

Backbench business debate on Erasmus+

June 2018

Introduction

The UK's exit from the EU has led to significant uncertainty surrounding our future relationship with the Erasmus+ programme. Erasmus+ is a significant programme for student and staff outward mobility, with around 50% of all UK students who go abroad choosing to do so through the scheme. The UK's participation in Erasmus+ continues to grow year-on-year, with 15,645 students from UK universities spending a period abroad in 2015–16, up from 14,801 students in 2014–15.

As outlined in this briefing, participation in Erasmus+ not only boosts the UK's soft power at a global level and strengthens graduate skills, it also improves student attainment and leads to better outcomes for graduates who went abroad. These effects are particularly pronounced for BME students and students from disadvantaged backgrounds

Given the importance of this scheme to universities and students, it is important that the UK continues to participate in the scheme following our withdrawal from the EU. We welcome commitments made in the phase one and transition agreements which signal that the UK will remain a member of Erasmus+ until the end of the current programme in 2020. We urge the government to prioritise negotiating access to the successor scheme to Erasmus+ in upcoming talks. In the meantime, the government should provide more detail about how it proposes the UK will participate in the scheme.

This parliamentary briefing sets out:

- 1. Position of the UK university sector
- 2. Clarification on the government's plans for Erasmus+
- 3. The value of Erasmus+
- 4. Specific benefits of the future Erasmus+ scheme
- 5. Concerns around replacing Erasmus+ on a national level

Position of the UK university sector

Erasmus+ is the EU's programme to support education, training, youth and sport in Europe. It is best known for its role in facilitating the mobility of university students, allowing UK students to work to study, volunteer or work abroad for up to a year in the other thirty-two participating programme countries. University staff also benefit from mobility opportunities, thus strengthening international academic collaboration. Leaving the EU creates uncertainty for UK universities around their future ability to participate in the Erasmus+ programme, which supports around 50% of all UK student outward mobility.¹

In the phase one agreement of the Brexit negotiations, the government committed to continued participation in the Erasmus+ scheme until the end of the current EU funding cycle in 2020. To provide further clarity for universities and students, the UK government has also confirmed that it will guarantee grant agreements for successful Erasmus+ bids signed while the UK is still an EU Member State, even if they are not approved until after the UK leaves and/or payments continue beyond the point of the exit in March 2019.

It is, however, unclear what the UK's participation in the scheme will be following this date. As set out later in this briefing, there are significant challenges in trying to replicate a similar scheme at a national level following Brexit. As the UK prepares to form new trading relationships with the EU and countries beyond, the economy needs a workforce with the 'global' skills which businesses say they need – those which are enhanced through outward student mobility.

Although the UK lags behind key competitors such as the USA, Australia and Germany in terms of the proportion of students who gain an overseas experience as part of their degree, UK universities have made substantial progress in catching up in recent years, and Erasmus+ has been a driving force behind this progress. A failure to secure continued UK access to the programme through the Brexit negotiations risks undermining this recent success.

Last year, Universities UK International published its Go International strategy for outward student mobility which seeks to double the percentage of UK-domiciled full-time, first degree students who are outwardly mobile to 13% by 2020. This target, which has been backed by the Universities Minister Sam Gyimah, will allow more UK students to benefit from the attainment and graduate outcomes benefits of mobility, particularly those from disadvantaged backgrounds and minority groups. Future participation in Erasmus+ will be a key part of meeting this target.

¹ Universities UK International (2018), <u>Gone International: Expanding Opportunities</u>

The European Commission has not yet outlined its full vision for the Erasmus+ successor programme. Universities UK International responded to the Commission's interim evaluation of the scheme, recommending that the successor scheme has more opportunities for short-term mobility and that there is improved support for disadvantaged and under-represented learners.²

In order to maximise the contribution of British universities to a successful and global UK, it is important that mobility opportunities post-Brexit are protected and enhanced. Therefore, Universities UK is urging the government to:

- Secure continued access to the Erasmus+ successor programme through the future relationship negotiations. There is substantial *added* value attached to Erasmus+ that could not be replicated through a similar domestic initiative. This would also be a pragmatic and cost-effective move given the expense and bureaucracy involved in setting up an alternative replacement scheme at a national level at this scale.
- Enhance mobility opportunities for UK staff and students. Brexit provides an opportunity to invest in international mobility programmes to support international experiences, recognising that Erasmus+ forms a key component of the wider landscape of outward mobility. Government should adopt a quantitative target for UK students having outward mobility experiences, in recognition of the impact such an experience has on an individual's skills and employability, and in order to bring the UK's performance more in line with its key competitors.

