

**UNIVERSITY OF LJUBLJANA
FACULTY OF ECONOMICS**

and

**INTERNATIONAL CENTER FOR PROMOTION OF ENTERPRISES
(ICPE), LJUBLJANA**

MASTER'S THESIS

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**UNIVERSITY OF LJUBLJANA
FACULTY OF ECONOMICS**

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MASTER'S THESIS

**ESTABLISHMENT OF JOINT INTERNATIONAL
EDUCATION CENTRE IN INDIA**

Study of feasibility status from the European Union perspective

Ljubljana, September 2008

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Author's Statement

I, Eva Jensterle, hereby certify to be the author of this Master's thesis that was written under mentorship of Prof. Dr. Andrej Kumar and in compliance with the Act of Author's and related Rights – Para.1, Article 21. I here with agree this to be published on the website pages of ICPE and the Faculty of Economics, Ljubljana University.

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ABBREVIATIONS

| | |
|-------|--|
| ASEAN | Association of South East Asian Nations |
| CEB | Council of European Development Bank (37 members) |
| ECTS | European Credit Transfer and Accumulation System |
| EEA | European Economic area countries: All Member States of EU and EFTA, except Switzerland |
| EFTA | European Free Trade Association: Iceland, Lichtenstein, Norway, Switzerland |
| EM | Erasmus Mundus |
| EMECW | Erasmus Mundus External Cooperation Window |
| EU | European Union |
| FELU | Faculty of Economics of University of Ljubljana |
| FDI | Foreign direct investment |
| HEI | Higher education institution |
| IPE | Institute of Public Enterprise |
| NAFTA | North American Free Trade Agreement |
| NARIC | National Academic Recognition Information Centre |

GLOSSARY

Applicant refers to the partnership's lead institution (also referred to as "coordinating institution") that submits the proposal and which, if selected, will act as contracting party.

Associate refers to the other types of organizations or institutions from the eligible countries that can be involved in the action.

Erasmus University Charter (EUC) is a certificate which sets out the fundamental principles underlying all ERASMUS activities to be respected by the university that has applied to the European Commission for an Erasmus University Charter (EUC). The awarding of an EUC gives a university the right to participate in Erasmus and to apply to its National Agency for funding for decentralized activities (for example ECTS), and to the European Commission for centralized activities.

Incoming mobility is mobility of Third-country students and scholars that come to study and carry out the scholarly work in EU.

Outgoing mobility is mobility of EU students and scholars that go to study and carry out the scholarly work in Third-country.

Partner refers to institutions - other than the applicant - that are members of the partnership and act as home and/or host institution for the students and academic staff involved in individual mobility.

Partnership refers to the grouping of institutions, i.e. the applicant and its partners.

Scholar is a person who carries out teaching and research assignments and scholarly work.

Third-country term is used in the Treaties, where it means a country that is not a member of the European Union. This meaning is derived from 'Third-country' in the sense of one not party to an agreement between two other countries. Even more

generally, the term is used to denote a country other than two specific countries referred to, e.g. in the context of trade relations. This ambiguity is also compounded by the fact that the term is often incorrectly interpreted to mean “Third -world country”.

INTRODUCTION

1.1 Research problem statement

The assessment of feasibility regarding the establishment of the Slovenia - India Joint International Education Centre in India from the European Union's perspective, in terms of the projects and programmes intended to financially support the cooperation between the European Union and India in the field of higher education.

Subjects and partners are Slovenian and Indian higher education institutions (HEIs) cooperating with partners from other EU member states as well as the partners from the corporate sector of both countries. The two potential partners are the Faculty of Economics of University of Ljubljana (FELU) from Slovenia and Institute of Public Enterprise (IPE) from India.

1.2 General description of the project's concept

The idea to establish Slovenia - India Joint International Education Centre in India is a response to the fact that Asia has become Europe's main trading partner and that India itself is gaining an important role in development. With such an education center, India would benefit in two ways: higher educated people and new employments. Moreover, the cooperation between European Union and India as strategic partners would strengthen, especially in the field of education and business. The idea uses increasing trading relationship between European Union and Asia as an opportunity for students of the Joint International Education Centre in India. Furthermore, there are programmes within European Union education and foreign policy that financially support programmes and projects which contribute to development of the Third-countries. Project is situated in the context of higher education which plays an important role for economic and social development worldwide and is presented in the European Commission's document Compendium 2007 for Erasmus Mundus External Cooperation Window (http://eacea.ec.europa.eu/extcoop/call/documents/compendium_ECW_2007.pdf). This document explains that the outputs of European higher education are as follows: high quality human resources who are highly employable and mobile, disseminations of scientific discovery and advanced knowledge achieved through teaching and educating future generations of citizens. Furthermore, higher education produces high level professionals and political leaders, who in turn can contribute to better governance. Realization of the project by means of European programmes and their financial support would bring similar results in India. The European Union believes that with its higher education and external aid policies it can create an open, modern and competitive society. The EU believes that through promoting the attractiveness of its education systems and through support for enhanced cooperation between higher education institutions and an intensification of academic, research and student exchanges between the European Higher Education area and the world can realize the aim to have citizens that are highly employable and mobile. International cooperation in the field of higher education

between the European Union and the Third-countries is a win-win strategy for all stakeholders. Such a situation satisfies potential contribution to the mutual enrichment of nations and to a better understanding of peoples. The EU established unique framework of higher education institutional cooperation between the EU and the rest of the world. The two programmes identified as eligible for realization of the project are Erasmus Mundus (EM) and Erasmus Mundus External Cooperation Window (EMECW). These two programmes combine the European Union higher education, cooperation and external policies. The European Commission wishes to achieve better understanding and mutual enrichment between the European Union and Third-countries co-operation through realization of Erasmus Mundus and Erasmus Mundus External Cooperation Window programmes. Cooperation through any of these two programmes has its fundamental in mobility. Though linkages between mobility in higher education and the development of the knowledge economy are quite complex, the equivalent linkages between mobility and intercultural understanding appear comparatively straightforward. In the European Commission's document Extended impact assessment (http://ec.europa.eu/education/programmes/mundus/doc/sec949_en.pdf) is noted that Europe's political and commercial success in the world depends on future decision-makers in Third-countries having a better understanding and closer ties with Europe. From the political and cultural point of view academic exchange will promote mutual understanding between peoples and counter the risk of widening the inter-cultural gap between European and other cultures. Provision of great opportunity for European students is to get cost-effective internationally standardized experience in education in one of the fast growing economies - India, together with opportunities to get some practical business experiences based on internships in Indian corporations. Provision of great opportunity for Indian students is to gain knowledge and experiences from high quality course at Master level offered by the partnership of well recognized HEIs from EU and India. HEIs interested in this project would through participation in EU programmes (EM, EMECW) raise their capacities, build pole of expertise and gain international visibility.

1.3 Purpose of the thesis

The purpose of the thesis is to help take decision about establishment of the Joint International Education Centre in India to two higher education institutions that are interested in the project, these are the Faculty of Economics of University of Ljubljana (FELU) from Slovenia and the Institute of Public Enterprise (IPE) from India. Decision bases on connectivity between EU and India (Asia) in entrepreneurial and educational perspective contributing to higher education and creation of new jobs in India and nevertheless on the trade-offs for potential partners. As the project's most likely objective is attracting students and scholars to study and carry out scholarly work at established center is this fact taken into consideration as well while carrying out the research.

1.4 Goals of the thesis

1. To identify all suitable existing EU cooperation **programmes** from the field of higher education between the EU and India that financially support materialization of the programme.
2. To identify the **key factors** for realization of the project through the identified EU cooperation programmes
3. To assess the business **potential** of the project for its realization through the identified EU programmes.
4. To suggest appropriate **strategy** to the partners in the project in relation to major steps necessary to be taken to develop the project within possible EU programmes.

1.5 Objectives of the thesis

1. To establish the role of the EU in the EU– India relationship.
 - a. To examine the EU external relation and education policies directed to developing countries, India in particular.
 - b. To examine the EU funding opportunities to mobilize financial resources for the project.
 - c. To enumerate similar projects that have been funded by the EU.
2. To analyze the EU programmes corresponding to the project's objective.
3. To analyze different possible scenarios for realization of the project from EU perspective like arranging the EU financial support sources by the level of certainty to get them.
4. To identify key bottleneck for realization of the project through possible EU programmes.
5. To carry out the SWOT analysis for establishment of Slovenia-India Joint International Education Center in India.

1.6 Research process

To be possible to reach the stated goals and objectives of the thesis, an efficient research strategy is required. It is important to plan, organize and execute research strategy according to the clearly set goals and objectives in the thesis and to monitor every action. In the research process multi-research methods were used. Team work with other partners of the project had form the base of the research to keep work on the right track.

Research approach was deductive reasoning, which means that in the first step the idea was developed, and afterwards the research moves from general (EU foreign policy)

toward specific (EU-India education policy) area. Research is both exploratory (clarifying issues) and explanatory (establishing casual relationships between variables).

Research methods are as following:

- web surveys - exploratory studies in the field of the European Union and the EU-Indian relationship searching for secondary data using internet and literature (www.ec.europa.eu, etc.),
- contacting key institutions and people that will orient the research process (European Documentary Center library, professors from MBA programme at ICPE, Economic Faculty, Research Center at Economic Faculty, Representative body of European Commission in Slovenia, etc.),
- on-table research,
- SWOT analysis.

Research issues:

- time limitation (deadline in October),
- to find proper data (laws, legislation,...),
- to access specific data (web researches that do not have free access,...),
- no response on mails or calls from contacted institutions or bodies.

Data collecting and analyzing:

- secondary data collecting (an ease to access, cheaper to access),
- qualitative data collecting (EU laws, foreign policies, suitable programmes supporting project, suitable shareholders - business partners, suitable stakeholders, etc.),
- quantitative data collecting (number of already successfully operating programmes in the field of higher education and that operate internationally,...),
- collecting data from the internet (www.ec.europa.eu, etc.), libraries (European Documentary Center library, CEK from Economic Faculty in Ljubljana, Slovenia), data sources available on the internet (Proquest, EBSCOhost, Science Direct, Emerald),
- qualitative and quantitative data analyses using tables, graphs, images, etc. trying to conclude which are trends and forecasts that important for realization of Establishment of Slovenia-India Joint International Education Centre in India.

2 BACKGROUND OF THE PROJECT

From the perspective of Slovenia potential partner, is establishment of the new Slovenia-India Joint International Education Center between the two potential partners Faculty of Economics of University of Ljubljana (FELU) from Slovenia and Institute of Public Enterprise (IPE) from India an opportunity to enter new market – India. Market research of a new market is necessary to form proper entering strategy. Though, research of Indian education market was not in the scope of this academic exercise, however a brief overview of the same has been included. In this study external relations between the EU and Asia are analyzed as a framework of external relations between the EU and India which are as well presented. How strong the current connections between the EU and India are, is an important element in project's realization.

2.1 Overview of Indian education market

A recent McKinsey-Nasscom report estimates that India needs at least 8,000 new businesses to achieve its target of building a S 87 billion IT sector by 2008 writes Ramadorai S. (2008). Even more, the Silicon Valley Indians as a success story that created many Millionaires has helped change the Indian mindset towards entrepreneurship. However, India is still trapped in the “past”. Thadavanal J. (1993) notes that India's refusal to acquire modern knowledge and harness the tremendous potential of the industrial revolution led to the nation's decline and backwardness. Due to this is today's Indian higher educational system defective in educational philosophy and practice. He also exposes the problem of pupils' deficiency in the English language that leads to under-prepared students entering colleges and universities where English is the medium of instruction. In connection to the project this might be a liability either at the screening stage or during the course of studies as special provision shall have to be made for either short listing students conversant with English or special teaching classes to help them better understand English shall have to be arranged.

Key findings collected from an article Examine the Higher Education System in India (2008) published on the web page of the Research and market are that India is the third largest higher secondary education system in the world with 25 Central Universities, 231 state universities, five institutions established through state legislation, 100 deemed universities, 31 Institutes of National Importance as on 31st December 2007 and that in 2005-06, the total enrolment of students in all courses (professional and non-professional) and levels in regular stream was 11.04 million. Furthermore, Indian foreign collaboration in B-schools (business schools) has also been increasing in the recent past. For example, India and the US are developing long-term relationship in higher education with more student and faculty exchange programmes. It is also highlighted that presently in year 2008, exists about 1,500 B-schools in India and the number of students passing out every year is about 100,000. The ratio tells us that is an average number of students per Indian B-school 66. Encouraging information for the project is also the finding that since

February 2000 100% FDI is allowed in higher education under the automatic route. In the article *Private & Foreign Educators to Make India Educated* (2007) it is said that Indian government has been strongly encouraging foreign universities seeking to enter the higher education scene in India for opening campuses under the liberalization movement. Article also exposes the challenges that foreign universities might face while entering Indian market, such as for example, hurdles regarding the student's perception that the class and market value of a degree attained from a foreign country is usually better than the one obtained at the Indian campuses. It is also written that is therefore contextualization of foreign higher education institutions' programs and courses and making it affordable to a bigger student base of high importance. However, Ray M. (2005) writes that critics of foreign competition see liberalization of educational services in India as a threat to underfunded state colleges that do not cater to the elite which might get ruined.

As presented in the article *Education Services Market in India 2007* there is a large potential which can be tapped by foreign HEIs coming to India owing to lack of quality institutions in India as well as prevalence of large student base. Through these two factors Indian government tries to attract foreign HEIs for collaboration with Indian HEIs aiming to improve Indian higher education system. Also finding of the research presented in this article supports the fact that foreign universities can leverage the opportunity of offering contextualize courses as Indian universities/institutions are lacking in this particular domain. Damast A. (2008) as a result of a study *Business Barometer* issued by Associated Chambers of Commerce & Industry of India (Assocham) concludes that in India's business schools are business school professors and lecturers mostly ignorant of the world's major economic trends and key developments and that most master of business administration (MBA) programs in India need better faculty, texts, and certification. These findings draw a great opportunity for the project. Project's programme might focus on major economic trends and key developments and might satisfy the need of being a better faculty as well as offering better texts and certification (EQUIS by FELU). Kumar M. B. (2006) notes that in India appears the problem of ensuring adequate supply of trained manpower in companies. Therefore he stresses that there is a need to facilitate private vocational and technical training institutes in order to meet the huge demand, which again encourages the project's intentions.

The potential of the launching MBA programme through the education center in India is also encouraged by Tandukar A. (2006) who reports, that there is a growth of the master of business administration (MBA) degree market in Asia and that the biggest interest in MBA on the global stage show Asian students who are turning to educational institutions in China and India. Finally, as Hamm S. (2008) commented, India is becoming a proving ground for managing the global workforce.

