

Erasmus+: another record year

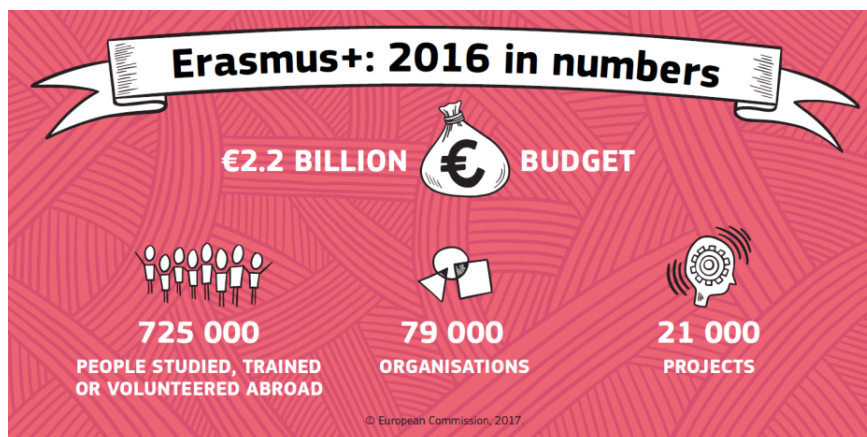
Today, the Commission is publishing the Erasmus+ Annual Report 2016, which covers the third year of [Erasmus+](#), one of the European Union's most successful and iconic programmes. Since 2014, it has become much broader, providing opportunities for study periods and traineeships/apprenticeships for both higher education and vocational education and training students, youth exchanges, volunteering and staff exchanges in all fields of education, training and youth as well as projects in the field of sport. Erasmus+ is also more open to people from disadvantaged backgrounds than any of its predecessors.

What were the main developments in 2016?

In 2016 **Erasmus+** was instrumental in supporting Member States to promote **social, civic and intercultural competences**, in line with the goals set out in the Paris Declaration:

- €200 million were allocated to 1,200 cooperation projects targeting the promotion of tolerance, non-discrimination and social inclusion. Particular attention was given to the selection of projects involving refugees, asylum seekers and migrants principally in Youth mobility.
- A dedicated €13 million call was launched to disseminate, replicate and upscale existing good practices at grassroots level. It attracted great interest from stakeholders with 35 projects selected.
- The “**Online Linguistic Support for Refugees**” initiative helped more than 6,500 newly arrived refugees to improve their language skills.
- In the field of **youth transnational partnerships**, a quarter of the projects funded either directly involved migrants, refugees or asylum seekers or targeted their inclusion, citizenship, and the common values of freedom, tolerance and non-discrimination. On the whole, 34% of the Strategic Partnerships in the field of youth promoted social inclusion and solidarity.

eTwinning Plus made it possible to connect European schools with schools in Jordan, Lebanon and Morocco.



Did mobility increase in 2016?

Since 2014, the overall interest in mobility activities across all fields has been increasing by 10% per year. In 2016, 725,000 individuals and 79,000 organisations were funded by the Erasmus+ budget for mobility.

Nearly 3,900 **higher education institutions** were awarded mobility grants, representing a 4% increase compared to the 2015 call.

More than 100,000 young people were involved in the 2016 funded **Youth Exchanges**. That is 9% more than in 2015.

With just over 2 million mobilities supported in the three year period 2014-2016, the Erasmus+ programme is well on track to meet its target of supporting 3.7% of young people in the EU between 2014 and 2020 (i.e. around 3.3 million young people over the period).

What other projects related to education, training and youth received funding in 2016?

Erasmus+ also promotes cooperation for innovation and the exchange of good practices in the fields of education, training and youth, aimed at a long-lasting impact on organisations, individuals and policy systems:

- In 2016 Erasmus+ funded more than 2,300 **Strategic Partnership** projects involving 13,000 organisations across the education, training and youth sectors. The projects address innovative, quality and inclusive education, training and youth work in a digital environment; improving transversal competences across lifelong learning and the **empowerment**, participation and active citizenship of young people.
- **Capacity building** projects aim at the modernisation and internationalisation of higher education in partner countries [\[1\]](#), as well as cooperation and exchanges between partner and programme countries in the field of youth. In 2016 this action funded 147 higher education and 128 youth projects.
- The 20 **Knowledge Alliance** projects funded in 2016 brought together companies and higher education institutions for the development of entrepreneurial skills and competences in sectors such as the circular economy, open design and manufacturing, international security management, smart engineering, tourism and wine.
- The **Sector Skills Alliances** funded 15 vocational education and lifelong learning projects in the fields of manufacturing, the arts, entertainment and recreation, agriculture, forestry, fishing, construction, information and communication.