Clarification on the government's plans for Erasmus+

While the government has moved to clarify its position on possible UK association to another key programme for universities – Horizon Europe (the next EU Framework Programme for research and innovation) due to start the day after the implementation period ends – its plan for possible UK participation in the next Erasmus programme is less clear.

As Brexit negotiations progress, the government should ensure that universities are able to thrive post-exit by reaching an effective settlement that includes securing a longer-term partnership based on strong academic cooperation, collaboration and exchange between the UK and its EU partners. In order to achieve this outcome, the government should ensure the framework for the future UK-EU relationship agreed through phase two includes a comprehensive chapter on academic cooperation and include a commitment to work

² Universities UK International (2018), <u>Innovations to enhance the effectiveness and impact of the Erasmus+ successor programme</u>

together to secure full UK access to the next Erasmus programme, as a programme country, and full association to a Horizon Europe programme focused on excellence.

The value of Erasmus+

Erasmus+ does not just benefit the students who themselves take advantage of such opportunities – on a larger scale, Erasmus+ is of benefit to universities in support of their efforts to develop international partnerships, to businesses, the wider economy and the UK skills base.

1. Erasmus+ leads to better graduate outcomes, particularly for black and minority ethnic (BME) students and those from disadvantaged backgrounds

Students who have studied or worked abroad do better academically, are 32% less likely to be unemployed, more likely to be in a graduate-level job and receive a 5% higher starting salary than those without overseas experience.³ Erasmus students specifically have been found to have better employability prospects long-term, being half as likely to experience unemployment five years after graduation than non-mobile graduates. Additionally, Erasmus students who complete work placements abroad are likely to be offered a job with their host company upon graduation (one in three).⁴

Mobility, regardless of programme, provides even more pronounced outcomes for black and minority ethnic (BME) students when compared to white students, and for students from more disadvantaged backgrounds compared to those from more advantaged backgrounds. Analysis of UK graduates in 2014/15 showed that the percentage of non-mobile, black graduates who were unemployed was 7.8% compared to 4.6% of black mobile graduates, whilst 7.7% of Asian non-mobile graduates were unemployed, compared to 4.5% of their mobile peers. Students from more disadvantaged backgrounds with a period abroad earn 6.1% more than those without, while the same salary uplift among advantaged students is 3.4%.⁵

Erasmus+ is unique in that it provides additional funding for both disadvantaged and disabled students.⁶ The most important factors taken into consideration by students when deciding whether to undertake a period abroad is often funding available and cost.⁷ This demonstrates how important it is to ensure proper financial support is provided, especially to those who have the most to gain from an international experience.

³ Universities UK International (2017), <u>Gone International: mobility works</u>

⁴ European Commission (2014), The Erasmus Impact Study

⁵ Universities UK International (2017), <u>Gone International: mobility works</u>

⁶ Erasmus+ UK National Agency (2017), <u>Blog: Being disabled does not mean you should stop achieving your dreams</u>

⁷ British Council (2015), <u>Student perspectives on going international</u>

2. It helps develop the 'global' skills businesses need

There has been a significant increase in employers' desire for graduates to possess the skills necessary to operate within a global environment. For example, the Erasmus Impact Survey found the share of employers across Europe who consider experience abroad to be important for employability nearly doubled between 2006 and 2013, from 37% to 64% and has continued to rise since.⁸

However, there is also evidence to suggest that some employers feel there is room for improvement when it comes to graduates' 'global' skills. A 2016 CBI/Pearson survey suggested that 30% of employers were not satisfied with graduates' skills in international cultural awareness, and 48% were not satisfied with graduates' foreign language skills.⁹ Encouraging and expanding opportunities for future students to work and study abroad would play a vital part in addressing this and, with Erasmus+ already accounting for around 50% of the UK's outward student mobility, we cannot afford to lose access to the programme.