2.2 Overview of external relations between European Union and Asia

On the official web page of European Union under the EU external relations (http://ec.europa.eu/external_relations/asia/index.htm) is noted how EU-Asia relations are

expanding rapidly through economic, political and development cooperation. Asia due to its vast size faces physical, cultural, political and economic diversity. It is a home to some two thirds of humanity and to two thirds of the world's poor. Therefore poverty remains a significant challenge. Asia has recently surpassed North American Free Trade Agreement (NAFTA) and become Europe's main trading partner. Asia is accounted for a third of Europe's total trade flows. European Foreign Direct Investments (FDI) in Asia amounts to a third of European investment abroad and it is growing. The EU is fostering dialogue and cooperation with all Asian partner countries to constructively engage on issues of mutual interest. European Commission has adopted 18 individual country strategies and a regional strategy, covering cooperation with Asia for the period 2007-2013. Foreseen budget for EU-Asia cooperation within this period has been estimated to some EUR 5.2 billion. Furthermore, the European Commission is moving to negotiate Free Trade Agreements with India, South Korea and the Association of South-East Asia Nations (ASEAN), as well as Partnership and Cooperation Agreements with Asian partners. In the European Commission's document Europe and Asia: A strategic framework for enhanced partnership (http://ec.europa.eu/external_relations/asia/rel/index.htm) following objectives have been set for enhanced EU-Asian relations:

- to contribute to peace and security in the region and globally,
- to strengthen mutual trade and investment flows,
- to promote the development of the less prosperous countries,
- to protect human rights and spread democracy, good governance and the rule of law,
- to build global partnerships and alliances with Asian countries,
- to strengthen the awareness of Europe in Asia and vice versa.

Strengthening EU-Asia relations as one of the EU's external policy priority presents a positive background for the cooperation projects between EU and Asia partners.

Asia is further divided in sub-regions. India as a focus country for launching the product is located in South Asia region. Other countries of the South Asia are Afghanistan, Bangladesh, Bhutan, the Maldives, Nepal, Pakistan and Sri Lanka. Economically, South Asia accounts for 2.0% of world GNP, and for 2.2% of the EU's external trade. An average per capita income of the region is \$430, ranging from \$220 in Nepal, \$450 in India, to \$1,160 in the Maldives. 522 million people out of a total population of 1.33 billion of the region live on incomes that are less than \$1 per day. South Asia is representing 44% of the world's poor (http://ec.europa.eu/external_relations/asia/reg/sa.htm). Official web page of United Nations Development Programme (<http://www.undp.org/mdg/basics.shtml>) is noted that in order to meet the needs of the world's poorest United Nations set eight Millennium Development Goals that are to be achieved by 2015. The Millennium Declaration was adopted by 189 nations and signed by 147 heads of state and governments during the UN Millennium Summit in September 2000. These goals are in the process of implementation in South Asia region as well. However, Millennium Development Goals that are to be achieved by 2015 will contribute to creation of more educated people on the level of primary and secondary schools. This will increase the number of potential students for higher education. In connection to the project that aims to offer the course at the Master level is this trend in its favour.

Commissions' document *Regional Programming for Asia: Strategy Document 2007 – 2013* (http://ec.europa.eu/external_relations/asia/rsp/rsp_0713_en.pdf) nicely elaborates the importance of cooperation in higher education between EU and Asian countries. Document identifies three regional priorities:

- support to regional integration,
- policy and know-how-based cooperation (including higher education and support to research institutions, environment),
- support to uprooted people.

It presents that investing in people's education, particularly in higher education institutions, play a key role in society contributing to economic growth and development goals. The sector thrives on the exchange of students, academics, ideas and cross-cultural experiences. Globalization is the engine that fosters EU to regard higher education as a strategic sector for development cooperation with Asia. Furthermore, EU has significantly developed its higher education and scientific research sector and has much to offer its Third-country partners. Europe has well-established universities of high quality that are competitive to world's highest quality higher education institutions. It has also strongly developed research and innovation field. All this strengths can lead to the fruitful EU-Asia joint actions in the field of higher education and to development cooperation activities.

2.3 Overview of external relations between European Union and India

2.3.1 Most important milestone in EU - India relations

The most important milestone in enhancing EU-India relations is the first EU - India Summit that took place in Lisbon on 28th June 2000 and is presented on the web page of European Union (http://ec.europa.eu/external_relations/india/summit_06_00/index.htm). EU and India realize that India became an important political and economic player on the global stage. For India cooperation with European Union represents a huge opportunity to be recognized as a truly global player, receiving the same attention as other major partners of the EU. Strengthening of EU-Indian partnership is oriented to result in EU becoming India's most important partner in the new economy, including information technology and bio-technology. Such cooperation could exploit the great Indian growth potential where India and EU would mutually benefit. Never the last, EU is fully aware that India's growth, trade and investment are below potential.

2.3.2 Strategic partnership for 21st century between EU and India

In this sub-chapter are elaborated different aspects of recently established strategic partnership between European Union and India.

2.3.2.1 Joint action plan

Document The European Union and India: A Strategic Partnership for 21st century (http://ec.europa.eu/external_relations/india/intro/index.htm) notes that EU and India agreed to establish a strategic partnership at the fifth summit in 2004. In 2005 the EU and India adopted an ambitious and wide-ranging ‘joint action plan’ which sets the course for the future EU–India strategic partnership. The action plan covers five chapters:

1. Strengthening dialogue and consultation mechanisms
2. Political dialogue and cooperation
3. Bringing people and cultures together
4. Economic policy dialogue and cooperation
5. Developing trade and investment.

For the project materialization is important chapter “Bringing people and cultures together” that aims to enhance contacts between people of the two partners, for better mutual understanding, as well as for the role of civil society. Fields that are covered in this chapter are migration and consular issues, parliamentary exchanges, education and academic exchanges, civil society exchanges, cultural cooperation and increasing mutual visibility. Significant to the project is educational cooperation that will be increased through adopted cooperation and exchange programmes that support development of EU studies in India and Indian studies in Europe.

2.3.2.2 EU – India: strategic partners

World became a ‘global village’, therefore global leaders such as the EU and India must work together to defuse the dangers of modern life and optimize the possibilities it offers. In the same document, Strategic Partnership for 21st century (2005) is presented EU–India global cooperation, that is based on shared values and philosophies and is helping to counter terrorism, transnational crime and drugs, protect the environment, democracy and fundamental rights and ensure that globalization’s benefits are evenly distributed. European Union aims to create a stable and peaceful Europe. Globally, the EU is the world’s biggest trading partner. It is also particularly active in promoting the human aspects of international relations, such as social solidarity, human rights and democracy.

In Indian Country Strategy Paper 2007-2013 (2006) European commission elaborates Indian political, economic, social and environmental situation, India’s policy agenda, past and ongoing EC cooperation with India and the EC’s response strategy 2007-2013. Furthermore, it states that are EU and India the world’s two largest democracies. European Union is the world’s biggest economy. It aims to create a stable and peaceful Europe. Globally, the EU is the world’s biggest trading partner. The European Union is also India’s top partner in terms of trade and investment inflows and is in the front rank of its partners in the fields of economic and development cooperation. India is the largest power in South Asia. India is also increasingly a global leader in world trade and international cooperation. India is the second most populous nation and the fourth biggest economy in purchasing power parity terms. India consists from two extremely different worlds simultaneously. On one side there is a rapid economic growth and social changes

bloom. On the other side there are a one third of the worlds poorest. A percentage of the population appears to be left behind due to lack of good social services, low employment opportunities and few prospects. Bridging this gap will be a major challenge for India as well European Union.

India and the European Union are committed to an equal and dynamic dialogue on all subjects of mutual interest and concern, both as major entities in our own regions and as actors on the world stage. EU and India share many common values and beliefs, such as commitment to democracy, pluralism, human rights, the rule of law, independence of judiciaries and the media. The task of preserving our planet from global environmental threats, natural disasters, confronts the EU and India equally. Widespread, destructive flooding and disastrous droughts regularly affect India and Europe, providing a real case for united effort in the fight against global warming. Both countries put united efforts in the World Trade Organization (WTO) to means to reduce the gap between the world's richest and poorest and improving their access to markets and the benefits of modern technology. As the result of the modern technology there appears a threat to the world's poorest — the so called “digital divide”, which is widening the gap between rich and poor, educated and illiterate that could follow as a result of the ICT revolution. EU and India has to fight against this threat (Strategic Partnership for 21st century, 2005). Moreover, with more than a billion people and one third of the world's poor rapid growth of Indian country is essential. Creating new jobs, more employment opportunities, country social support will protect society from the poverty. However, structural reforms and social cohesion are needed if India wishes to meet growth and substantially reduce poverty. Cooperation between two such important global players as strategic partners is essential for good of global society (India: Country Strategy Paper 2007-2013, 2006).

2.3.2.3 EU: a perspective

As the EU grows and adapts it offers advantages to India and is a force for stability in the world. The EU was set up in the aftermath of World War Two to bring peace, stability and prosperity to Europe. Solidarity and innovation are two watchwords of the EU's activities. It is constantly in the development process therefore it took place from the Schuman Declaration and the six-nation EU of the 1950s to its 2007 enlargement to include 27 countries. Solidarity and innovation are two watchwords of the EU's activities. The single market is one of the EU's biggest achievements (http://europa.eu/abc/12lessons/index_en.htm). In the Strategic Partnership for 21st century (2005) is also introduced that the EU's own currency, the euro, launched on 1st January 2002, is now the world's second currency, and the EU is giving deep consideration to its future relations with neighboring countries and the world at large. With the expansion of the EU market, EU has even greater weight in international affairs. This will help to reinforce political stability, prosperity, democracy, respect for human rights and the rule of law across the European continent as a whole — to the advantage of the world as a whole. India as well as other Third-countries benefit significantly from an enlarged European Union. A single market of the enlarged Union of 27 countries is applied through a single set of trade rules, a single tariff, and a single set of

administrative procedures. Doing business in Europe is easier with these simplified dealings. It improves conditions for investment and trade. Such market creates fresh market opportunities for Indian and other Third-country commerce and investors. Indian business has already taken full advantage of this potential.

EU is facing two main challenges, enlargement of the Union and fact of living in the 21st century. Defining EU's relations with others is also a top priority. The EU's main geopolitical lines of vision for the beginning of the 21st century are set out in the document European security strategy (2003) which was agreed by the European Council on 12th December 2003.

Ever evolving European Union offers many opportunities and advantages to India as well as to the project.

2.3.2.4 India: prospects and potential for growth

Assessment of prospects and potential for growth of Indian market is important for the project although the India itself is a big market. Strategic Partnership for 21st century (2005) further discusses a set of structural adjustment reforms that had been instituted in India in 1991 and that caused the economy blossom. Real potential for further expansion exists and can be achieved with the right domestic conditions. How to capitalize on this potential will be the main theme of the ongoing business dialogue between the EU and India. India's economy can be counted a real success story. Through a process of progressive trade liberalization, in the 1990s India changed its economic focus from import to greater export. This resulted in increasing its share of world trade from 0.5 % in 1992 to 1.26 % in 2004. The Indian economy grew by an average 6 % per annum from 1992 to 2002. Important factor reflecting this economic strength has been substantial growth in India's middle-income population. Already India is universally acknowledged as one of the world's most dynamic economies. Today India finds itself in the third generation of reforms with increasingly bright economic prospects. There is enormous potential for growth in the fields, such as:

- financial services,
- power and energy supply,
- telecommunications,
- mechanical engineering,
- biotechnology,
- textiles and clothing, etc.

One area that offers considerable opportunities for EU–India business partnerships is information and communications technology (ICT). India is an ICT world leader with the projection that the software will be India's largest economic sector by 2020 which will contribute 28% of GDP. On the other hand, the EU represents the world's most open market for India and is India's main trading partner. A good example of this trend is trade in services between India and the EU, which has increased significantly in recent years — in both directions. In 2001 India service exports to the EU were EUR 2.5 billion. In return the EU exported EUR 2.4 billion. Services take place as rich potential for growth for future EU–India bilateral business. Furthermore, the EU is the leading foreign

investor in India as well a major destination for Indian investors. A 2002 Asia Invest survey reported that most EU investors in India considered their experience to be “a success”. Indian overseas investment flows into Europe are about 40%, compared to the United States 20 %. Indian firms present on the EU market are for example Infosys, Tata Consultancy Services, HCL Technologies, Wipro and Birla Soft, Bharat Forge, Thermax, Tata Tetley, Compact Disk India Ltd, Mastek and Bank of India. EU and India are striving to optimise this all-embracing potential. Document also appeals to the Asia Invest survey in 2002 which reported that most EU investors in India considered their experience to be “a success”. From the perspective of the project’s European potential investitures i.e. FELU from Slovenia is the result of the survey very encouraging. Above listed fields that have enormous potential for growth indirectly increase the demand for managerial skills and economics knowledge which will be “supplied” by the projects (offering MBA course). The demand for the project’s outputs is there. The question that appears at this point is, what is the market “supply” of institutions offering managerial and business courses, in other words, how competitive is Indian market in the field of higher education covering managerial and business field?

2.3.2.5 Economic cooperation

With the reference to the web page of EU (http://ec.europa.eu/external_relations/india) it is found out that in the 1994 had been provided Joint Commission as the central body to inspire the co-operation activities between India and the EC. Under the Joint Commission there are three sub-commissions; Trade, Economic Co-operation, Development Co-operation. Furthermore, in Strategic Partnership for 21st century (2005) the EU–India action plan recognizes importance of their relationship and promotes cooperation between these two in a number of important areas such as: environment and climate change, energy, customs cooperation, civil aviation, maritime transport, science and technology, space industry, information technology and telecommunications (ITC). EU–India economic relations are vital to both partners. They have many shared values and challenges. There are regular discussions at top-level EU–India summits. In 2003 EU foreign direct investment (FDI) in India amounted to EUR 535 million, as compared to EUR 337 million for the USA and EUR 76.5 million for Japan. The EU as India’s biggest trading partner sourced 16.7 % of India’s imports and took 23.7 % of exports in 2004. Indian Country Strategy Paper 2007-2013 (2006) is regarded as transitional, showing a progressive shift from development assistance towards support to pro-poor sector reform policies and other areas of mutual interest, including economic co-operation.

2.3.2.6 Political cooperation

Meeting of EU and India is meeting 25 Member States having 450 million inhabitants and 20 languages with India having 1 billion inhabitants and 100 languages. Close political cooperation between global leaders is required to face the complex international issues, such as the need to strengthen the international legal order, countering terrorism, resolving regional and international conflicts and cooperating in the face of natural disasters The enlargement of the EU in 2004, when 10 new Member States joined, has attracted increased interest about the EU in India. As a result, India and the EU are

engaged in an open dialogue about long- term trends and developments in international affairs. In addition, there are dialogues on all subjects of interest and concern, such as dialogues on commitment to the role of the UN and to peacekeeping, EU's support to resolve Kashmir, contribution to reconstruction in Afghanistan, shared views on regional questions, multilevel dialogues about multi-polar issues (Strategic Partnership for 21st century, 2005).