How does the programme support young people from disadvantaged backgrounds?

In 2016, the programme continued to fight barriers to mobility by becoming more inclusive for those from a **disadvantaged background and those with special needs**. In the first three years of Erasmus+ over 56,000 disadvantaged participants in higher education took part in mobility activities, including 1,682 with special needs.

Youth exchanges are a highly inclusive format for youth mobility, as 41% of the 104,000 participants in 2016 were young people with fewer opportunities.

More than 30% of the **European Voluntary Service** participants – their number rising for the first time above 10,000 volunteers – are young people with fewer opportunities.

In **Capacity Building projects**, special attention was given to the representation of least developed countries and the inclusion of people from disadvantaged socio-economic backgrounds and of those with special needs.

What developments were there in the sport sector?

In 2016, the sport chapter saw a €12 million budget increase (67%) compared to 2015. As a result more than three times as many projects received grants. In total 140 projects and 789 organisations benefitted from this action.

In 2016 Erasmus+ financed 63 collaborative partnership projects in the areas of social inclusion; and the integrity of sport. It also financed 18 not-for-profit European sport events. During the European Week of Sport, more than 15,000 events across Europe attracted approximately 10 million participants, twice as many as in the previous year.

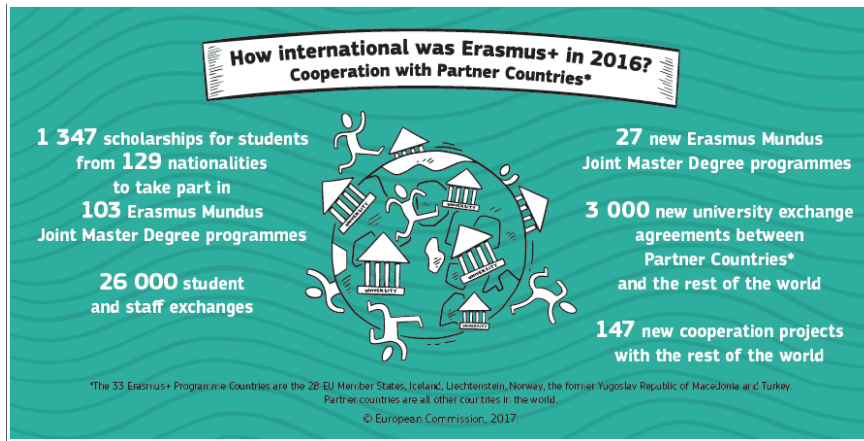
How does the Commission support higher education in Partner Countries?

The international opening of Erasmus since 2015 has been a great success. With the International 'Credit' Mobility action of the Erasmus+ programme, over 26,000 grants were awarded in 2016 for short-term higher education mobility to/from Partner Countries around the world, with 55% going to students and the remaining 45% going to staff either teaching or in training. Some two-thirds of the grants were awarded to Partner Country nationals to come to Programme Countries. On average, students go abroad for five months at a total average cost of €4,400 each, while staff members go for an average of six days at an average cost of €1,800 each. Grants have so far been awarded to participants from 129 nationalities around the world, spanning five continents. Countries sending the most participants include Russia (which has its own budget) followed by Ukraine, Serbia, China and Morocco. More than half (54%) of the 26,000 participants are women.

Over €72 million was provided for the funding for 27 new Erasmus Mundus Joint Master Degrees. The consortia together include 150 partner universities.

147 new projects for Capacity-Building for higher education in 10 regions worldwide were funded with a budget of €131 million, involving 1,913 organisations around the world.

A total 269 modules, university chairs, networks, projects, centres of excellence and associations were supported by Jean Monnet activities in 2016 in 30 European Programme Countries and 45 countries inside and outside Europe.



What data is available on the Erasmus+ projects?

The statistical annex to the 2016 Erasmus+ report offers comprehensive information about the different Key Actions, and their budget and commitment profile, along with detailed information on the number of projects, participants and organisations. Data per country is also available for selected actions.

Qualitative information on the Erasmus+ projects is available through [The Erasmus+ Project Results platform](#), a database giving free access to descriptions, results and contact information for all projects funded under the Erasmus+ programme in the field of education, training, youth and sport. Results can also be retrieved in excel format for further analysis.

For More Information

[Press release](#)

[Erasmus+ Annual Report 2016](#)

[Erasmus + factsheet](#)

[Country-specific factsheets](#)

[Factsheet on the 30th anniversary of Erasmus](#)

[Factsheets on the European education area](#)

*The 33 Erasmus+ Programme Countries are the 28 EU Member States, Iceland, Liechtenstein, Norway, the former Yugoslav Republic of Macedonia and Turkey.

