



Mobilising funds for education and training in Europe **#investEU**



Public and private expenditure in education and training in the European Union exceeds 5 % of the GDP and contributes to developing the human capital that is increasingly needed by the knowledge economy and society. Skilled workers are key drivers of productivity, growth and international competitiveness.

The European Fund for Strategic Investment (EFSI), cornerstone of the Investment Plan for Europe, can support investment in the knowledge economy, in particular in education infrastructure (including through Public-Private Partnerships), Research and Development activities and business cooperation, vocational training programmes and student loans.

Why is it important

Investment is needed to bridge the gap between the skills requested for knowledge-driven jobs and the abilities acquired at school and university. Around one in five Europeans lack basic skills that are necessary to continue learning throughout life and thus adapt to changing working environments. The share of 15-year-olds failing to reach level 2 in the OECD's PISA for reading, mathematics and

science is still high. In order to reach more acceptable levels targeted investments in education are needed.

EFSI is not about changing the public funding of education services; rather it is about increasing investment in the education sector. The private sector can play an important role in mobilising additional resources for education and improving the management of infrastructures.

Education and training could directly benefit from the Plan in two ways:

- 1 developing investment projects in education and training that can obtain economic returns and thus attract private capital (infrastructure and innovation window);
- 2 ensuring that start-ups, for example on digital education and training, benefit from funding (SME window).

Opportunities and benefits

Stakeholders active in the field of education and training, both from the public and the private sector, can benefit from the opportunities offered under the Investment Plan by getting **financing** from the European Fund for Strategic Investments (EFSI), **registering a project** to reach potential investors worldwide through the European Investment Project Portal (EIPP), and making use of the **advisory services** of the European Investment Advisory Hub (EIAH). Opportunities under EFSI are integrated into the **European Investment Bank (EIB) Group**. Projects can be directly submitted by promoters to the EIB or to established investment platforms, which can have a sectorial or geographical scope. In education, the aggregation of small projects will be a key feature.

In addition, EFSI can also be used to strengthen the links and create synergies between education, business and research and make education fit the job market, improve the quality of European universities or reinforce the EU's innovation capacity.

How to access finance

Infrastructure and Innovation projects shall consult the **dedicated Window** deployed through the EIB. Small and medium enterprises shall consult the **SME Window** implemented through the European Investment Fund (EIF).

Examples of projects and activities supported

Educational infrastructures

Under EFSI, it is possible to develop projects for upgrading and modernising the infrastructure of schools and universities.

Student loan schemes

Investments that can potentially benefit from financing include student loan programmes that provide financial aid to undergraduate and graduate higher education students.

Complementary sources of funding

The EU is already supporting national and regional authorities as well as education institutions and civil society organisations to invest in education and training. The opportunities offered under the Investment Plan for Europe complement the grants and financial instruments provided by the European Structural and Investment (ESI) funds, the European Social Fund or Erasmus+, the EU programme for education, training, youth and sport. EFSI provides risk financing instruments. EFSI and ESI can be combined to mobilise additional investment. The EIB also supports projects on education and training mainly through loans.

Within the Investment Plan, the Commission has set the objective to achieve at least an overall doubling in the use of financial instruments under the ESI funds. This objective (approx. EUR 23 billion) is within reach: based on current estimates, the planned overall allocations in Cohesion policy to financial instruments in 24 Member States are expected to be EUR 20 billion for ERDF only.

More information on Education and Training at EU level:

<http://ec.europa.eu/education>