2.3.2.7 Cooperation with civil society

India and the EU have launched a series of innovative and exciting initiatives to promote greater awareness and mutual understanding about EU–India relations that are presented in Strategic Partnership for 21st century (2005). These include cross-cultural programme for funding media, entrepreneurial and academic projects, round table of leading personalities to discuss concerns and priorities, European studies programme at Jawaharlal Nehru University with a purpose to strengthen understanding through academic studies and a future EU and Indian Think Tanks Programme to be launched. In addition to cooperation, the EU depends heavily on Indian civil society for implementation of development projects. India is the largest recipient of the European Commission's Non-Governmental Organization (NGO) cooperation funds in Asia. The current portfolio of EU–India cooperation projects involving NGOs scoops more than 150 projects worth more than EUR 125 million. NGOs appear to be essential partners in the EU-India cooperation process. Civil society is at the heart of the demographic process and it merits further exploration through the several actions. These actions are following: promoting cooperation between political parties, trade unions, business associations, universities and civil society (including think tanks and NGOs), developing the India–EU Civil Society Internet Forum to enable enhanced exchange of ideas between civil society actors, continuing to support the work of the India–EU Civil Society Round Table and its integration into the institutional architecture of the India–EU relationship, moreover launching a second phase of the economic cross-cultural programme (ECCP) and promoting the interconnection of EU research centers in India and of research centers on India in the EU. Finally, EU and India continue building bridges through civil society which represents fundamental for implementation of development projects (including this project).

2.3.2.8 India: education scenario

Knowing an Indian education scenario is advantage for potential partners in the project, eventually project will have to be integrated in Indian education scheme. India Country Strategy paper 2007-2013 (2006) defines promotion of full and productive employment as a central objective. European Commission and India are focused to meet India with Millennium Development Goals (MDGs). Therefore, they encourage an increased social cohesion and a substantial reduction of poverty through economic development of India. They also support structural reforms through better governance and infrastructure in order to improve the investment climate, boost productivity and accelerate growth.

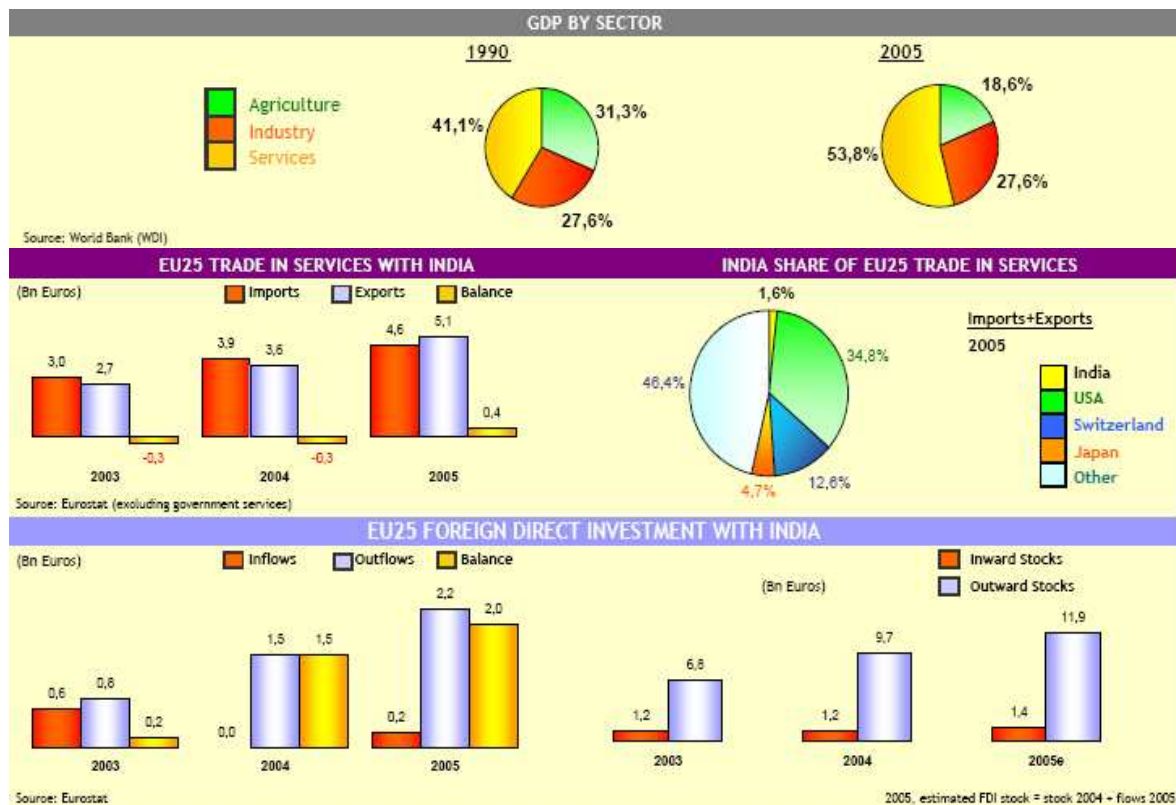
European Commission's approach to Indian challenges is therefore with helping India by providing budget support to the social sector (health/education), encompassing best practice models in good governance, decentralized decision-making and development and other assistance. EU and India ambitious Action Plan set under EU-India strategic partnership views to promote dialogue in areas of mutual interest and enhance economic co-operation. It also foresees the strengthening of activities in civil society and cross cultural cooperation, as well as exchanges in academic and education field. However, Country Strategy Paper for India therefore prioritize support for the social sectors such as health and education and support to the economic, academic, civil society and cultural activities foreseen in the Action Plan. Under EU's relations with India on EU web page (http://ec.europa.eu/external_relations/india/intro/dev.htm) it is noted that since 1990 EU cooperation strategy has been supporting the Indian authorities' own work. Priority was given to the poorest and most disadvantaged in society. Strong attention was paid to sectors such as primary education and healthcare. Such cases were the District Primary Education Programme (DPEP) with a grant of € 150 million that finished in 2002 and later on government's Sarva Shiksha Abhiyan (SSA) reform programme aiming at "Universalisation of Elementary Education" for which the Commission committed € 200 million in 2001 and should be available in 2008. Indian Development Economic Assistance Scheme (IDEAS) could pave the way for a fruitful EU-India dialogue. As the economic growth and development strongly rely on knowledge society India invests in people and fosters in particular higher education. Even more, India became focused on international partnerships between institutions that are becoming increasingly important in the context of globalization. Cooperation programmes with EU which fosters development of its higher education and scientific research sector in international context benefit India through enriching students and scholars that cooperate in international mobility between India and EU with international, intercultural experiences and knowledge. These cooperation and mobility programmes also results in opening mind of students and scholars involved in the programmes. Indirectly these open minded people may contribute to the development of India that is presenting itself on the competitive global market.

2.3.3 EU-India Trade and Investment

EU's web page (http://ec.europa.eu/trade/issues/bilateral/countries/india/index_en.htm) provides information on trade and investment between EU and India. EU is India's largest trading partner and first source for FDI. However, India is one of the fastest growing economies in the world that will reshape the twenty-first century global economy. The EU and India, both global players in world trade, cooperate closely in multilateral discussions and are playing a crucial role in creating new international structures, including the World Trade Organization (WTO). Given India's developing country status, its exports to the EU currently benefit from reduced tariffs under the EU Generalized System of Preferences. India appears as the largest beneficiary of this scheme.

The project is slated to cover higher education which is covered under services sector. Hence services sector has been brought under the ambit of observation in the following figures. Figure below represent Indian GDP by sector, EU trade in service with India, India share of EU trade in service and EU foreign direct investment with India. Services represented 41.10% of GDP of India in 1990. 15 years later, in 2005, services represent more than half, 53.80 %, of Indian GDP. Furthermore, imported to India from 25 EU was higher than export by the year 2005. Balance of the trade in service became positive (0.40%) for the first time in year 2005, which means that the export from India to EU was higher than import from EU to India. Moreover, Indian share of EU trade in services (summation of imports and exports) appeared to be 1.60%, where the biggest EU trading partners have been USA, Switzerland and Japan. Finally, EU foreign direct investment in India in period 2003-2005 rapidly grew.

Figure 1: Indian Statistics - Indian GDP by sector in 1990 and 2005, EU trade in service with India in 2003-2005, India share of EU25 trade in service in 2005 and EU foreign direct investment with India in 2003-2005



Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf

Figures about EU trade with the world, EU trade with the India, India trade with the world, India trade with the EU can be found in annexure (see annexure 6). Furthermore, India was the 9th most important trading partner for EU in 2006. It was on the 11th place among EU major exports partners with EUR 46.422 million or 1.80% share and on 14th place among EU major imports partners with EUR 22.361 million or 1.70% share. From

the point of view of India's main trade partners EU plays a main role. EU is India's main trading partner import as well as in export. Figures for the trade in goods, trade in service and foreign direct investment between EU and India for the year 2007 are in the following table.

Table 1: Trade in goods, services and FDI between EU and India

| | | |
|----------------------------------|-------------------------------------|-----------------|
| Trade in goods | EU goods exports to India 2007 | € 26.20 billion |
| | EU goods imports from India 2007 | € 29.40 billion |
| Trade in services | EU services exports to India 2007 | € 6.70 billion |
| | EU services imports from India 2007 | € 5.50 billion |
| Foreign Direct Investment | EU outward investment to India 2006 | € 2.50 billion |
| | Indian inward investment to EU | € 0.50 billion |

Source: http://ec.europa.eu/trade/issues/bilateral/countries/india/index_en.htm

Increased EU investments in India and trade between EU and India represent an increasing potential which supports and asks simultaneously for managers, economists and others who in the companies on both sides can deal and perform in the area of similar knowledge backgrounds.

2.3.4 India's integration with the global economy

The process of India's integration with the global economy covered on EU's web page (http://ec.europa.eu/external_relations/india/eco/trade.htm) starts with Indian independence in 1947. Since 1947 and until the beginning of the 1990s, India's trade policy was heavily influenced by the "self sufficiency" mentality and the "license raj" system of restrictions on production and imports. First generation of reforms happened between 1991 and 1996. Through the liberalization of the trade it achieved a reduction of import tariffs, elimination of quantitative restrictions, exchange rate reforms and deregulation of industry resulting in yearly growth rates of around 7%. The growth rate before the reforms took place was 3%. In 1999 a second generation of reforms was initiated. It tried to improve in the fields like lack of competitiveness, poor infrastructure and overregulation. Over the past four years India has finally met its ambitious goal of an annual growth rate of 8%. Furthermore, as well on EU's web address (http://ec.europa.eu/trade/issues/bilateral/countries/india/index_en.htm), is noted that with a process of economic reform and progressive integration with the global economy since 1990 India became a global player. Per capita incomes more than doubled during the period 1990-2005. Furthermore, EU-India trade doubled from €28.6billion in 2003 to over €55billion in 2007. EU investment to India has more than tripled from €759million in 2003 to €2.4billion in 2006. Trade in commercial services has more than doubled from €5.2billion in 2002 to €12.2billion in 2006. WorldBank ranked India on the 120 place out of 178 in terms of the "ease of doing business". It is due to the India's trade regime and regulatory environment that appear comparatively restrictive to the rest of economies. There are tariff barriers to imports, a number of non-tariff barriers in the form of quantitative restrictions, import licensing, mandatory testing and certification for a large number of products and complicated and lengthy customs procedures that hinder

trade with the EU. Project may therefore face problems in entering Indian market due to restrictive regime and regulatory environment oriented towards entering economies. The EU and India hope to increase their trade in both goods and services through the Free Trade Agreement negotiations that they launched in 2007 that is presented in the sub-chapter below.

2.3.5 The EU-India Free Trade Agreement (FTA)

India's prosperous growth potential attracted EU to consider India as a partner for one of the new generation of EU FTAs launched as part of the "Global Europe" strategy in 2006. Negotiations for such FTA were launched in June 2007. Their objective was to increase market access for goods, services and investment by checking tariff barriers, non-tariff barriers, rules on intellectual property rights, competition, public procurement and transparency (http://ec.europa.eu/trade/issues/bilateral/countries/india/index_en.htm). Executive summary of the document Qualitative analysis of a potential Free Trade Agreement between the European Union and India (http://trade.ec.europa.eu/doclib/docs/2007/june/tradoc_135112.pdf) concludes that the gains from an EU-India FTA depend greatly on the extent to which such an FTA adequately identifies and deals with issues of deeper integration. Deep integration involves policies and institutions that facilitate trade by reducing or eliminating regulatory and behind-the-border impediments to trade. It focuses on the issues such as customs procedures, regulation of domestic services production that discriminate against foreigners, product standards that differ from international norms or where testing and certification of foreign goods is complex and perhaps exclusionary, regulation of inward investments, competition policy, intellectual policy protection and the rules surrounding access to government procurement. On the other hand Shallow integration involves the removal of border barriers to trade, typically tariffs and quotas. In the case of shallow integration there is a strong possibility of trade diversion exceeding trade creation for both parties, and therefore a low probability of a shallow integration induced welfare gain. The gains from deep integration are potentially much higher as they would be based on productivity improvements driven by technological changes, spillovers between firms, niche specialization and economies of scale. EU-India FTA is therefore essential to materialize mentioned gains. It also depends on a conclusion of the Doha Development Round at the WTO, and on the nature of any agreement arrived at therein.

Indian regulations in the services sector are of huge importance for the two partners that are potentially to be cooperating in the project offering services. In the Main report of the document Qualitative analysis of a potential Free Trade Agreement between the European Union and India (http://trade.ec.europa.eu/doclib/docs/2007/june/tradoc_135101.pdf) is discussed the challenge for the FTA which is to accelerate liberalization in India's services sectors, and to facilitate the implementation of a range of complementary reforms designed to improve the quality of regulation. EU might expect commitments from India in courier (especially express delivery), distribution, environment, life insurance, news agency and maritime services. The sectors where the EU appears to have a key strategic interest in

the Indian market including financial, retail, accountancy, legal, telecom and maritime services. However, there are three groups of Indian service sectors:

- sectors which are substantially liberalized and face no explicit barriers,
- sectors that are moderately liberalized with a few explicit barriers,
- those that remain largely closed to foreign competition.

