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Erasmus+ Coalition Reaction How will the Council of the EU realise Europe's new ambitions? Proposed cuts to all education, training, research, sports and youth EU programmes

Brussels, 14 December 2023

Context

On 23 November, the EU Member States ambassadors discussed in the Council of the EU a new budget proposal made by the Spanish Presidency. The leaked proposal outlines three scenarios for cutting EU funding for 2025-2027. The only programmes that will not suffer under this proposal are the agriculture ones as well as the Cohesion Fund, namely regional investments. Concretely, for education, training and youth:

- Scenario 1 proposes a **3.4% cut** (i.e.€1.3 billion for Horizon Europe, €0.4 billion for Erasmus+).
- Scenario 2 proposes a **6.8% cut** (i.e.€2.7 for Horizon Europe, €0.9 billion for Erasmus+).
- Scenario 3 proposes a **13.5% cut** (i.e.€5.3 billion for Horizon Europe, €1.7 billion for Erasmus+).

The cuts apply to the remainder of the period for the current long-term budget of the EU, known as the Multiannual Financial Framework (MFF). Multiple Member States requested this approach since they have found themselves under EU scrutiny for macroeconomic imbalances or excessive imbalances in 2023¹, which pressures them to reduce their national debts and deficits. Nevertheless, besides this pressure, it must be acknowledged that a set of Member States, commonly known as the **'frugal states', ideologically and politically support a tighter EU fiscal framework, which feeds the vicious cycle of cutting funds for the flagship programmes of the EU.** The European Commission and the MEPs responsible for the European Parliament's *Interim Report on the proposal for a mid-term revision of the multiannual financial framework 2021-2027* adamantly oppose the proposals from the Council of the EU. They requested budgetary top-ups, and not cuts, from Member States for the upcoming period.

The return of austerity and goldfish memories on COVID-19

The question is how realistic is the European Commission's request, when on the other side it unfreezes the macroeconomic governance framework rules at the end of 2023? The <u>Annual</u> <u>Sustainable Growth Survey</u> (ASGS) 2024 was launched earlier in November. It marks the roadmap and priorities for the next cycle of the European Semester and the return of the arbitrary rule according to which a state's budget deficit cannot exceed 3% of GDP and national debt cannot surpass 60% of GDP. The ASGS 2024 has called for fiscal prudence and increased investment only in relation to the twin transitions². As inflation is gripping Europe and impacting those most disadvantaged, the

¹ European Commission, 2023, Alert Mechanism Report 2024, <u>here</u>.

² European Commission, 2023, Annual Sustainable Growth Survey 2024, <u>here</u>.

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Member States are once more pressured by the restrictive and austerity-driven European Semester. The paradox is that Member States are limiting themselves directly by opposing any meaningful reform to the European Semester and the macroeconomic governance framework of the EU, even if the Spanish and the Belgian Presidencies to the Council of the EU have been ardently advocating for more flexible rules.

All lessons learned during COVID-19 with regard to the gross underinvestment in education and training, to the heroic behaviour of education and youth field professionals and volunteers to maintain this crucial public good and to the need for a revamping of the sector, have been thrown out at the first moment that the European Semester rules have come into place and while we still do not even have enough research to measure the devastating impact COVID-19 had over learning. The lack of infrastructure for digital education, the lack of support personnel to aid learners, the tremendous educator shortages, the underperformance of the European Education Area on equity, the continuous shrinkage of civic space for civil society, the increasing challenges for youth organisations to access meaningful funding opportunities, the insufficient inclusion in Erasmus+, the fact that learners' socio-economic background is one of the greatest predictor for academic performance have only been deepened by the energy crisis and inflation. The response, however, is to again cut funding even more.

When it comes to youth, the **impact of the pandemic on young people's work opportunities**, **income**, **educational outcomes and mental health** is still to be fully grasped, yet it remains clear they are interconnected and likely to exacerbate one another over time. Research demonstrates that during the pandemic young people experienced considerable loss of work and income as a result of unemployment and reduction in working hours, while the impact on learning is likely to have a significant impact on their professional futures. Moreover, the overall impact of the pandemic on young people's social and economic rights has also contributed to widespread issues in young people's mental health and wellbeing³.

The short-term memory applies to more recent developments. After years of concerns voiced by education, training and youth stakeholders with regard to the insufficient available resources to facilitate mobility, and expand it towards more disadvantaged learners, the European Commission *Proposal for a Council Recommendation on a new learning mobility framework* have **set new mobility targets without any additional budgetary increase**. The contradiction becomes even more glaring when realising that **even the current budget for mobility can be further decreased**. A similar concern is applicable to the ambitious targets set for *European University Alliances*. All while the memory of COVID-19 and underinvestment in education, training and youth continued to haunt with the publication on 5 December of the *PISA 2022 results*. The **drastic decrease in learners' most basic competences**, linked also with a lack of resources to facilitate learning during the pandemic, only

³ ILO (International Labour Organization), 2020/ Youth & COVID-19: Impacts on jobs, education, rights and mental well-being. here

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points towards targets and visions for the well-being and thriving success of learners which would be unachievable with further budgetary cuts and a return to austerity.