3. It enhances the UK's soft power

Participation in Erasmus+ acts as a tool to enhance the UK's soft power on the global stage. Firstly, British students studying abroad can raise the profile and reputation of UK education across Europe as well as the profile of individual institutions, and 79.2% of universities informed UUK that this is one of the main benefits of engaging with the Erasmus+ programme.¹⁰

Secondly, inwardly-mobile students gain a greater understanding of, and affinity for, the UK and, as the largest facilitator of inbound inward in the UK, Erasmus+ makes a significant contribution to this. A study commissioned by the government found that of those former international students they interviewed, 90% agreed that their perception of the UK had improved because of studying here. ¹¹ Loss of Erasmus+ would ultimately have a substantial impact upon the numbers of inbound students and, consequently, the UK's soft power.

4. It creates international campuses

The UK is regarded around the world as a leader in higher education and research, and evidence suggests that the intrinsically international nature of UK universities underpins this

⁸ European Commission (2014), <u>The Erasmus Impact Study</u>

⁹ Confederation of British Industry (2016), <u>CBI/Pearson Education and Skills Survey 2016</u>

¹⁰ Universities UK International (2017), Erasmus+: Interim Evaluation - UUKi's Submission March 2017

¹¹ Department for Business, Innovation and Skills (2013), <u>The wider benefits of international higher education in the UK</u>

excellence.¹² International student mobility to the UK helps universities provide a truly global experience through the internationalisation of classrooms and campuses, and opportunities for non-mobile students to interact with peers with different cultures, languages and nationalities. One of the key benefits of Erasmus+ identified by UK universities is the internationalisation on campuses and the benefits this brings in providing students who do not go abroad an experience of internationalisation at home.¹³ Additionally, the loss of Erasmus+ could place severe restrictions upon disadvantaged, but talented, European students, especially if there remains the option to travel to alternative destinations with English medium teaching where there is financial support such as Ireland, Scandinavia or the Netherlands under Erasmus+.

Specific benefits of the future Erasmus+ scheme

In May 2018, the EU Commission published its proposal for the new Erasmus programme. A summary is below and highlights that the Commission wants to double the programme budget, offer more shorter term and flexible options for studying abroad with a focus on students from disadvantaged backgrounds. The proposal sets out significant improvements and benefits to participants, which further strengthens the argument in favour of the UK continuing in the programme:

- The European Commission wants to double the funding for the new programme to \in 30 billion. This would enable the EU to support 12 million people, tripling the number of participants.
- The new programme is to be more inclusive, more open and more international to support the EU's ambitions in the field of education and training, youth and sport. As Thomas said, the programme aims to increase its global reach.
- Erasmus will be a key tool in achieving the goals of the new **European Education Area**, aligning goals such as strengthening the European identity. This is also reflected in a new travel initiative DiscoverEU, creating new opportunities for young people to explore the continent and experience what it feels like to be European.
- The new programme aims to make it easier for people from **disadvantaged backgrounds** to have an Erasmus experience, by promoting more accessible formats like virtual

¹² See: Universities UK International (2017), International higher education facts and figures 2017. For example, the UK ranks first in the world in terms of field-weighted citation impact (an indicator of research quality), and the UK also has a higher rate of international collaboration in research than its key competitors in North America, Europe and Asia (pages 24 and 26).

exchanges and shorter learning periods abroad. This is in line with the recommendations UUK put forward.

- The new programme will **extend mobility** activities beyond the higher education sector to include other sectors such as vocational education and training.
- In addition, with a new action called 'small scale partnerships' the Commission aims to make the programme accessible to organisations with little or no experience or with smaller operational capacity.
- The **structure** of the new programme is very similar to the current one maintaining the three Key Actions:
 - Key Action 1 Mobility à KA1 Learning Mobility.
 - Key Action 2 Cooperation for Innovation and Exchange of Good Practices, à KA2 Cooperation among Organisation and Institutions
 - Key Action 3 Support for Policy Reform à KA3 Support to Policy Development and Cooperation
- The proposed financial distribution is as follows: € 24 940 000 000 would be allocated to actions for Education and Training, of which at least € 8.6 billion to higher education actions, € 5.2 billion for vocational educational, and almost € 5.5 billion for school education, adult education and Jean Monet actions. In addition:
 - € 3.1 billion for youth
 - € 550 million for sport
 - € 960 million for national agencies' operational costs
- The proposal also discussed **Third Country Association** to the programme (Article 16). The UK would currently fall under the heading of 'other third countries', who can participate provided that there is an agreement between the EU and the third country that ensures there is a fair balance in contributions and benefits, lays down the conditions of participation including the financial contribution, and does not confer any decisional power on the programme to the third country.