Therefore, there is scope for further negotiation to open up many sectors in India. Regarding the project, in education sector formal recognition of autonomously functioning EU institutes by the All India Council for Technical Education (AICTE) requires changes in the University Grants Commission (UGC) Act of 1956 or in the Foreign Educational Institutions Bill of 2005. Document Economic impact of potential Free Trade Agreement (FTA) between EU and India (http://trade.ec.europa.eu/doclib/docs/2007/may/tradoc_134682.pdf) draws down two main conclusions of economic impact of potential FTA between EU and India. From Indian perspective the overall impact in terms of Indian real income is sensitive to the inclusion of relevant sectors for India in the negotiation. In particular the services sector will be important for India to reap the full welfare benefits of an EU-India FTA. For EU initial bilateral trade with India represents small gain of only 0.4% of EU GDP, which is however positive. However, the main foreseen benefit from successful applicability of FTA relevant to the project as well is the potential reduction or elimination of highly regulated and across-the-border barriers to trade (including services) to trade and services.

3 INTRODUCTION TO EU EDUCATION SYSTEM

To get EU funds for realization of the project the integration of the project in EU education system is essential, even more it is a conditional. EU education system is determined through EU education policy although it is not completely governed at European level. The scope of this chapter captures overview of EU education programmes, presentation of important tools such as ECTS and Diploma supplement and explanation of roles of mechanisms such as NARIC and ENQA that magnificently contribute to creation of the homogeneity of the EU education system and its harmonized operation. The matter of this chapter is also presentation how establishment of quality educational system in EU coincides with Lisbon strategy and Bologna process. Furthermore is discussed the impact of globalization on the higher education in EU, the role of universities in knowledge based society and the future in Europe of knowledge. Because of the project's orientation toward offering an MBA course the MBA review has been done as well.

3.1 *EU education system*

There exist many funding programmes in the field of education. Variety of the funding programmes appears according to the level of education (primary school, higher education, vocational training and adult education) and the geographical orientation. Official web page of EU provides elaborate information on education in EU covering

programmes and actions running under European Commission Education and Culture department, explaining policy areas of EU education, covering documentations in relation with education system in European area, news and providing useful links. EC is covering education sector through financing Lifelong Learning Programme and External Relations Programmes. Lifelong Learning Programme is a new generation of EU programmes for education, training, culture, youth and citizenship in the period 2007 - 2013. It is operating from the beginning of 2007. It comprehends and improves all programmes in the field of education and culture that were running before the year 2007. Under **Lifelong learning** there are four sub-programmes focusing on different stages of education and training: **Comenius** for schools, **Erasmus** for higher education, **Leonardo da Vinci** for vocational education and training and **Grundtvig** for adult education. Within the Lifelong learning framework are included also **Jean Monnet** programme that supports European integration and Transversal programme which aims that above four mentioned programmes achieve the best results possible. In addition, there are three programmes covering **External Relations: Tempus** for inter-university cooperation with the Balkan states, the former Soviet Union (now Community of Independent States) and the southern Mediterranean countries, **Erasmus Mundus** for co-operation and mobility in the field of higher education with Third-countries and **Cooperation with industrial countries** for co-operation with industrialized countries with aim to enhance the quality of higher education and vocational training. These programmes cover cooperation between EU and USA, EU and Canada, EU and Japan, EU and Australia and the last but not the least EU and Korea.

The mission of the Directorate General for Education and Culture is: "To reinforce and promote lifelong learning, linguistic and cultural diversity, mobility and the engagement of European citizens, in particular the young" (http://ec.europa.eu/dgs/education_culture/mission/index_en.html). European Community applies oneself to add a European dimension to education, to help to develop quality education and to encourage life-long learning.

In general, EU education (including higher education) is not governed by a common European policy. Competence for the content and the organization of studies are matter at a national level (http://ec.europa.eu/education/policies/educ/higher/higher_en.html). EU is supporting development of quality education in European area by encouraging cooperation between higher education institutions within EU. This includes actions such as mobility of students, supporting joint study programmes, creation of networks between (education) institutions, etc.

Several initiatives have been launched at European level as a response to mobility and to facilitate recognition of studies abroad, for both academic and professional purposes. This includes the European Credit Transfer and Accumulation System (ECTS), the "Diploma Supplement" (in cooperation with the Council of Europe and UNESCO) and the National Academic Recognition Information Centre (NARIC). To assure the quality of higher education in EU establishment of European Network of Agencies (ENQA) took place. In the following few paragraphs these tools and mechanisms that enable the harmonization of the European higher education are presented. And finally, such a

complex system is established to meet objectives of Lisbon strategy and Bologna process that are as well presented in the paragraph below.

EU is strongly encouraging universities and other higher education institutions to take full advantage of existing national legislation and European tools aimed at facilitating academic and professional recognition of course units, degrees and other awards. However, recognition of diplomas is a necessary for mobility of students and scholars throughout the European Higher Education Area. There are two types of recognition; academic and professional. Academic recognition aims to title students who wish to continue their studies. Professional recognition aims to title students who wish to work in a certain profession

(http://ec.europa.eu/education/policies/rec_qual/recognition/in_en.html). The mutual recognition of diplomas, certificates and other evidence of formal qualifications are connected to two interests, to freedom of establishment and to vocational training. Moussis N. (2006, p. 227, 228) presents the inspiration which made that laborious work obsolete, namely a general system for the recognition of higher-education diplomas. These diplomas are awarded on completion of professional education and training of at least three years duration. This system aims to completion of the internal market. Features of the Directive adopted are the following:

- the principle of the mutual trust amongst Member States,
- the mutual recognition of diplomas without prior harmonization of the conditions for taking up and pursuing occupations,
- the principle that any divergence between Member States will be offset by vocational experience.

Such system assures that person pursuing a profession fulfill certain minimum conditions as to qualifications, experience and professional education, that their qualifications will be recognized in all Member States and will have an authorization to pursue their activities without restriction. Any European has the right to have vocational qualifications obtained in another Member State recognized in respect of any host Member State which regulates any activity whatsoever in its territory. To facilitate student mobility and international curriculum development the European Credit Transfer and Accumulation System (ECTS) was developed. This is a student-centered system. It is based on the student workload required to achieve the objectives of a programme, objectives preferably specified in terms of the learning outcomes and competences to be acquired. ECTS is increasingly becoming a generalized basis for the national credit systems

(http://ec.europa.eu/education/programmes/socrates/ects/index_en.html). Important element in improving EU higher education for producing high quality knowledge based human resources is a Diploma Supplement. It is a document attached to a higher education diploma. It provides a standardized description of the nature, level, context, content and status of the studies that were successfully completed by the graduate. The Diploma Supplement also provides transparency and facilitates academic and professional recognition of qualifications - diplomas, degrees, certificates (http://ec.europa.eu/education/policies/rec_qual/recognition/diploma_en.html). To regulate title recognition and facilitating the integration of national education system National Academic Recognition Information Centre (NARIC) was established. This is a network of national information centre on academic recognition. National Centers

NARIC aims at improving academic recognition of diplomas and periods of study (http://ec.europa.eu/education/programmes/socrates/agenar_en.html#4). Community established two organizations that keep Commission tuned in academic area. These are EUA - European University Association which represents the university sector and European Association of Institutions in Higher Education (EURASHE) that represents the sector of non-university higher education institutions. The EUA represents and supports higher education institutions in 46 countries. EUA plays an essential role in shaping tomorrow's European higher education and research landscape (<http://www.eua.be>). EURASHE is the international association connecting European higher education institutions, for example Polytechnics, Colleges, University Colleges, etc. It is devoted to Professional Higher Education and related research within the Bachelor-Masters structure (<http://www.eurashe.be>). All above described initiatives together help to form higher education system of European Union and drive it continuously toward its improvement. Nevertheless, European Commission strives to create European dimension based on high quality education, connect all member countries with each other and with the rest of the world. All above mentioned tools will be used in the project in the case of its realization through any of the education programme running under EU. Using these tools means to ease the cooperation between all higher education institutions involved in the project as well unifying the project with directives of the European education and last but not the least to spread the European dimension outside the Europe i.e. to the Third-country participating in the partnership. Furthermore, EU leaders set very ambitious **Lisbon strategy** that foresees European Union to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion. This goal should be realized by 2010. Strategy covers areas such as scientific research, education, vocational training, internet access and online business and reform of Europe's social security systems. Moreover, since 1999 Member States of EU find themselves in the Bologna Process. **Bologna process** aims to create a European Higher Education Area by 2010. It aims European system of education to become a "world reference" by 2010. European Higher Education Area should facilitate mobility of people, transparency and recognition of qualification, quality and European dimension in higher education, as well as attractiveness of European institutions for Third-country students.

3.2 Impact of globalization on the higher education in EU

European Commission has to keep an eye on the developments taking place at the global level. The success of the Lisbon strategy and the Bologna process depends a lot on happenings in the worldwide environment, indirectly in education and business. Therefore European Commission discussed and assessed impact of the globalization on EU higher education and published it in the EC working document Accompanying document to the Proposal for a Decision of the European Parliament and of the Council - Extended impact assessment (http://ec.europa.eu/education/programmes/mundus/doc/sec949_en.pdf). It points out that as a response to the process of globalisation, higher education is subject to a phenomenon

of internationalisation. It addresses higher education institutions as arenas for inter-cultural dialogue and exchange. The also discuss that political, cultural, educational and economical links between the European Union and Third-countries will be developed through mobility programme based on international higher education. The mission of the Community is to ensure the development of high quality higher education in Third-countries to the mutual benefit of higher education institutions, students and academics in these countries, Europe and beyond. Higher education cooperation activities increase the international transparency and recognition of studies and qualifications and mutually enrich the educational environment of institutions in Europe and Third-countries. Mobility of students can serve to create incentives for higher education institutions to collaborate and undertake joint work in curriculum development and other areas, with potentially high gains for those who undertake this work. Mobility is seen as an asset by both individuals and employers, since it increases professional and personal competencies, including language skills and understanding of other cultures. Academic exchange has the potential of leading to mutual enrichment of societies by developing a pool of well-qualified, open-minded and internationally experienced people as future professionals and leaders, capable of improving governance and responding to the challenges of the new global knowledge society.

3.3 The role of the universities in the Europe of knowledge

European Union strives to meet aims of Lisbon strategy and Bologna process. Therefore it needs a flourishing university world. To create a healthy university environment in EU, European Commission prepared a document *The role of the universities in the Europe of knowledge* (http://europa.eu/eur-lex/en/com/cnc/2003/com2003_0058en01.pdf) where it strives to:

- achieve adequate and sustainable incomes for universities, and to ensure that funds are spent most efficiently,
- ensure autonomy and professionalism in academic as well as managerial affairs,
- concentrate enough resources on excellence, and create the conditions within which universities can attain and develop excellence,
- make universities contribute better to local and regional needs and strategies,
- establish closer co-operation between universities and enterprises to ensure better dissemination and exploitation of new knowledge in the economy and society at large,
- foster, through all of these areas, the coherent, compatible and competitive European higher education area called for by the Bologna Declaration, as well as the European research area set out as an objective for the Union by the Lisbon European Council, in March 2000.

Nevertheless, the universities are situated at the crossroads of research, education and innovation. They are the base for the knowledge economy and society. They train students with increasingly higher qualifications and thus contribute to strengthening the competitiveness of the European economy. Therefore European Commission's direct and indirect support to HEIs within EU to successfully "play" their role in EU higher

education area is important to meet ambitious set objectives such as Lisbon strategy and Bologna process.

There are six major challenges for European universities identified by European Commission and presented in the same document as mentioned above. These challenges are following:

- increased demand for higher education,
- the internationalization of education and research,
- to develop effective and close co-operation between universities and industry,
- the proliferation of places where knowledge is produced,
- the reorganization of knowledge,
- the emergence of new expectations.

Excellence today is no longer measured at the national level but at the level of the European or world community of teachers and researchers. Any university will sooner or later face listed challenges and will have to deal with them. HEIs that decide to cooperate in project like this one that is subject of this thesis must be or better to say are probably ready to face such challenges. HEI's actively dealing with challenges is assuring them to stay competitive in the global market.

In the same paper EC identifies three objectives that should be pursued simultaneously to make European universities a world reference:

- ensuring that European universities have sufficient and sustainable resources and use them efficiently,
- consolidating their excellence in research and in teaching, particularly through networking,
- opening up universities to a greater extent to the outside and increasing their international attractiveness.

In chapter Integration of the project in EU education system are presented EU programmes that financially support projects like this one that is the matter of this thesis. EU co-finance only quality projects and does not finance them fully. This means that only projects including HEIs proving that they have sufficient and sustainable resources that will assure the high quality long-run operation of the project can financially benefit from the EU programme. Through the cooperation and networking of the HEIs located in different countries of EU as well in the rest of the world EU supports consolidation of the excellence in research and teaching directly in HEIs themselves and indirectly in higher education European Area. This is strongly connected to international attractiveness of the HEIs which is nevertheless the objective of HEIs interested in EU funding educational programmes.

3.4 Future in EU of knowledge

Employment is strongly related to education and vocational training. Moussis N. (2006, p. 228) in Access to European Union explains founded training and education policies. EU therefore aims to develop human resources throughout people's working lives,

starting with education and working through initial training to continue training. The Treaty on European Union has focused Community action in field of education, vocational training and youth. This action must fully respect the responsibility of the each Member State for the content of teaching, the organization of education system and vocational training and cultural and linguistic diversity. Article 149 (TEC) defines Community contribution to the development of quality education. Quality is achieved through encouraging cooperation between Member States, by developing European dimension in education, by mobility of students and teachers, by cooperation between educational establishments, exchange of information and experiences and by development of distance education.

Pascaline, D. (2004, p. 9). discusses impact of education and training and is highlighting that increased investment in education leads to higher productivity and earnings for individual and results in significant social rates of return. Benefits for individuals appear in having better chances for employment and having greater income. Benefits for organizations are having better skilled employees (transferable skills) and taking advantage of being competitive on the market. At macro level it reflects in better productivity, output growth and employment. Overall, the investment in education and training has a positive and significant impact on national economic growth.

Europe committed itself to become dynamic knowledge-based economy combining higher education standards with economic growth, employment and social inclusion by 2010. The main tool to achieve this goal agreed by the European Council at Lisbon in 2000 is creating ambitious education and training policies. This includes the European employment strategy to create more and better jobs, to create partnerships for growth and jobs (Work programme 2007, p. 2) The European employment strategy is built on four pillars: employability (to invest in human resources, to create active employment policy), entrepreneurship (to give support to start and run business to develop new jobs), adaptability and equal opportunity (to reconcile family and working life). European Council concluded that education and training are the critical factors for European long-run competitiveness and social cohesion (The local dimension of the European employment strategy, n.d., p. 9). Improving vocational education and training backed by closer cooperation through Europe in VET, is increasingly regarded as an important element in creating a European labor market, in realization of the European employment strategy and meeting Lisbon goals. Outcomes based approach to measuring performance and achievements present a significant importance for the future of students (Cedefop, Le Mouillour, I., 2005, p. 7). However, identifying and forecasting future skill requirements at the level of individual, enterprise and society and further implementation of these requirements in the education and training system stays the subject of intensive researches and discussions (Early identification of skills needs in Europe, 2003, p. 309). To achieve 70% realization of the set goal, that is to become dynamic knowledge-based economy by 2010, 24 million new jobs is required (Strategija za rast in delovna mesta ter reforma evropske kohezijske politike, 2006, p. 5).

