

Purpose

1. This paper considers the relationship between Erasmus+ and ESF in the context of Brexit. It has been drafted as an information paper to note, in response to a request from an EAG member – Dr Hywel Ceri Jones. The paper: provides an overview of Erasmus+ and ESF; notes areas of overlap; identifies potential impacts of Brexit; and outlines Welsh Government’s policy position on future funding and student mobility.

Erasmus +

2. Erasmus+ is the EU programme for education, training, youth and sport. It runs for seven years, from 2014 to 2020, with organisations invited to apply for funding each year to undertake creative and worthwhile activities. It is open to education, training, youth and sport organisations across all sectors of lifelong learning in the following areas: higher education; schools; adult education; vocational education and training; and youth and culture and sport.
3. Funding for Welsh projects through Erasmus+ amounts to EUR 40.7 million since 2014. The total funding awarded to Welsh projects amounts to some 6% of the UK total Erasmus+ funding awarded since 2014.

Sector	Value (€)	Projects
Higher Education	17,292,399	58
Vocational Education & Training	8,253,747	39
Schools	11,566,307	83
Adult Learning	852,142	8
Youth	2,769,005	60
Total	40,733,600	248

4. The UK programme is overseen by the UK Department for Education. It is managed by a Programme Board which has Welsh Government representation. Overall delivery of Erasmus+ in the UK is undertaken by the National Agency (British Council in partnership with Ecorys), supported by National Contact Points in each of the four UK nations. Welsh Government currently contributes approximately £200,000 per annum towards the costs of Erasmus+ to the UK Government (based on the population based Barnett formula). This covers the costs of management, delivery and promotion of the programme and ensures that the fund is accessible to Welsh organisations.
5. For the 2021-2027 period, the European Commission is proposing to double the programme budget, and offer more short term and flexible options for studying abroad with a focus on students from disadvantaged backgrounds. The proposed Erasmus+ programme budget will reach a size of EUR 30 billion over the period, enabling the EU to support 12 million people by tripling the number of participants. It also includes an allocation of EUR 700 million for Inter-rail passes

for young people. The Commission also proposes to establish a single European Solidarity Corps, integrating the existing EU Aid Volunteers programme and aligning goals such as strengthening European identity. The Corps will offer European citizens a unique opportunity to engage in humanitarian activities with people in need within and outside Europe. The structure of the proposed new programme remains very similar to the current one, maintaining the three Key Actions:

- Key Action 1 Mobility;
- Key Action 2 Cooperation for Innovation and Exchange of Good Practices; and
- Key Action 3 Support for Policy Reform.

European Social Fund

6. The ESF is Europe's main instrument for supporting jobs, helping people get better jobs and ensuring fairer job opportunities for all EU citizens. It works by investing in Europe's human capital – its workers, its young people and all those seeking a job. ESF financing of EUR 10 billion a year aims to improve job prospects in particular those who find it difficult to get work.
7. In Wales the programme priorities are¹:

Tackling Poverty through Sustainable Employment

- Increasing social inclusion through sustainable employment.
- Increasing the employability of those closest to the labour market who are most at risk of poverty and exclusion (West Wales and the Valleys - WWV - only).
- Increasing the employability of economically inactive and long term unemployed people who have complex barriers to employment.
- Reduction in underemployment or absence rates for employed individuals with work limiting health conditions and/or other barriers to sustainable engagement with the labour market (WWV only).

Skills for Growth

- Increasing the skills levels of those in the employed workforce with no or low skills.
- Increasing the number of people in the workforce with technical and job specific skills at an intermediate and higher level.
- Increasing the number of people undertaking research and innovation activities with enterprise.
- Improving the position of women in the workforce.

¹ A summary of the Structural Funds programmes, including ESF, can be found here: <https://gweddill.gov.wales/docs/wefo/publications/181204-esf-erdf-summary-en.pdf>

Youth Employment and Attainment

- Increase in youth employment and employability of young people.
- Reduction of young people who are Not in Education, Employment or Training (NEET) or who are at risk of becoming NEET.
- Increase in the take up of and attainment levels in STEM subjects amongst 11-19 year olds (WWV only).
- Increase in the skills of the Early Years and Childcare workforce (WWV only).

Public Service Improvement through Regional Working

- To act as a catalyst to stimulate new regional solutions, planning and service models, reflecting the strategic agenda set out in the Welsh Government's strategies *Prosperity for All*, the *Economic Action Plan* and the *Employability Plan*.
- To help organisations to innovate and work together on a regional basis to find new ways to tackle some of the challenges they are facing and improve the delivery of public services.

8. Good progress continues to be made across both 2014-20 ESF programmes, with 98 projects approved and £776m (90%) of ESF funds committed (at the planning rate of €1.17). WEFO intends to commit the remaining £86m ESF through a mixture of new and pipeline projects and extending projects to deliver more over longer timescales.
9. Delivery of support to participants is progressing well, with more than 182,000 participants recorded so far (42% of the overall target). Over 72,000 participants have gained qualifications and over 12,000 have been supported into employment.