Concerns around replacing Erasmus+ on a national level

There are a number of serious challenges in the event that the UK government is unable to secure access to the Erasmus+ successor scheme and it tries to replicate a similar scheme domestically. Some of the unique aspects of Erasmus+ would be difficult to access without significant investment or even impossible to replicate through a national replacement scheme. A number of these concerns are set out in more detail below:

- Erasmus+ provides economies of scale for the UK by having one overarching framework for the implementation, quality assurance, marketing and administration of the programme. It removes every legal and academic barrier across a bloc of 33 countries and thousands of universities who all use this one universal system. Even if the UK were to create its own national system, it could not remove the legal and academic barriers across all other 32 countries as Erasmus+ does and it would cost significantly more both to the UK government and an institution.
- Erasmus+ provides universal grants to all students travelling abroad and an increased grant rate for those who need it most for both disadvantaged and disabled students. There are no other similar, universal grants for disadvantaged or disabled students to study abroad, yet aforementioned research shows that these students have the most to gain in terms of employability and academic attainment.¹⁴ Disadvantaged and BME students are already underrepresented in study abroad data and, without the additional funding Erasmus+ uniquely provides, this could decrease further.
- Erasmus+ has strong branding, visibility and facilitates the creation of networks for UK students, staff and institutions. When Switzerland organised their Erasmus+ replacement scheme in 2014, the Swiss-European Mobility Programme (SEMP), some European institutions refused to re-sign the partnership agreements they had under Erasmus+ because they were no longer on a recognised programme. The University of Cambridge was one of these institutions. There would be no guarantee that European institutions would recognise a UK alternative scheme and institutions could stand to lose vital partnerships. Erasmus+ has a globally trusted reputation and enhances the attractiveness of UK higher education to international students as well as having high levels of employer recognition.

¹⁴ Universities UK International (2017), <u>Gone International: mobility works</u>

- Erasmus+ provides opportunities for collaboration in capacity building projects, strategic partnerships or knowledge alliances through Key Action 2 (KA2). For example, Glasgow Caledonian University is coordinating a capacity building project with several universities and organisations, from across Europe and South America, that aims to strengthen universities' links with the wider social environment in Latin America. As a result, universities will be able to make a real contribution to their communities by impacting the lives of individuals; the activities of community organisations; indigenous, youth and women's groups; local authorities; NGOs; SMEs; and many others. There are no similar funds to facilitate these kinds of consortium across Europe and the world and replicating them would require significant investment both in resources and finances. Without them, institutions would lose a credible way of developing their research links, raising their international profiles or forming new institutional partnerships.
- Erasmus+ is the only scheme in the UK to universally offer monthly grants to students both incoming and outgoing. While the Swiss replica, SEMP, provides this, the Swiss government funds it themselves and it has to implement caps for their funding both in terms of sectors and numbers of staff and students who can access it. Without funding both ways, the UK would be an immediately less attractive destination for European Erasmus+ students. A decline in inward mobility has implications for the diversity of UK university campuses, and a loss of funding allocated for Erasmus+ students during their stay could generate a notion that the UK is a less attractive or welcoming destination.
- Erasmus+ offers additional funding to universities for the administration of study abroad under its Organisational Support (OS) fund. In 2015 alone, the UK received over €5 million from the European Commission for OS funding. Without the Erasmus+ programme, the UK would not only have a much higher level and cost of administration, but would also lose this specific funding.
- Erasmus+ ensures staff mobility is adequately funded which would require significant administrative and financial costs if the UK tried to replicate. Not only is staff mobility an essential tool in promoting greater student mobility but it also enhances an institution's global outlook. It can facilitate the development of an international dimension to teaching, and can improve staff pedagogical methods.

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