However, Global Foundation for Management Education (The global management education landscape, 2007) is pointing out five global challenges in management education:

- growth of the demand for management education,
- balancing global aspirations and local needs,
- quality assurance,
- sustaining scholarship,
- aligning with the future needs of organizations.

If EU wishes to meet the goal to become dynamic knowledge-based economy by 2010 that demands creation of more than 24 million new jobs then realization of this project strongly concur with the goal. On one hand, the expansion of the programmes currently running under project's potential partner HEIs will demand more human resources, in other words, will create new jobs. On the other hand, project is focused to cover field of management and business and will "produce" managers and entrepreneurs that will (some of them) create new job opportunities. In other words, project will indirectly "produce" new jobs through its educated managers, entrepreneurs, leaders.

3.5 MBA review

Project focuses on offering the course at master level, in particular MBA course. Therefore this sub-chapter elaborates findings about MBA. (The global management education landscape, 2007) presents degree structures at the master's level. Degree structures involve one to two years of study beyond bachelor's degree or four to five years of total higher education. Furthermore, there are three master's qualification categories:

- general business master's (e.g., Master of Business Administration),
- specialist master's degree (e.g., M. Sc. in Finance),
- research master's (e.g., Master Research).

Master's degree also vary according to whether work stoppage is necessary (full-time or part-time), level of work experience required (e.g., professional MBA vs. executive MBA) and format of delivery (on line, modular or in-house). Recent trends and the master's level are expansion of the number and type of degrees, exploitation of customer segmentation and blur distinctions among programmes. However, increasing diversity, fragmentation and blurred boundaries have caused high confusion in the marketplace in understanding, for example, what exactly MBA is. Furthermore, this caused limitation in international student mobility and competition.

Market of MBA degree and market of executive education are central in the field of business education and are discussed in (Inside the business schools, 2003). It is found out that explosion of MBA degree took place world wide. During the years 1998 and 2000 the number of MBA programmes in continental Europe has been growing faster than in the USA and Great Britain. Tables below indicate that the MBA degree is fast growing post-experience qualification in the world. Appeal of the MBA transcends national borders and that it became global degree.

Table 2: Number of MBA programmes in February 2000 and increase from September 1998

| | February 2000 | September 1998 | Increase (%) |
|-------------------|---------------|----------------|--------------|
| United Kingdom | 320 (15%) | 240 (15%) | + 25% |
| Rest of Europe | 345 (16%) | 208 (13%) | + 66% |
| USA | 1000 (45%) | 880 (55%) | + 14% |
| Rest of the world | 535 (24%) | 272 (17%) | + 97% |
| Total | 2200 (100%) | 1600 (100%) | + 37% |

Source: Inside the business schools, 2003

Table 3: Estimated number of MBA programmes and annual number of MBA graduates relative to population 2000

| | MBA programmes per mill. Estimate | Annual number of MBA graduates per mill. Estimate |
|----------------|-----------------------------------|---|
| United Kingdom | 5.5 | 167 |
| USA | 3.7 | 369 |
| Rest of Europe | 1.0 | 28 |

Source: Inside the business schools, 2003

Since 1980 European Commission (Inside the business schools, 2003) is giving importance to reforming and integrating higher education systems at a European level that follows transparency, subsidiary and comparison principle. Based on these principles and through educational programmes for financing the best projects following EU objective of spreading visibility of high quality of EU higher education in the world, EU “equips” its HEIs to perform effectively and efficiently in the global stage.

EU programmes corresponding to the objectives of the project as it will be presented in the next chapters prioritize business and management field of education (including MBA) along with some other prioritized fields. EU supports programmes in all fields of the study but according to specific country and local needs of the partner country it also defines areas that are crucial for development of cooperative country represented by Third-country partner HEI. Therefore from the perspective of the project choosing cooperation in the field of management and business, in particular MBA appears to be a prospective choice.

4 INTEGRATION OF THE PROJECT IN EU EDUCATION SYSTEM

Broad research has been done in order to find appropriate programme(s) and possible options for financing project that bases first, on the higher education and second, on cooperation between EU and specific Third-country, India.

Feasibility study for establishment of Slovenia- India Joint International Education Centre in India has been therefore consisted from in-depth research if there are any

corresponding programmes under EU that meet objectives of the project and furthermore if there are some how they are like and which are necessary conditions to be fulfilled in order to get the funds from EU.

As a result, among many EU programmes that exist in the field of education covering different levels of the education and their orientation in different geographic areas only two are found as suitable for realization of the projects that seeks EU financial support for EU-Indian cooperation in the field of higher education. These two programmes are:

- Erasmus Mundus Programme (EM) and
- Erasmus Mundus External Cooperation Window Programme (EMECW).

The realization of the project is possible through different options that appear within above mentioned cover programmes.

In the following chapters appropriate two programmes i.e. Erasmus Mundus and Erasmus Mundus External Cooperation Window are presented with the focus on information that are essential for successfully attracting EU funds. Analyses of different possible options that could be approached will follow after presentation of collected data. Analyses of relevant scenarios will help to make decision to a specific Slovenian HEI interested in the project about whether to realize the project through any of the possible scenarios and if yes, than through which scenario. Nevertheless, Slovenian HEI will have to find out if EU goals and objectives that are followed by programmes that are subject of the research correspond to goals, objectives and priorities of the project itself. Finding of the research and conclusions will serve as an assistance to make decision for the following steps to be taken for implementation and realization of the project.

Subjects and partners of the project are considered Slovenian and Indian higher education institutions (HEIs) with partners on both sides from corporate sector. Beneficiaries involved will be all HEIs within later on established partnership, European students and scholars that will carry out their studies and work in partner HEI in India and Third-country i.e. at least Indian students and scholars that will carry out their studies and work in partner HEI in Europe. Indirectly will such partnership positively affect economic and social development of all countries that will be represented in the partnership through more educated and skilled human resources enriched with international and multicultural experience.

Certain EU programmes in the fields of education, culture and audiovisual are managed by an agency Education, Audiovisual and Culture Executive Agency (EACEA), hereinafter referred also as “the Agency”. Agency (<http://eacea.ec.europa.eu/index.htm>) is fully operational from the January 2006 and is entitled by the year 2015. Its supervisors are three parent Directorates-General: Education and Culture (DG EAC), Information Society and Media (DG INFSO) and the Europe Aid Cooperation Office (DG AIDCO). Its mission is to implement a number of strands of more than 15 Community funded programmes and actions in the fields of education and training, active citizenship, youth, audiovisual and culture. The Agency is in charge of most management aspects of the programmes, including drawing up calls for proposals, selecting projects and signing project agreements, financial management, monitoring of projects (intermediate reports,

final reports), communication with beneficiaries and on the spot controls. In case of bringing project on the ground through either EM or EMECW programme, Agency will have an important role from the preparation of the project to selection of the projects to stepping into the contractual relationship with the coordinator of the project in terms of partnership and finances and will be in charge of continuous revising of the reports about operation of the partnership sent by the coordination institution.

4.1 ERASMUS MUNDUS PROGRAMME - Option 1

Erasmus Mundus Programme (EM) is one of two suitable programmes through which the project could be realized. The base for collecting data was predominantly official web page of EU under the section education and training policy and other useful links. However, the main source of data that will be crucial for establishment of partnership between Slovenian and India higher education institutions is the last Erasmus Mundus Call for proposals — EACEA /07/07. This Call for proposal focuses on implementation of four Actions that will be described in the further text in the academic year 2008/2009. The Call for proposal is the Community Action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through co-operation with Third-countries.

4.1.1 General information about Erasmus Mundus

4.1.1.1 Erasmus Mundus Programme

European Commission (Call for proposals – EACEA07/07) through the Department for Education and Culture runs the Erasmus Mundus programme which is operating in the field of higher education. "Mundus" is the Latin word for "world". Programme is a **co-operation and mobility programme** that promotes the European Union as a centre of excellence in learning around the world. Its overall aim is to enhance quality in European higher education and to foster understanding and dialogue between peoples and cultures through co-operation with Third-countries. Furthermore, it focuses on quality development of human resources.

The programme's specific objectives as specified in the Call for proposals – EACEA07/07 are:

- to promote a quality offer in higher education with a distinct European added value, attractive both within the EU and beyond its borders,
- to encourage and enable highly qualified graduates and scholars from all over the world to obtain qualifications and/or experience in the EU,
- to develop more structured co-operation between EU and Third-country institutions and to encourage outgoing EU mobility as part of European study programmes,
- to improve the accessibility of higher education and to enhance the profile and the visibility of European higher education throughout the world.

The programme consists from four main actions:

- Action 1 - Erasmus Mundus Masters Courses,
- Action 2 – Erasmus Mundus Scholarships,
- Action 3 – Partnerships with higher education institutions in Third-countries,
- Action 4 – Enhancing attractiveness.

Action 1 - Erasmus Mundus Masters Courses comprises integrated European top-quality Masters Courses. Master Courses are offered by the consortiums of higher education institutions by at least three universities in three different European countries. Action 2 – Erasmus Mundus Scholarships provides EU-funded scholarships for Third-country students and scholars participating in these Masters Courses. Action 3 – Partnerships with higher education institutions in Third-countries enhances the visibility and attractiveness of European higher education in Third-countries and comprising scholarships for students and scholars from EU countries for mobility towards Third-countries. Action 4 – Enhancing attractiveness of European higher education worldwide.

Erasmus Mundus Masters Courses - Action 1 are the key element of the Erasmus Mundus. They are high-quality programmes at Master level covering all fields of studies. They are offered by a consortium of higher education institutions in at least three different European countries. Master Courses are encouraging the mobility of European students and scholars to study in different European countries as well as incoming mobility that is the Third-country students coming to in EU. Around so called “key elements” of the Erasmus Mundus are build Action 2 which supports students coming from Third-countries to study in EU, Action 3 which supports establishments of partnerships between consortium offering a Erasmus Mundus Masters Course under Action 1 and higher education institution from Third-country and last but not the least, Action 4, that supports projects aimed at enhancing the attractiveness of, and the interest in, European higher education.

Erasmus Mundus is encouraging four Actions and out of this four three are relevant for the project: Action 1, Action 2 and Action 3. Although that exactly Action 3 is the one in the interest of the mentioned specific Slovenian HEI, Faculty of economics from Ljubljana University (FELU), as it will be explained in the further text it can not be realized without previous realization of Action 1 and Action 2.

4.1.1.2 Political context of EM

Political background of the Erasmus Mundus programme is elaborated on the web page of the EM (http://ec.europa.eu/education/programmes/mundus/programme/back_en.html). EM was adopted on 5 December 2003. It has been up and running since 20 January 2004. Action 3 (Partnerships with Third-country universities) started in the academic year 2005/2006. Programme has been set for the five year period (from 2004 to 2008) with a budget framework of 230 million Euros, 90% of the budget go into scholarships. Window funds

of 66 million Euros from the Community's external relations budget are calculated as additional scholarships for students coming from a range of specific countries (China, India, etc.). In the running year 2008 programme will be the subject of the renewal.

The success of the preceding EU internal programme **Erasmus** that has been supporting cooperation and mobility between European higher education institutions encouraged the development of Erasmus Mundus programme which has been oriented beyond the EU area. Governments, policy-makers and higher education institutions all over Europe are supporting this programme that is facing challenges of the European higher education. Bologna Process and Lisbon Strategy are examples of the challenges in the field. The process of the convergence of degree structures, the enhancement of the attractiveness of European higher education world-wide and national reforms in higher education in Member States of EU are fundamental themes to the Bologna Process (http://ec.europa.eu/education/programmes/mundus/faq/faq1_en.html#1). European Union also approved Lisbon Strategy through which it committed itself to make Europe the most competitive and knowledge-based economy in the world and a reference for high quality and excellence in education. The risk that the programme causes a brain drain from developing countries is rather limited, as the number of grantees per Third-country is relatively small.

Although that EM is relatively new programme EC already gained some experiences in the field of cooperation between HEIs and mobility of the students and scholars between established partnerships from previously established mobility programmes such as Erasmus. Successfully developed and launched Erasmus programme presents the base for expanding EU education globally. With the purpose to connect Europe with Third-countries in the field of higher education EC developed Erasmus Mundus and later a complementary mobility and cooperation programme Erasmus Mundus External Cooperation Window that is presented in the next chapter.

4.1.1.3 Implementation of Erasmus Mundus

Education, Audiovisual and Culture Executive Agency has been given a mandate by the European Commission to implement the Erasmus Mundus programme. On the web page of EC (http://ec.europa.eu/education/programmes/mundus/programme/implement_en.html) the brief overview of EM implementation is presented. Proposals for Actions 1, 3 and 4 are selected through Call for proposals published every February on the web page of European Commission and on the competitive bases. The annual Calls for proposals provide information about programme objectives and priorities, timetable framework, budget available, eligible criteria, exclusion criteria, selection criteria, award criteria, grant agreements, financial conditions, procedures for the submission of proposals, etc. Eligible submitted proposals are assessed by independent academic experts and an independent Selection Board on the basis of quality criteria. This ensures that only high-quality proposals are selected. The final decision on selection of proposals is taken either by the Commission or the Executive Agency. Action 2 which awards selected students

and scholars with scholarship has to be approached by students and scholars. They have to apply directly to the Erasmus Mundus Masters Course in which they wish to participate. Master Consortium later on the basis of pre-established and pre-announced selection rules select the most eligible applicants. In detail information about implementation process is described in every Call for proposals and relevant annexures.

Key information for the project manager in the case that they will consider EM as exceptional programme for project realization is that EM publishes Call for the proposals every year in February. Information is important also in the case that is possible to happen i.e. if the proposal is not accepted. In such a situation the waiting time for a new opportunity under EM is one year when proposal will be again exposed to the project selection based on the competitiveness between proposals.

4.1.1.4 National structure's assistance

In every member country of EU the "National Structures" offers assistance and information to universities, higher education institutions, students, scholars and other participating institutions on national education systems, visas requirements, credit transfers, programmes running under European Commission, etc. Data about National structures can be found on the following web page: <http://ec.europa.eu/education/programmes/mundus/doc/national.pdf>.