Relationship between the European Social Fund and the Erasmus Programme

10. In contrast to the ERDF and related competitive funds for research and innovation (like Horizon 2020) there is no equivalent direct and explicit relationship designed into the ESF programmes. ERDF investment for research capacity was specifically intended to build capacity for Welsh organisations and researchers to be able to more successfully access competitive research funds. This involved designing a specific stairway to excellence, whereby ERDF investment was expected to lead directly and measurably to increased applications and success in securing competitive funds from Horizon 2020, UK Research Councils and the private sector.
11. The ESF programmes, however, pursue complementary but less directly related goals to Erasmus. ESF provides funding for activity primarily focused around skills development, employment and job creation, while Erasmus is a programme to support staff and student mobility and curriculum enrichment. While there are opportunities for activity to be supported by both programmes these are somewhat limited due to the lack of overlap in potential beneficiaries.

12. The approach set out in the Welsh ESF programme documents for 2014-20 was that the ESF programmes and the Erasmus+ should have potential to be complementary to each other. For example, the ESF programmes provide substantial ESF support for vocational training in Wales (such as apprenticeships) and Erasmus+ has supported the Pan Wales Vocational Learner Mobility scheme run by Colleges Wales.
13. The relationship between ESF and Erasmus is therefore much less specific and is best considered in the wider context of Welsh Government education and skills policy (in which both ESF and Erasmus are tools and potential funders to support an overarching policy).
14. Indeed, the main area of opportunity to build activity using both programmes has been further education policy. Colleges Wales for example have looked beyond the borders of Wales to learn about teaching methodologies, work based learning and quality assurance. They have worked, using Erasmus+ funding with European partners to:
- influence the policy;
 - raise awareness of the value of further education;
 - disseminate and help develop good practice; and
 - deliver externally-funded projects that benefit FE learners in Wales.

ESF and Brexit

15. The Welsh Government has been clear and consistent in its six priorities as articulated in Securing Wales' Future. This includes not losing a penny of the £370m a year the Welsh Government receives for our European Structural and Investment funds due to Brexit; as promised during the referendum.
16. We launched our [Regional Investment after Brexit](#) on 14 December 2017, which develops our thinking on the future of regional investment policy in Wales.

The proposals include:

- Developing plans for region investment across Wales, working with local government, businesses and communities in those areas.
- Regional investment focussed on addressing inequalities between and within places and in line with the Welsh Government's Economic Action Plan (EAP).
- The four national governments of the UK agreeing rules on the UK single market, state aid and regional aid guidelines to avoid a race-to-the-bottom that could damage communities.
- Creation of a Council of Economic Ministers from all four nations to ensure co-ordination of policy across the UK.
- Rejecting the idea of a Westminster controlled UK Prosperity Fund and calling for regional investment funds and decisions to continue to be made in Wales.

17. Wales has had financial and policy control over regional development funding for almost 20 years and we expect to retain that autonomy. A centralised or UK directed approach would be an attack on our devolution settlement. In addition the UK Government has limited powers to directly fund and deliver regional economic development in Wales, without further legislation. A rejection of a centralised UK approach is shared by our partners across Wales.
18. Outside of the EU, there are opportunities for a more integrated approach in Wales that focusses on outcomes, linked to the Well-being of Future Generations Act. The potential links to successor EU programmes during 2021-2027 will feature as part of the discussions on successor arrangements in Wales. The priorities identified for Wales will need to be considered in light of the proposals for EU schemes, such as Erasmus, to identify possible areas of cooperation and mechanisms for coordination.

Erasmus + and Brexit

19. Wales has benefitted significantly from Erasmus and the Welsh Government wants to continue to be a full member of the programme, or whatever scheme replaces it.
20. The UK Government has failed to give assurances that we will be able to continue to participate in Erasmus+. That is why we will continue to make the case for our universities, colleges and schools to be a full part of the programme and make sure our European links continue, despite Brexit.
21. The EU has published its proposed regulations covering the next Erasmus scheme from January 2021 to 2027. This provides a framework for third country participation. The UK Government has sought the view of the Devolved Administrations on these proposals.
22. The Withdrawal Agreement – if agreed- provides for the UK to continue to participate in Erasmus to the end of the current scheme in December 2020. In the event of a “no deal” scenario the UK Government underwrite guarantee would apply. It is the UK Government’s responsibility to deliver this guarantee and its extension. It is unclear as to the stage negotiations have reached with the Commission on this matter.
23. The UK Government holds regular discussions with the Devolved Administrations to update on progress with plans for the guarantee.
24. The Welsh Government has been working even more with our universities to strengthen international links for the benefits of researchers, institutions, economic regions and the nation as a whole. We have funded the British Council to develop, deliver and evaluate a mobility programme focussing on providing a wider range of opportunities, for example to Vietnam for those young people from deprived areas where take up has generally been lower.

25. We are keen to learn from best practice around the world and crucially to share our areas of expertise with those who can learn from us. These exchanges can be mutually beneficial to both participating countries.

The Future

26. If the UK Government secures ongoing participation in Erasmus + and Wales has full control over regional economic funding then there will be scope to continue to build on inter-relationships between the two programmes.

27. At the current time, given the general uncertainty around Brexit and the specific uncertainty about regional economic funding and the UK's access to the Erasmus programme further work to understand and exploit the inter-relationships is both a low priority and challenging. Once there is clarity on a range of operations matters Welsh Government will be able to consider this matter. Further work will need to take place in the context of work around the development of an international strategy.