The priorities of civil society and the EU

When Member States discussed this proposal, European stakeholders in education and training met for the Annual Lifelong Learning Stakeholders Forum to take stock of the EEA and provide recommendations for its future cycle. This budgetary proposal impacts precisely EEA's second cycle. The most voiced consideration by all stakeholders, working in all levels, sectors and formats of learning was funding in education and training. They all agreed that the commitment made by UNESCO Member States to **dedicate 20% of public expenditure to education and training must be maintained and meaningfully implemented.** The sector is asking for funding that merely reflects the strategic importance that Member States and the EU put on it. Each objective linked to the twin transitions has been associated with the support of education and training. The European Year of Skills reinforced this, while the current levels of basic skills, digital competences, and adult participation in learning are far off the EU objectives.

Moreover, the **2022 European Year of Youth** was designed to acknowledge young people's sacrifices made during the COVID-19 pandemic and present an opportunity to boost the youth sector and youth civil society as a whole at a time when it had been rendered significantly vulnerable after the pandemic, war in Ukraine and rampant inflation. Despite the welcome focus on young people during the Year and, we hope in the future, as part of the year's legacy that we will see defined in the upcoming Commission Communication, in terms of funding made available, much of the EUR140 million reportedly made available from a variety of Union sources was not always felt by youth organisations on the ground. Youth organisations operating at European level also did not have the opportunity to access European Commission funding. The fact that precisely **during the European Year of Youth the number of beneficiaries accessing centralised structural funds in the field of youth was cut by two thirds** dealt a substantial blow to a sector that was already struggling to keep up with one crisis after another.

The funding of the Erasmus+ programme must reflect the foundational nature of education, training and youth to societal challenges, and the fact that the sector boosts active societal participation, strengthening EU's democratic fabric.

It must be recalled also that the **Europeans themselves have been directly demanding an increase of the Erasmus+ budget**, which the Member States seem to bypass. This has been voiced through the Conference on the Future of Europe recommendations⁴ and the Citizens Panels organised on the topic of learning mobility⁵, as citizens have identified the numerous barriers to making the Erasmus+

⁴ European Commission, 2022, Conference on the Future of Europe Final Report, <u>here</u>.

⁵ European Commission, 2023, European Citizens' Panel on Learning Mobility Final recommendations, <u>here</u>.

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programme accessible to all due to the insufficient funding. Beneficiaries of the Erasmus+ programme frequently express enhanced feelings of belonging to Europe and a stronger desire to protect democratic values. What message is being sent to them before the 2024 EU elections? That their wants and the programmes that strengthen their active participation in safeguarding the EU project have no value? To build a more social, competitive, prosperous and united Europe, the EU should rely upon and invest in its flagship programmes such as Erasmus+, so as to build intercultural competences and tolerance for an European identity and for increased support and trust in the EU. In the wave of far-right movements winning elections across the EU, and electoral turnout decreasing, how will citizens be motivated and prepared to support democratic values in the upcoming EU elections if the programme that supports exactly that is deemed to be expendable? Programmes like the Erasmus+ should be deemed as an investment in the future of the EU, contributing to education, competence development, cultural exchange, and the overall well-being of its citizens.

Spanish Presidency Legacy

The Spanish Presidency concluded its term with <u>Council Conclusions on the role of research and</u> <u>innovation in policymaking</u>, <u>Council Conclusions on the contribution of education and training to</u> <u>strengthening European values and democratic citizenship</u>, <u>Council Conclusions on a comprehensive</u> <u>approach to the mental health of young people in the European Union</u> and <u>Council Council</u> <u>Conclusions on promoting youth mainstreaming in policy decision-making processes in the European</u> <u>Union</u>. This clear commitment to the foundational nature of education, training and youth - including making the connection between the importance of youth work and positive, preventative interventions and mental health outcomes for young people - and to advancing sides of research and education which were neglected in past years across Member States would dissipate along with any reduced funding. The conflicting message shows the ease with which certain EU Member States would provide lip service to values and education, without intending to listen to stakeholders' demands and, thereby, counteracting their own best interest in a more skilled workforce and a healthier, thus less costly, and more resilient population.

Furthermore, any of the plans for the cuts in funding would also undermine Spain's legacy in advocating for a truly social Europe. Robust investment in the Erasmus+ and Horizon Europe programmes should remain a top priority, providing vital learning opportunities to millions of beneficiaries and helping to close the social exclusion gaps in the EU.

Impact on future MFF negotiations

The budgetary proposals offer a signal for the future negotiations of the next long-term budget of the EU. Member States eye cuts in funding for education, training and youth, weakening any negotiation position for the next period. The demanded tripling of the Erasmus+ budget by the European Parliament was reduced to a doubling, and now this doubling could be even further reduced. **The**

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battle to increase the budget in the next period might simply become a battle to regain what was taken from the education and youth sectors and needed during these years.

The Erasmus+ Coalition urges all stakeholders to the programmes to take action and remind all national governments of their commitment to the sector and of the serious consequences that would affect us all if education is **treated merely as a cost instead of the investment into the future of Europe** that it is.

<u>The Erasmus+ Coalition</u>, set up in 2015 by the <u>Lifelong Learning Platform</u> and <u>European Youth Forum</u>, is an informal alliance of civil society and stakeholder organisations with extensive experience in working with Erasmus+ and previous generations of the programme. Both organisations, together representing all categories of programme beneficiaries, coordinate dialogue between the EU institutions and civil society organisations across Europe. The Coalition meets regularly to discuss issues of common concern in the implementation of the Erasmus+ programme.

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