4.1.1.5 Figures and facts

This sub-chapter presents figures and facts about the EM performance over the first programme period i.e. from year 2004 to 2008. Expected output set by European Commission also published on their web page (http://ec.europa.eu/education/programmes/mundus/programme/facts_en.html) was the following:

- 105 Erasmus Mundus Masters Courses,
- 6,000 grants for incoming Third-country students (incoming mobility),
- 1,000 grants for incoming Third-country scholars (incoming mobility),
- 60 Partnerships between Erasmus Mundus Masters Courses and higher education institutions in Third-countries,
- 4,400 grants for outgoing EU students (outgoing mobility),
- 900 grants for outgoing EU scholars (outgoing mobility),
- 50 attractiveness projects.

Like seen in the tables below results achieved in the period 2004 - 2008 successfully meet the set expected outputs mentioned in the previous paragraph. First table below show how number of selected Master Courses under Action 1, scholarships for Third-country students and scholars under Action 2, number of selected partnerships between EU and Third-countries under Action 3 and number of selected projects to increase the attractiveness of European higher education under Action 4 increase from year to year

and that their total numbers meet set objectives. Second table below shows monetary perspective of these four actions over the period 2004 - 2008.

Table 4: Erasmus Mundus outputs (2004-2008)

| | 2004 | 2005 | 2006 | 2007 | 2008 | |
|--|------|------|-------|-------|-------|--------|
| Action 1: Masters Courses | 19 | 17 | 21 | 23 | 25 | 105 |
| Action 2: Scholarships for Third-country students (including windows) | 140 | 808 | 1.377 | 1.804 | 1.935 | 6.064 |
| Action 2: Scholarships for Third-country scholars (including windows) | 28 | 154 | 231 | 240 | 420 | 11.073 |
| Action 2: Sub-total | 168 | 962 | 1.608 | 2.044 | 2.355 | 7.137 |
| Action 3: Partnerships with Third-country institutions | 0 | 9 | 10 | 11 | 22 | 52 |
| Action 4: Projects to increase the attractiveness of European higher education | 7 | 7 | 9 | 15 | 15 | 53 |
| | 194 | 995 | 1.648 | 2.093 | 2.417 | 7.347 |

Note: All figures for 2008 and the Action 4 figure for 2007 are estimations.

Source: EC, Extended impact assessment, 2007

Table 5: Erasmus Mundus budget (2004-2008) in Mio of Euro

| | 2004 | 2005 | 2006 | 2007 | 2008 | |
|--|----------|------------|------------|------------|------------|-------------|
| Action 1: Masters Courses | 0,24 | 0,5 | 0,85 | 1,2 | 1,5 | 4,29 |
| Action 2: Scholarships for Third-country students and scholars (1) | 5,9 | 18,9 | 30,6 | 46,4 | 78 | 179,8 |
| Action 3: Partnerships with Third-country institutions | 0 | 4,5 | 2,2 | 5,3 | 6,5 | 18,5 |
| Action 4: Projects to increase the attractiveness of European higher education | 1,3 | 1,4 | 4,6 | 2,7 | 3,6 | 13,6 |
| Technical Assistance (2) | 0,56 | 1,7 | 2,25 | 3,6 | 5,7 | 13,81 |
| | 8 | 27 | 40,5 | 59,2 | 95,3 | 230 |

Notes:

(1) An additional amount of 66.1 mio was made available for additional student scholarships through the so-called "windows" for specific countries in Asia, the ACP countries and the Western Balkan countries. These additional funds came from the external aid budget.

(2) Technical Assistance includes costs for the Executive Agency, experts, conferences, IT systems etc.

Source: EC, Extended impact assessment, 2007

4.1.1.6 Supporting mobility

This sub-chapter carries out the findings of the research that was done about the comparison of the incoming and outgoing mobility under EM and EMECW programmes. European Union highly supports mobility between countries and cultures with priority to incoming mobility. By the term incoming mobility is meant flow of students and scholars from third-countries that come to study in EU. This priority is given with respect to Lisbon Strategy which aims to make Europe the most competitive and knowledge-based economy in the world and a reference for high quality and excellence in education. Priority to incoming mobility appears through the higher number of scholarships awarded to Third-country students that come to study in EU in comparison to scholarships awarded to EU students that go to study in third-countries (outgoing mobility). Moreover, the length of study period is longer and consequently the grant amount awarded to Third-country students and scholars is higher in comparison to EU students and scholars for outgoing mobility. This is evident from the fact that Third-country students are eligible for availing higher amounts of grants for periods extending up to two years in the form of scholarships as compared to European students for which not only the amount of grants is less but the period is also limited to three months.

This findings draw attention to the fact that in case of support from EU to this project under any of the two defined appropriate mobility programmes i.e. EM or EMECW will attract bigger share of the incoming and comparatively smaller share of the outgoing mobility. Specific numbers for mobility flows will be presented for both programmes in the following sub-chapters.

4.2 Information for realization of the project through Actions 1, 2 and 3 with the reference to EM Call for proposals 2007

Following data are mainly collected from the Erasmus Mundus Call for proposals — EACEA /07/07. Relevant data will be performed and will serve as a base for following analyses. This Call for proposal was published in February 2007 and focuses on implementation of Action 1, Action 2, Action 3 and Action 4 in the academic year 2008/2009. It also has to be notified that EM as well as EMECW will be subject of the renewal in the year 2008. As a result adopted changes for each of the programmes will have to be taken into consideration while making decisions on realization of the project through any of these two funding programmes. However, relevant and exact conditions will be applicable as prescribed in the Call for proposals published in the year when addressed executor of the project i.e. Slovenian HEI Faculty of Economics of Ljubljana University will decide to submit the proposal.

In this chapter are included presentation of the timeframe for relevant actions (Actions 1,2 and 3), eligible applicants and beneficiaries, minimum partnership composition of the partnership, budget for all three relevant actions and project duration. Furthermore, these three relevant actions i.e. Action 1, Action 2 and Action 3 are elaborated in details covering all necessary aspects that interested HEIs need to know before applying for the selection of the project.

Objectives and goals of the Call for proposals — EACEA /07/07 are in line with general objectives and goals of programme Erasmus Mundus presented in the beginning of chapter Erasmus Mundus.

4.2.1 Timeframe

Knowing the timeframe for realization of the project will play an important role when it will come to project planning, organization of all necessary activities, its execution and controlling. With reference to the EM Call for proposals 2007 is the timeframe for all four action under the EM programme presented in the table below. Depicted below are only the most important dates and deadlines. Furthermore, in the case of the selection of the project annual assessment and renewal process will take place. Regular yearly monitoring of the selected projects performance will assure the quality of the projects offered by HEIs within each partnership.

Yearly publishing of the Call for proposals i.e. every February presents yearly opportunity for HEIs that would like to expend their operations internationally. In case of EM Call for proposals that is selected as a base for collecting data for this thesis is the deadline for submission of the applications for Action 1 - Erasmus Mundus Masters Courses 30th April of the same year. This means that partnerships have to be fully aware of and ready for the actions that are following for realization of such project. It also means that partnerships have to prepare and submit their proposals within 2 to 3 months (from February to 30th April) with respect to all conditions and criteria's set in the Call for proposals. In the case of selection of the project under Action 1 has partnership option to send application for Action 3 – Partnerships with Third-countries. Going into Action 3 is not obligatory but it is strongly encouraged. However, it is in the interest of project that is subject of the thesis to find the possible ways for cooperation between Slovenia and India. Deadline for submission of the application for the Action 3 is 30th November of the same year. The response about the outcome of the selection procedure for Action 1 comes from the Agency in October which is six months after the submission of the proposals. This means that have projects selected under Action 1 time of another month or at the most two (from October to 30th November) to submit applications to the Agency. Furthermore, projects selected under Action 1 are obligated to participate in Action 2 – Scholarships for Third-country students. Selected partnerships have to send lists of potential and reserve grantees (students and scholars) for the Action 2 by the last day of the February of the next year which is with reference to EM Call for proposals 28th February 2008. This means that they have four to five months time (from October since Agency publish inform outcome of selected projects under Action 1 to 28th February of

the next year). In the case of Call for proposals 2007 all four actions had to be ready for their start in the beginning of academic year 2008/2009.

Table 6: Timeframe for Erasmus Mundus Call for proposals 2007 for Action 1, Action 2 and Action 3

| | |
|--------------------------|--|
| February, 2007 | Publication of Erasmus Mundus Call for proposals 2007. |
| 30 April, 2007 | Applications for Erasmus Mundus Masters Courses -Action 1 must be posted to the Agency. |
| By October 2007 | Consortia must prove that all countries participating in the partnership recognize the degrees delivered. |
| October, 2007 | Applicants are informed about the outcome of the selection procedure for Action 1. |
| 30 November, 2007 | Applications for Action 3 must be posted to the Agency. |
| Before the end of 2007 | Beneficiaries for Action 1 receive five-year framework partnership agreement for signature. |
| 28 February, 2008 | Lists of potential grantees (students and scholars) and reserve lists compiled by the Erasmus Mundus Masters consortia must then be posted to the Agency (Action 2). |
| April, 2008 | Applicants are informed about the outcome of the selection procedure for Action 3. Partnerships are selected for a maximum of three years. |
| May, 2008 | Applicants are informed about the outcome of the selection procedure for Action 2. |
| by June 2008 | Beneficiaries receive grant agreement covering Action 3. |
| by July 2008 | Beneficiaries receive grant agreement covering Action 1 and Action 2 for signature. |
| October, 2008 | It is beginning of academic year 2008/2009 and therefore start of Action 1, Action 2 and Action 3 and in any case before December 2008. |

Source: Author

4.2.2 Eligible applicant and beneficiaries

Selection of project under Action 1 - Erasmus Mundus Masters Courses is a necessary condition to be fulfilled before proceeding with Action 3 - Partnerships with higher education institutions in Third-countries. The eligible applicants as referred in EM Call for proposals for Action 1 are higher education institutions in the 27 EU Member States, the countries of the European Economic Area/European Free Trade Association (Iceland, Liechtenstein, Norway) and the candidate countries for accession to the EU (Croatia, Former Yugoslav Republic of Macedonia, and Turkey). Eligible applicants for Action 3 are higher education institutions from all countries of the world. Moreover, project has to be lead by a European education institution. Higher education institutions from Third-country can only be partners in a partnership and can not perform as applicants. Every

higher education institution participating in a partnership either under Action 1 or Action 3 should, in principle, be located in a different country.

4.2.3 Minimum partnership

In relevance with EM Call for proposals 2007 the minimum partnership for Action 1 consists from higher education institutions coming from at least three different eligible countries. If the consortium includes higher education institutions from an EEA-EFTA state or a candidate country, at least two of the participating institutions must be located in Member States. The minimum partnership for Action 3 consists from the partnership selected under Action 1 which is Erasmus Mundus consortium and at least one Third-country higher education institution. In the case of the project is this Indian HEI.

4.2.4 Budget and project duration

The overall budget for the Call for proposal for academic year 2008/2009 is estimated at EUR 88.90 millions. To Action 1 is allocated EUR 1.60 million. This amount of grants covers the selection of about 25 new Courses and the continual support of the Courses selected under calls for proposals in previous years. Every partnership selected under Action 1 is awarded with EUR 15,000 annually. Selected Masters Courses must start between July and December of the year that they were selected. Projects under Action 1 are selected for 5 academic years. To Action 3 is allocated EUR 6.6 million. This amount of grants covers the selection of about 22 Partnerships. Each selected Partnership is awarded with maximum of EUR 15,000 annually, which is EUR 5,000 per partner institution. Additional to this flat amount of EUR 15,000 annually, partnership receives allocations for the mobility of European students and scholars. Implementation of awarded Partnerships must start between July and December of the year for which they were selected and can last for a maximum duration of 3 academic years.

4.2.5 ACTION 1 - Erasmus Mundus Masters Courses

This Action addresses higher education institutions from 27 EU Member States, Iceland, Liechtenstein and Norway. These countries are welcomed to establish partnerships that will design and offer Erasmus Mundus Masters Courses. Each partnership should consist of minimum three different higher education institutions from three different eligible countries. Consortium of the partnership is coordinated by one of the higher education institutions within partnership. All participating institutions should have an active and clearly defined role in the course implementation.

Courses must be fully developed at the time of application. Erasmus Mundus experts select only projects that are of high academic and organization quality and correspond to all criteria set in the Call for proposals. Courses must be joint or "integrated". Term "integrated" signifies planned study period in at least two of the three institutions,

considering that are modules developed and delivered separately, but which together make up a common standard Masters Course. Furthermore, "integrated" matter also that Course must lead to the award of a recognized double, multiple or joint degree. Erasmus Mundus Masters Courses must have clearly defined final degree delivered in the end of the Course, joint admission conditions, joint application procedures, joint selection processes and joint exam criteria for students in accordance with the relevant national legislation in the countries of participating institutions. Masters Course must clearly describe joint criteria for admission and examination.

An Erasmus Mundus Masters Course carries between 60 and up to 120 ECTS (http://ec.europa.eu/education/programmes/socrates/ects/index_en.html) credits at master level, thus lasting from one to two academic years. Erasmus Mundus supports all fields of study. In the future there might be a rebalance between fields of study with giving a priority to certain studies in the following Calls for proposals. Business studies and management sciences are along with Art and design, Languages and philological sciences, Law, Mathematics, Informatics and Medical sciences listed as priority fields of studies in the EM Call for proposals 2007. Erasmus Mundus Masters Courses are selected for five years, which means that consortia commit themselves for five consecutive editions of the Masters Course. Nevertheless, they also commit themselves to maintaining the content of the Course substantially in the form approved over that period. Furthermore, they commit themselves to selecting and hosting a specific number of Third-country students and scholars over approved period. Possible tuition fees must be common to the Masters Course and must be the same Third-country students and European students.

Mobility of students and scholars is nicely elaborated in the EM Call for proposals 2007 (Call for proposals 2007 - 07/07) and in the text reproduced here. "With regards to mobility students must carry out a period of study in at least two of the participating institutions. In a minimum consortium of three partners (A, B, C), mobility combinations are following: A+B, A+C, B+C or A+B+C. The length of the study period in each of the participating institutions is not prescribed but it is determined by the need to ensure that students are granted a joint or a double or a multiple degree ...//... and the need to ensure an integrated approach. However, the Erasmus Mundus Masters Course must, in principle, foresee that at least 30% of the total ECTS credits be acquired in each hosting institution. All three higher education institutions involved in the minimum consortium must be in the position to be a hosting institution, i.e. to offer in principle at least 30% of the credits necessary for course completion. The consortium should ensure that there is no repetition of teaching content during mobility."