Partner countries are all other countries in the world.

Yves Mersch: Digital transformation of the retail payments ecosystem

Introductory speech by Mr Yves Mersch, Member of the Executive Board of the ECB, at the Joint ECB and Banca d'Italia conference, Rome, 30 November 2017

Efficient and safe retail payments systems are a precondition for the functioning of any modern economy. They allow for everyday transactions to take place, thus providing the foundation for commerce and trade.

Central banks through cash and banks have traditionally offered these services. And they were successful in creating a secure and trusted payment ecosystem for consumers.

However over time the banking **ecosystem has developed inefficiencies**. It has lost some ability to innovate and adapt to the changing needs of the end-user.

In Europe technological disruptions, competition from non-banks and regulatory pressure has forced banks to re-examine how they provide retail payment services.

The ability to provide real-time services will be essential if banks want to retain and gain customers. The **strategic importance of instant payments** cannot be overstated.

The move towards a real-time world with the provision of real-time services cannot happen without pan-European instant payments. They will provide a **new framework for innovative and efficient retail payments** in Europe.

My talk today will focus on instant payments but I will also briefly discuss the alleged innovation brought by private virtual currency schemes without an identifiable issuer.

The foundations of instant payments and ensuring stakeholder involvement

The Single Euro Payments Area (SEPA) was the origin of today's digital landscape for retail payments in Europe. It is a key ingredient of Europe's single currency and was necessary to bring the full benefits of the euro closer to all citizens. This integration of electronic retail payments in Europe was full of challenges and was only completed 12 years after the introduction of euro notes and coins. One of the most prominent issues that faced SEPA was the lack of full stakeholder involvement.

Initially, SEPA was considered an “IT” project to be implemented by banks. It was not seen in the overall context of a project that could transform payments in Europe. The project did not engage enough with Europe’s consumers and businesses.

Support from all stakeholders is thus crucial to the success of any such undertaking. To facilitate such support, the ECB established the **Euro Retail Payments Board** (ERPB). The ERPB brings together both sides of the market, the supply and the demand side, the banks and the end users in order to further the development of an integrated, innovative and competitive market for euro retail payments in the EU. This co-operation has led to new synergies. It gave a voice to those who felt excluded from the process of innovation in retail payments.

Recently we have gone further to enhance European cooperation and have established, in conjunction with the European Commission, the **European Forum for Innovation in Payments** (EFIP). This body brings together the national payments committees with the ERPB to foster integration and innovation for retail payments in Europe.

The ERPB was instrumental in bringing the vision of real-time payments to Europe with the inception of instant payments. The European Payments Council, acting on guidance from the ERPB, created the SEPA credit transfer instant scheme. I am pleased that this scheme was successfully launched last week and let me congratulate the following eight countries who signed up as of today to the service. The tech savvy nations are: Austria, Estonia, Germany, Latvia, Lithuania, the Netherlands, Italy, and Spain. Now, European end-users whose banks have already joined and implemented the scheme can send and receive instant payments across Europe in less than 10 seconds.

A positive end-user experience will ultimately determine the success of instant payments. The ERPB is supporting the work of the industry and other stakeholders to facilitate the initiation of an instant payment using the recipient’s mobile telephone number as a proxy for their IBAN, no matter where they are located in the EU. The ERPB expects that a pan-European mobile proxy lookup service will be ready by the end of 2018 at the latest and I urge all stakeholders to ensure that this deadline is met.

However, to facilitate the full roll-out of instant payments we have to enable reachability of all banks in Europe. To enable full reachability the Eurosystem has decided to launch an **instant payments settlement system** in central bank money, the Target Instant Payment Settlement (TIPS) Service. TIPS is scheduled to go live in November 2018.

Appropriate regulatory framework

SEPA and instant payments did not happen in isolation. An appropriate legislative framework that supports digitisation, innovation and competition is also needed. In Europe we realise this importance. The revised Payment Service Directive (PSD2) will provide the necessary legislative framework to allow for innovation. It will enhance payment account access for regulated and authorised third party providers. It will facilitate the participation of

new actors in the payments market. These actors will provide new innovative services, reduce costs and give consumers more choice.

However this can only happen if standardised access to the payment account is provided. I would therefore call upon stakeholders such as banks, standard setting organisations and, third party providers to work together to ensure a **single standard is developed for payment account access**.

The competition introduced by the revised Payment Service Directive can also provide an opportunity for incumbent banks but only if they **act urgently to implement instant payments**. It is crucial that banks invest to upgrade their legacy batch systems to enable real-time processing and offer end-user solutions for instant payments. These solutions can provide them with a strong tool to face the upcoming competition.

