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THE EUROPEAN UNION**

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**LIMITE**

**EDUC 278  
JEUN 69  
SPORT 53  
SOC 784  
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**NOTE**

from:	Presidency
to	delegations
No. prev. doc.:	12107/12 EDUC 235 JEUN 51 SPORT 42 SOC 626 RELEX 622 RECH 311 CADREFIN 321
No. Cion prop.:	17188/11 EDUC 273 JEUN 74 SPORT 44 SOC 1015 RELEX1212 RECH 378 CADREFIN 141 CODEC 2193 + ADD 1 + ADD 2 + ADD 3 + ADD 4 + ADD 5 + ADD 6
Subject:	Proposal for a Regulation of the European Parliament and of the Council establishing ERASMUS FOR ALL: the Union Programme for Education, Training, Youth and Sport - Presidency discussion paper on the proposed Student Loan Guarantee Facility

Delegations will find attached a Presidency discussion paper in preparation for the next meeting of the Education Committee on 9 October 2012.

**'Erasmus for All' programme – Student Loan Guarantee Facility**

Following a comprehensive discussion on the student loan guarantee facility (LGF) at the Education Committee meeting on 11 July, the Presidency is scheduling a further discussion on 9 October 2012 with the aim of making progress towards an agreement on the subject.

To gain a better understanding of the mechanism and likely impact of the LGF, delegations requested additional written information from the Commission. As a result, the Commission has prepared a second non-paper containing replies to frequently asked questions.

In terms of the text of the regulation itself, the Presidency considers that the basic parameters of the LGF should be specified in the form of an annex. Including a specific annex could be justified on the grounds that financial instruments of this sort are a novel type of action. It will of course be important to maintain a coherent approach to proposals for such instruments across the different programmes proposed by the Commission for the new Multiannual Financial Framework (within, for example, the proposals for Horizon 2020, the Creative Europe Programme and COSME).

In that light, and in the light of the information in the Commission's second non-paper, the Presidency proposes to draw up a draft annex to the programme regulation (plus any necessary technical amendments to the recitals and relevant articles) as a result of the discussion by the Committee at our meeting on 9 October.

The following possible elements constituting the minimum requirements could be covered in such a draft annex:

- The LGF being governed by the Financial Regulation
- The entrusted entity responsible for the management of the LGF, indirect management mode
- Territorial scope

- Basic principles and rules concerning the student loans
- Definition of the participating financial intermediaries
- Selection of the participating financial intermediaries by the EIF
- Complementarity between guarantee-backed loans for degree mobility and grants for credit mobility and joint degrees at Master's level
- Reporting requirements
- Role of national agencies

The Presidency would welcome comments from delegations on:

- The general approach proposed by the Presidency
  - The possible content of the annex
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