Policy for recognition of degrees is explained in this paragraph taken out from the same source as text from the above paragraph. "Guaranteed award of a recognized joint, or a double or a multiple degree after the successful conclusion of the Erasmus Mundus Masters Course: a clear definition of the nature and the form of the final degree(s) delivered is required. A double or multiple degree is defined as two or more nationally-recognized diplomas issued officially by two or more institutions involved in an integrated study programme. A joint degree is defined as a single diploma issued by at

least two of the institutions offering an integrated study programme. The possibility to deliver a double degree is a minimal requirement. This condition must be fulfilled at the latest by the time of selection (October) of the Erasmus Mundus Masters Course. Applying consortia must prove that the participating countries concerned recognise the degrees delivered. To fulfill this condition the appropriate arrangements must exist at national level. Examinations passed at one institution of the Erasmus Mundus Masters consortium are recognized fully and automatically by the other institutions of the consortium.”

List of selected Erasmus Mundus Masters Courses can be seen in Annexure 1.

4.2.6 ACTION 2 - Scholarships

As Action 1 - Erasmus Mundus Masters Courses is a necessary step to be taken for realization of Action 3 – Partnerships with Third-country institutions the Action 2 – Scholarships takes place as indirect condition. Erasmus Mundus Masters Courses selected under Action 1 have to participate in Erasmus Mundus scholarly scheme under Action 2.

This Action is addressed to selected Erasmus Mundus Masters consortia which are later on provided with scholarships for Third-country graduate students and scholars by the Agency. It also addresses qualified individuals from third-countries who come to Europe to study at the Erasmus Mundus Masters Courses (students) in EU or to work for them (scholars). Erasmus Mundus consortia select only the very best international students and scholars on the competitive basis and reward them with scholarships. Erasmus Mundus in any case does not financially support European students and scholars to study or work in EU Master Course as well does not financially award Third-country students and scholars to study or work in their own country. Projects/partnerships selected under Action 1 have to sign an agreement for five year partnership with an Agency. This indirectly means that they have to offer Master Course for five subsequent years and provide Third-country students and scholars with the scholarship.

With respect to the EM Call for proposals 2007 partnerships have to reserve a specific number of study places for European as well as Third-country students at each participating HEI of the partnership. Foreseen structure of participating students in the Course has to be clearly presented in the proposal for Action 1. Each selected Erasmus Mundus Masters consortium must reserve about 20 places for Third-country students and about 4 places for Third-country scholars who will be awarded an Erasmus Mundus scholarship. Furthermore, consortia have to follow the following basic criteria for selection of Third-country students and/or scholars:

- maximum 25% selected Third-country students may come from the same country,
- selected Third-country scholars should come from a different country,
- maximum 10% of the selected Third-country students should come from the same institution,

- maximum 20% of the selected Third-country students should come from the same Partnership selected under Action 3.

Duration of incoming mobility may last for students from 1 to 2 years and for scholars maximum 3 months. Erasmus Mundus Master Courses have to provide transparent application and admission conditions as well as selection procedures. Procedures must be explained in detail, in accordance with national legislation, communicated to the Commission and published on websites of higher education institutions offering Master Courses. Individual applications for scholarships should be submitted directly to the consortium concerned. The consortia apply to the Agency for the scholarship funds for their Master Course.

In the case that partnership fills the capacity of incoming mobility of 20 Third-country students and 4 Third-country scholars with projection of above presented criteria for selection of Third-country students and/or scholars this means that maximum 5 students and 1 or 2 scholars may come from the same country (India) i.e. maximum 25% from the same country, maximum 4 students and 1 scholar may come from the same partnership i.e. maximum 20% from the same partnership and in the case that there is no more than one Third-country (Indian) partner HEI maximum 2 students and 1 scholar may come from this partner HEI. Such mobility scheme is set by EC to follow set goals as Lisbon strategy in Bologna process. Potential Slovenia HEI that is interested in the project therefore has to take into consideration if can interests behind realization of the project be united with and adjusted to interests of EC expressed through the programme. Partnership benefits indirectly from Action 2 in the form of paid scholarly work covered with the scholarships awarded to grantees. In other words, work carried out by scholars, living and travel costs are paid by EC through scholarship scheme and not by the hosting HEI.

4.2.7 ACTION 3 - Partnerships with higher education institutions from Third-countries

Action 3 is “the” action that supports realization of the project– Establishment of joint Slovenia - India international education centre in India. It is the fundamental element that bases on the preceding carried out Actions 1 and 2. Action 3 encourages Erasmus Mundus Masters Courses selected under Action 1 to establish partnership with higher education institutions located in Third-countries. It is not obligatory for Erasmus Mundus Masters Courses selected under Action 1 to participate in Action 3 but it is welcomed. Third-country institutions can be partners in the established partnership but can not be applicants for the Action. Teaching and research activities offered by the Third-country institutions participating in the partnership must be complementary to the Erasmus Mundus Masters Course from Action 1.

Erasmus Mundus Masters consortia must build a framework for outgoing mobility, which is for graduate students and scholars to study and work in the Third-country. Outgoing mobility is elaborated in following text. “Mobility allowances serve the purpose of spending a period of time at the Third-country partner university /-ies as part of the Erasmus Mundus Masters Course. Every year, in principle, a minimum of 10 and a

maximum of 30 students as well as 3 scholars per Masters consortium should be sent out. In principle, the number of outgoing students should be evenly spread among the consortium partners. Recognition of study periods at the host institution (i.e. non-European institution) must be guaranteed by the Erasmus Mundus Masters consortia.” Activities of higher education institutions participating in the partnership may include teaching assignments at a partner institution, teachers’ exchanges, development and dissemination of new methodologies in higher education (including the use of information and communication technologies, e-learning and open and distance learning), development of cooperation schemes with Third-country higher education institutions, etc. Each student or scholar can be awarded with an Erasmus Mundus scholarship. However, students and scholars can benefit from the scholarship scheme only once but it is possible to use the scholarships for more than one mobility period as long as the maximum grant amount for one scholarship is respected.

Outgoing mobility is arranged in the favour of the project’s objective which is attracting students and scholars to the once established education center in India. In the case of minimum partnership required, three eligible EU countries and 1 Third-country (India), a minimum of 10 and a maximum of 30 students as well as 3 scholars per Master consortium should be sent out to the partner (Indian) HEI for maximum duration of three months.

The duration of partnerships established between EU and Third-country can last between one and three years.

List of Partnerships selected under Action 3 can be seen in Annexure 2.

4.2.8 Additional services that need to be provided

Additional activities to Erasmus Mundus Masters Courses are student services offered by "international office" which is run by Erasmus Mundus Masters Courses. These offices have adequate opening hours and linguistic coverage, housing facilities, coaching, language support, activities aiming at social integration as well as assistance with residence permits and social insurance. Furthermore, all students, European and non-European, need to make sure they are adequately insured against accident, injury and ill-health while participating in an Erasmus Mundus Masters Course outside their home country. The Erasmus Mundus programme offers special cover to its scholarship students at no extra cost. Their families can also benefit from special premiums with the same insurers. All Third-country scholarship students are provided with a complementary insurance cover during their studies in Europe on an Erasmus Mundus Masters Course. Enrolment The scheme is paid for directly by the European Commission and does not imply any additional costs for Third-country scholarship students or Erasmus Mundus university consortia. The cover is provided by the insurance company ACE Europe. Nevertheless, Erasmus Mundus Masters Courses provide students and scholars with advice and letters which normally facilitate the process. The Commission also plans to publish a visa handbook for students on its website. EC supports high quality services

that together composite the integrity of the offer carried out by HEIs participating in partnerships

4.3 ERASMUS MUNDUS EXTERNAL COOPERATION WINDOW (EMECW) – Option 2

4.3.1 General information about Erasmus Mundus External Cooperation Window

4.3.1.1 Asia Link Programme

First programme with a purpose to support establishment of partnerships between EU and Third-country higher education institutions established by European Commission was Asia-Link Programme. It started in year 2002 and had lasted by the year 2006. In 2006/2007 it was replaced by the Erasmus Mundus External Cooperation Window Programme. Project's actions were creation of networks, dissemination of information, mobility actions, teaching, training, pilot projects, creation of tools and exchange of know-how. (Eurofunding Comprehansie guide, p. 19).

4.3.1.2 EMECW Programme

In the year 2006/2007 the European Commission launched the Erasmus Mundus External Cooperation Window (EMECW) which is complementary to and in synergy with the Erasmus Mundus Programme. The EMECW is a co-operation and mobility scheme in the field of higher education. It is implemented by the Executive Agency Education, Audiovisual and Culture (http://eacea.ec.europa.eu/extcoop/call/documents/ext_coop.pdf). As introduced on EMECW web page (http://eacea.ec.europa.eu/extcoop/call/documents/ecw_leaflet.pdf) this new initiative funds student (from undergraduate to post-doctorate level) and academic staff mobility between European higher education institutions and institutions from targeted Third-countries. It aims to boost exchanges of students, researchers and academic staff and to support mobility. As foreseen EMECW will be integrated into the renewed “umbrella” Erasmus Mundus programme in 2009.

In the EMECW Compendium (Compendium 2007) is EMECW presented as an education cooperation links between the EU and the rest of the world. It offers a unique higher education institutional cooperation frame. EMECW students and academic staff benefit from the opportunity to study in Europe and abroad. The participating universities gain in raising their capacities, build pole of expertise and gain international visibility. EMECW fosters better understanding and mutual enrichment between the European Union and Third-countries co-operation in the field of higher education and the areas that are indirectly affected by EMECW mobility scheme. Programme was build with the win-win strategy which means that all shareholders benefit from participating in the EMECW network.

Main objective of EMECW is to foster co-operation between the European Union and Third-Countries in the field of higher education through a co-operation and mobility scheme that is addressing students and academic staff (http://eacea.ec.europa.eu/extcoop/download/documents/ps2_casali.ppt). Furthermore, it focuses to promote mobility for students and academic staff worldwide, to strengthen cooperation between different countries and cultures, to encourage international recognition of degrees and to exchange knowledge and skills between different worlds (http://eacea.ec.europa.eu/extcoop/download/documents/ps3_rivas.ppt).

Web site http://eacea.ec.europa.eu/extcoop/download/documents/ps2_casali.ppt presents that EMECW awards established partnerships between European and Third-country higher education institutions with a grant to cover:

- the costs of the organization of mobility of higher education students and academic staff,
- the costs of the implementation of individual mobility flows of higher education students and academic staff.

Financial aspect for getting funds from EU under EMECW programme is in details covered in the chapter Funding opportunities for the project.

Information about who is behind the initiative were found on web page of the agency EACEA (http://eacea.ec.europa.eu/extcoop/call/documents/ecw_leaflet.pdf) and are the following bodies:

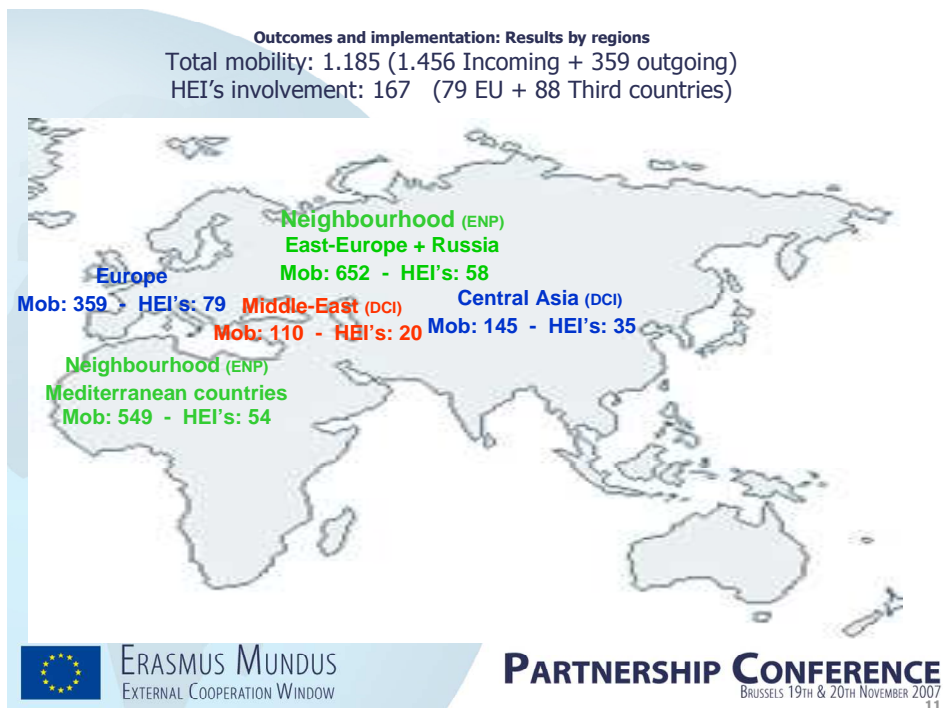
- the Europe Aid Cooperation Office of the European Commission which deals with EU External Cooperation Programmes: <http://ec.europa.eu/europeaid>,
- the Education, Audiovisual and Cultural Executive Agency (EACEA) which manages the action: <http://eacea.ec.europa.eu>,
- EU Delegations and EU partner countries which define needs and priorities in the field of higher education of specific country: <http://ec.europa.eu/world>.

The EMECW is a cross-connection of higher education, external relation policies and aid. All this aspects will be covered in any of the selected partnerships under EMECW with a purpose to follow objectives and goals of the EU.