The recent experience with contactless payments shows that banks, in cooperation with other stakeholders, are well capable to roll out payment innovations that can quickly take off and improve end-users' payment experience.

Virtual currencies

It is my view that future innovations in retail payments will be based on instants payments in combination with account access provided by the PSD2. I would like stress this point especially in view of the ongoing public debate around the **alleged innovation brought by private virtual currency schemes or tokens**.

While we have seen a substantial increase, albeit from low levels, in the value of some of the virtual currencies lately, we should not forget that their usage as a settlement asset is marginal and the **overall user acceptance as a means of payment is negligible**.

In fact, retail payment traffic in Europe alone is orders of magnitude higher than the global transaction volume of virtual currencies. In view of the speculative market environment for virtual currencies and for other types of virtual financial assets, one should bear in mind that these are by definition virtual: they do not constitute a claim on an issuer and **do not formally qualify as currency**.

Their purchasing power fluctuates wildly and depends solely on the market activity of speculators. It remains to be seen whether these virtual currencies can be considered as a payment alternative for consumers – except in extreme case like in failed states- and to what extent they can compete with the solutions market players will be able to develop in the **safer and more efficient European retail payments market**.

The ECB continues to monitor these developments, not only from a market infrastructure perspective, but also as regards monetary policy, financial stability, and prudential supervision. And while we continue to fully meet the increasing demand for safe and efficient banknotes we shall also experiment with cash on different digital technologies. Other adventurous

applications of a more disruptive nature are simply not robust enough from a legal, operational, governance point of view to name but a few shortcomings which make these assets unfit for recognition from the point of view of our mandate of efficient payments systems.

Conclusion

To conclude, the benefits of digital transformation and innovation for citizens can only be achieved by means of full stakeholder cooperation and an appropriate regulatory framework that fosters innovation.

Banks need to implement instant payments as soon as possible and provide an alternate narrative to the ongoing public debate on the alleged innovation brought by virtual currency schemes.

Instant payments in conjunction with the building blocks provided by the PSD2 can offer new business opportunities for banks and third party providers and provide citizens with a real-time safe payment experience.

Thank you for your attention

[ECB, ESMA and FSMA seek participants for Euro Risk-Free Rates Working Group](#)

The European Central Bank (ECB) has launched a [call for expressions of interest](#) to participate in the Working Group on Euro Risk-Free Rates for the euro area. The call is also issued on behalf of the European Securities and Markets Authority (ESMA), the Belgian Financial Services and Markets Authority (FSMA), and the European Commission.

The new working group's terms of reference were also published today and its work will be guided by them.

Applications are encouraged from financial sector representatives and non-banking institutions or associations. Candidates for the working group are asked to express their interest by 12 January 2018, using this [application form](#).

Working Group

The working group, which will be chaired by a private sector representative and with a Secretariat provided by the ECB, will regularly consult market participants and end-users, as well as gather feedback from other public authorities. To ensure transparency at all stages of the identification and adoption of a new risk-free rate, the working group will regularly report on

its meetings on the ECB website.

The ECB expects the working group to be operational and its composition to be announced by the beginning of 2018.

As announced in a joint press release by the four institutions on 21 September 2017, the new working group will be tasked with the identification and adoption of risk-free overnight rates to serve as a basis for an alternative to the current benchmarks used in a variety of financial instruments and contracts in the euro area.

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Joint press release of the United Nations, the African Union and the European Union

The United Nations Secretary General, Antonio Guterres, the Chairperson of the African Union Commission, Moussa Faki Mahamat, the President of the European Commission, Jean-Claude **Juncker**, and the High Representative/Vice President Federica **Mogherini** met this morning in the margins of the African Union/European Union Summit to discuss concrete steps to address jointly the dramatic situation of migrants and refugees victims of criminal networks, in particular inside Libya.

They agreed to put in place a joint EU-AU-UN Task Force to save and protect lives of migrants and refugees along the routes and in particular inside Libya, accelerating the assisted voluntary returns to countries of origin, and the resettlement of those in need of international protection. This action will build on, expand and accelerate the ongoing work done by countries of origin, and the IOM, with EU funding, which allowed so far the voluntary return to their countries of origin of 13 000 migrants since January.

The work of the Task Force will be closely coordinated with the Libyan authorities and be part of the overall joint work that the African Union and the European Union, and the United Nations, will intensify to dismantle traffickers and criminal networks, and to offer opportunities of development and stability to countries of origin and transit, tackling root causes of migration.

The United Nations, the African Union and the European Union agreed to upgrade in a systematic manner their trilateral cooperation and to meet on a regular basis at the highest political level, notably in the margins of the UN General Assembly.

Press contacts:

For the African Union Commission:

For the UN:

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