pre-agreed objectives.</p>
Financing	Initially the programme provided 2% of total funding annually. By 2010, funding from programme contracts had increased to 13%. Funding is provided by the state.

Evaluation	<p>The programme has increased the overall funding of Catalan Universities and has contributed to their improvement. The level of achievement of the set objectives has been between 85% and 95%.</p> <p>With respect to the specific pre-agreed objectives, the programmes:</p> <ul style="list-style-type: none">- enhanced the social elements of education, "placing emphasis on methodological renovation, flexible teaching, improved teacher training and teaching" (teaching and learning);- fostered cooperation between universities (research and technology knowledge transfer);- improved communication with society and focused on the approach to new students, ensuring graduate employment, improving language skills (university-society relations);- improved internal organisation systems (university management).
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Area - Title of initiative	SCHOOL - Bristol-Bordeaux Partnership
Country	UK
Relevant links	Bristol-Bordeaux student exchange web page
LRAs involved	Bristol-Bordeaux Association. The City Councils of the two regions are participating in twinning schemes, which are later implemented through specific associations.
Other stakeholders	Families in Bristol and Bordeaux.
Implementation period	Almost 65 years since 1947.
Relevant option	Option 3
Description	<p>Programme for the exchange of school students (family to family) between Bristol and Bordeaux. The local city councils promote the initiative.</p> <p>There is also the mini-assistants scheme, which enables student teachers from Bordeaux university to work in Bristol primary schools for two weeks teaching English.</p>
Target groups	Secondary-school students in Bristol and Bordeaux.
Implementation procedures	In the student exchange programme, French students spend two weeks in England at Easter, and UK students spend two weeks in France in summer. The exchange is a family-to-family exchange for students of secondary-school age. All students are accompanied by their teachers, who stay locally.
Difficulties encountered	Participants live in a "foreigner's" house. There are often differences in culture.
Financing	Bristol-Bordeaux Partnership finances the exchange of teachers. Students cover their own travel expenses. Accommodation is provided with families.
Evaluation	It is estimated that about 30 000 students have taken part in the programme since its inception. The majority of participants have significantly improved their English/French language skills.

3. Recommendations

Education is the cornerstone of the knowledge society and its effective design and implementation present a challenge for public policy. LRAs have an increasingly important role to play in this context because of the tendency to decentralise education and because they are best positioned to link education with local labour market needs. In this process they could take three kinds of recommendations into consideration:

A: Recommendations from academic and policy research

Recent empirical evidence based on long-term time series and comparative analyses can be translated into the following important recommendations for LRAs:

- A.1. The economic and social benefits of education are so high that structured, systemic intervention is imperative and should be designed, if possible in all regions, so as to take account of their degree of autonomy from centralised national policy.
- A.2. The quality of education needs to be given priority. The most important contribution to the quality of education is the quality of teachers; special emphasis should therefore be given to continuous improvement of their skills. Recommended ways of doing this include recruitment procedures, pay, continuing training and enrichment of experiences through mobility.
- A.3. It is also important to extend the reach of education. This can be achieved by addressing the issues of early school-leavers and disadvantaged populations. A systemic approach is needed in the former case because warning signals exist with school drop-outs, and the problem can be addressed collectively if persistent, long-term, pre-emptive policies are adopted to fight the causes rather than the results. In the case of disadvantaged populations, the way forward involves facilitating the education of migrants (through language courses and cultural adaptation), the handicapped (through special schooling) and people from disadvantaged backgrounds (through targeted action to ensure equal treatment).
- A.4. Finally, to make the best of education, LRAs need to take measures to ensure that education at all levels provides a good balance of labour market skills.

B: Recommendations on shaping LRAs' action in education

There are several ways for LRAs to make their action more effective:

- B.1. Using the means available through national or European sources of funding, cooperation and policy-learning to create long-term educational strategies that are agreed by all stakeholders. In this case, a mix of educational support at all levels of education is needed, but the approach should differ according to the structure, history, needs and vision of each region. In LRAs with above-average unemployment, vocational training should be prioritised; in the strongest regions, international mobility attracting talent from non-EU countries is at least equally important. Each region should focus on its strengths and weaknesses as agreed with all stakeholders. Coordination needs are crucial but there are ample opportunities to use EU support and OECD expert advice to achieve this goal.
- B.2. Creating individual partnerships with specific private or public organisations to act as leverage for quantity and quality improvements in regional education. LRAs can provide funding and they also suggest specific milestones for measuring the success of the partnerships. Conversely, individual organisations will make their own contribution: HEIs can provide educational skills and the business sector can offer discounts on products and services.
- B.3. Internationalising through use of competitive EU educational funding for transnational cooperation within and beyond Europe. Although most of these support schemes are intended for educational organisations, LRAs can act to support regional players through funding and facilitating proposal submission. This kind of EU support is also relevant for policy-learning, particularly in the area of monitoring, evaluation and trans-regional benchmarking. Overall, the benefits of internationalisation are more indirect and impossible to monetise; hence expectations of internationalisation should not take the form of concrete output indicators.
- B.4. Another option is for the EU Structural Funds to be used to supplement the funding necessary for infrastructure and human resource development. In addition, such instruments should be used for adapting skills to local labour market needs and second-chance schooling.

C: Recommendations on how EU support instruments can be shaped to best suit the needs of LRAs

EU support is relevant, but several recommendations based on evaluations of previous programmes suggest ways to make it more effective:

- C.1. Concentration of resources: there is a trade off between spreading resources thinly and enabling a large number of people/organisations/regions to benefit versus concentrating resources on a small number of projects with high leverage effect. It is important to strike a balance between these two approaches.
- C.2. Management improvements: management costs need to be kept to a minimum and at the same time it is important to reduce red tape for applicants. It is also important to reduce the share paid to intermediaries and to increase that paid to beneficiaries (compensation for students' living costs, which is returned to the local economy in different ways).
- C.3. Excellence versus cohesion: the objectives of the EU programmes are to attract excellent students and retain them while also improving local skills. A balance should be struck so that less-favoured regions are allowed to be involved in masters courses, even if they can hardly compete with the top universities in terms of excellence. It is expected that supporting those HEIs regarded as "world-class" in specific subject disciplines and twinning them with HEIs in less-favoured regions will trigger sustainable benefits through spillover effects to the local education system.
- C.4. Economic benefits: the main economic benefit is employability and, given the current situation in Europe, modules of the next-generation programmes should take this into consideration. Consideration should be given to providing students with placement opportunities on a more systematic basis. This would contribute significantly to raising the profile of the programme among employers.
- C.5. Monitoring and assessment: tight monitoring and quality assessment need to be built in into all projects to ensure their long-term success. More measurable indicators of the results of each programme have to be decided and proposed at central level, and implemented (tailor-made) in the individual projects.

Appendix I - List of References

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