4.3.1.3 Results achieved by now and the prospective

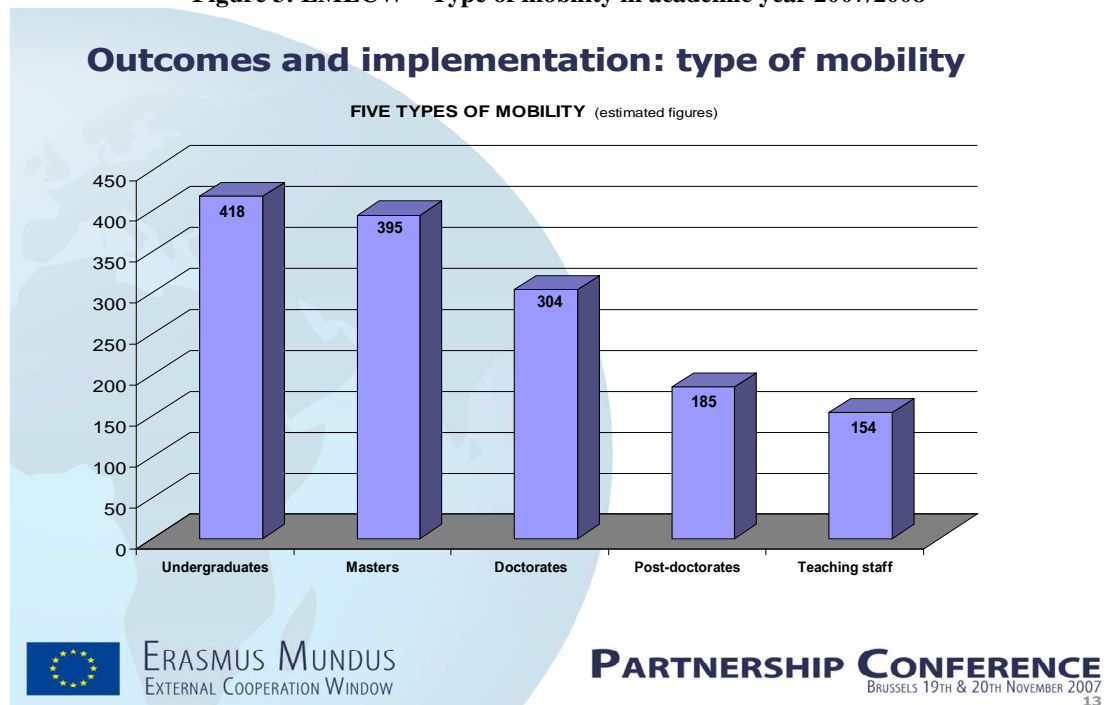
Achieved results of EMECW (<http://eacea.ec.europa.eu/extcoop>) are 167 higher education institutions worldwide that are members of partnerships selected under EMECW. The network enables the yearly mobility of some 1800 students and academic staff. Mobility scheme has been supported with an amount of EUR 36.4 million. These results had been achieved in one year, from academic year 2006/2007 when EMECW was adopted to present year 2008.

Figure 2: EMECW - Total mobility and HEI's involvement in academic year 2007/2008



Source: Fronia, J. (2007). PS – 1 The EMECW implementations and its perspectives.

Figure 3: EMECW – Type of mobility in academic year 2007/2008



Source: Fronia, J. (2007). PS – 1 The EMECW implementations and its perspectives.

The EMECW prospective of Call for proposals 2006 for academic year 2007/2008 presented on EMECW web page (http://eacea.ec.europa.eu/extcoop/download/documents/ps1_fronia.ppt) is good and is supported with the following research. EMECW dedicated EUR 36.40 million for 9 selected projects. In the Call for proposal participated 22 EU countries and 23 Third-countries. 167 higher education institutions participated. 79 were from EU countries and 88 were from third-countries. Planned mobility in the Call for proposals 2006 was 1315 individuals. Figure 2 above is containing information on total mobility of students and academic staff and information on higher education institutions involved in the EMECW in the year 2007/2008. Total mobility forecast by the selected projects was 1815 individuals (138%), where the forecasted incoming mobility was 1456 individuals (80%) and outgoing mobility 359 individuals (20%).

Figure 3 provides data about the type of mobility in EMECW in the year 2007/2008. Estimated figure for mobility flow at Master level is 395 students and scholars for the year 2007/2008 for all selected partnerships. Indicative and more exact mobility numbers and conditions attached to each selected partnership will be elaborated later.

In the same Call for proposals for year 2006/2007 EMECW covered following geographical areas in so called **Group A** or existing windows:

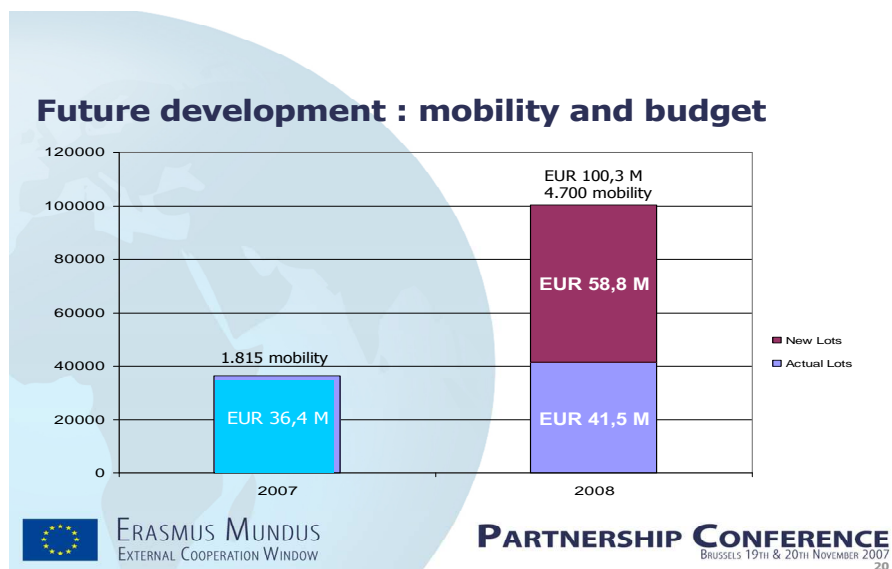
- Central Eastern Europe (+ Russia),
- Middle East region (Yemen, Iran, Iraq),
- Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Turkmenistan).

Relevant and important for the project is the future plan of EMECW programme that focuses on the future enlarged geographical coverage for mobility flow under the **Group B** or new windows which includes following countries, including India:

- African Caribbean and Pacific Group of States,
- Western Balkans region,
- Asia region (Asia Regional, India),
- Latin America region (Brazil, Chile, Mexico).

From year 2008 on will renewed EMECW programme set new priorities according to the country/regional geographical needs and new distribution between types of education according to the country/regional needs.

Figure 4: EMECW – future development: mobility and budget



Source: Fronia, J. (2007). PS – 1 The EMECW implementations and its perspectives.

Figure 4 refers to future development of the EMECW with regards to mobility flows and budget. With enlargement of geographical coverage of EMECW i.e. with new window - Group B that includes India, EMECW becomes relevant and potential programme for realization of the project. Table above shows foreseen figures for future development where will be new geographical lots under Group B provided with even higher budget and supported for bigger mobility flow than current geographical lots under Group A. More exact information in connection with India and with respect to the project will be provided later.

4.3.1.4 Management of the partnerships

All selected partnerships under the EMECW programme are obligated to sign:

- Framework Partnership Agreement (FPA) and
- Specific Grant Agreement (SGA).

Both documents/agreements provided on official web page of EMECW (http://eacea.ec.europa.eu/extcoop/download/documents/ps2_casali.ppt) become due in the case of selected projects. Framework Partnership Agreement (FPA) is signed by the Agency and a selected consortium. Maximum duration of an agreement is 3 years. FPA aims to meet common general objectives of both the parties. Its purpose is also to ensure the principle of stability for a long-term sustainable effect of the partnership and a principle that there is no guarantee without quality and compliance. Furthermore, Specific Grant Agreement (SGA) is concluded in the context of the partnership established between the Executive Agency and the universities that are members of the selected partnership. The duration of the SGA varies from 2 to 3 years, which depends on the mobility scheme. The SGA contains provisions related to amount of the grant and payments (financial related issues), reports obligations, amendments, failure to meet the objectives and publicity Organization of the mobility.

4.3.2 Information for realization of the project through EMECW with the reference to EMECW Call for proposals 2007

Erasmus Mundus External Cooperation Window Programme (EM) is second convenient programme, besides Erasmus Mundus, for realization of the project. The base for collecting data was mostly official web page of EU under the section education and training policy and other useful links. However, the main source of data that will be crucial for establishment of partnership between Slovenian and India higher education institutions is the last Erasmus Mundus External Cooperation Window Call for proposals — EACEA /07/34. This Call for proposal focuses on implementation of programme in the academic year 2008/2009. It is the Community Action programme for the promotion of cooperation between higher education institutions and the exchange of students, researchers and academic staff from EU Member States and Third-Countries.

Activities under EMECW are similar to activities under “Action 3 – Partnerships with Third-country higher education institutions” of EM, however set of rules applicable to EMECW are different than those applicable under EM.

4.3.2.1 Timeframe

Timeframe for materialization of the project is presented in the table below. EMECW Call for proposals is published annually. This is a yearly opportunity for HEIs that are interested in cooperation between EU and Third-country HEIs in the field of higher education as well for projects that failed to be selected in previous years.

Table 7: Timeframe for Erasmus Mundus External Cooperation Call for proposals 2007

| | |
|--------------------------|---|
| 15 February, 2008 | Submission of applications. |
| By May 2008 | The Agency announces the award decision. |
| By 15 July 2008 | Eligible activities, including preparatory activities, may start. |
| 1 December 2008 | Partnerships have to provide the list of selected students and academic staff and a reserve list to the Agency. |
| By 1 April 2009 | All individual mobility must start. |
| By 15 April 2012 | All actions should be finished. |

Source: Author

Deadline for submission of the proposals projected from the referred Call for proposals is 15th February. Partnerships are informed about the outcome in three months. Selected partnerships can start with the activities on 15th July, whereas the programme has to start in the beginning of the academic year i.e. in principle in October of the same year. The planned duration of a project may not exceed 45 months.

4.3.2.2 Eligible applicant and beneficiaries

Eligible applicants for EMECW programme are European HEI in possession of an Erasmus University Charter (EUC) before the date of publication of the Call or Association/network of European HEI. EUC is a certificate that gives university the right to participate in Erasmus and to apply to its National Agency for funding for the decentralized activities (for example ECTS) and to the European Commission for the centralized activities (http://ec.europa.eu/education/programmes/socrates/erasmus/charter_en.html). Partners from the Third-country must be recognized HEI from the Third-Countries that are accredited by the national authorities and covered by the geographical lot of the EMECW. There are three groups of eligible countries. First group are the 27 member States of the European Union, second group are European Candidate countries (Croatia and Turkey) and EEA countries (Iceland, Liechtenstein and Norway) and the third group are the following Third-countries and geographical regions: Brazil, Chile, Mexico, Russia, **India**, Southern and Eastern neighboring area, Middle East region, Central Asian Republics, African Caribbean and Pacific Group of States, Western Balkans region and Asia region.

4.3.2.3 Minimum and max project partnership

Minimum size of the partnership is 5 European HEI possessing an Erasmus Charter and 1 recognized HEI from the Third-Countries that are covered in the geographical lots (Group A and Group B). 20 eligible partners is the maximum size of the partnership. Each consortium may apply at the most to 4 different geographical lots with 4 separate applications. Furthermore, specific conditions about composition of the partnerships under different geographical lot have to be respected. This will be applicable in the two options that are theoretically possible for realization of the project and cover India. These two options will be presented later.

4.3.2.4 Budget available

In the table below are presented indicative global amounts that are assigned to specific geographical regions and countries (windows). The overall budget available for the Call for proposals 2007 is EUR 100,348 million and is aiming at a total minimum mobility flow of 3695 individuals. The grants awarded to the lots will be a minimum of EUR 1 million and a maximum of EUR 9.6 million. As seen in the table below is India as the focus partner country for the project awarded with the maximum possible amount EUR 9.6 million. This reflects that EU considers India on priority for partnerships in view of number of people participating in the mobility activities, the duration and the type of education (undergraduate, master, doctorate, post-doctorate) and the visiting academic staff.

Table 8: Indicative global amounts by the geographical windows in Group B

| Geographical windows: | Indicative Global Amount: |
|---|----------------------------------|
| South Mediterranean, Eastern Europe, Russia | EUR 33,528 million |
| Yemen, Iran, Iraq | EUR 3 million |
| Central Asian Republics | EUR 5 million |
| African Caribbean Pacific States | EUR 5 million |
| Western Balkans | EUR 6 million |
| Asia Regional | EUR 20 million |
| India | EUR 9,6 million |
| Brazil | EUR 9.30 million |
| Chile | EUR 4,92 million |
| Mexico | EUR 4 million |

Source: Call for proposals – EACEA 07/34

4.3.2.5 Eligible activities

Agency EACEA is providing funds to support eligible activities. Call for proposal is grouping eligible activities that are financed in the following two groups:

- the partnership activities for the organization of mobility and the transfer of know-how and best practices and
- the implementation of individual mobility for students and academic staff.

For organization of the mobility as eligible activity each partnership has to provide in detail plan. Following aspects need to be taken into account:

- explanation of how mobility will contribute to global objectives, including transfer of know-how,
- explanation of how the visibility and communication strategy of the European higher education sector will be strengthened (Strategy should explain how as many universities in the Third-countries concerned will be reached and if possible, how it will increase the higher education opportunities of vulnerable groups from the Third-countries concerned),
- explanation of planned sustainability strategy,
- explanation of planned transparent selection mechanisms.

Regarding individual mobility as eligible activity are there three groups and five types of individual mobility flows. Table below explains characteristics of all three groups of the individual mobility by target beneficiaries, type of mobility and country of mobile individuals.

Table 9: Target groups of the mobility flows

| Target Group | Target beneficiaries | Types of mobility | Countries of mobile individuals |
|-----------------------------|--|---|--|
| TARGET GROUP 1 (at least | Students and academic staff registered in one of the universities member of the partnership. | undergraduate, master, doctorate, post- | Third-countries and European |

| | | | |
|---------------------------------------|---|--|--|
| 50% of the individual mobility flows) | | doctorate, academic staff exchanges | countries of the geographical lot concerned |
| TARGET GROUP 2 | Nationals of the Third-countries concerned by the geographical lot, registered in a higher education institution of these countries not included in the partnership or having obtained in an institution of these countries a university degree or equivalent. This includes the possibility of providing mobility opportunities to Third-country nationals working in public administration, public and private enterprises | master, doctorate, post-doctorate | Only Third-countries of the geographical lot concerned |
| TARGET GROUP 3 | Nationals of the third-countries concerned by the geographical lot who are in particularly vulnerable situations. It may cover mobility for students holding the nationality of one of the Third-countries concerned and: 1) having a refugee status or asylum beneficiaries (international or according to the national legislation of one of the European recipient countries) or 2) it can be proved that they have been the object of unjustified expulsion from university on racial, ethnic, religious, political, gender or sexual inclination or 3) they belong to an indigenous population targeted by a specific national policy When relevant to the specific situation of the country, proposals with a solid strategy and effectively promoting participation of group III will be given priority | undergraduate, master, doctorate, post-doctorate | Only Third-countries of the geographical lot concerned |

Source: Call for proposals – EACEA 07/34

Table below provides information which are five types of the individual mobility flow and what is the indicative distribution of the flow between five types of the mobility.

Table 10: Five types of the mobility

| Type of mobility | Indicative distribution |
|----------------------------|-------------------------|
| Undergraduates | 35% of the total |
| Masters | 25% of the total |
| Doctorates | 20% of the total |
| Post-doctorate fellowships | 10% of the total |
| Academic staff | 10% of the total |

Source: Call for proposals – EACEA 07/34

Following table shows established limits on the duration of the mobility activities according to the group and the type of the mobility. It is up to partnerships how they decide on the duration of the mobility activities as long as they are within the established limits.

Table 11: Duration limitation of the mobility flows

| Type of individual mobility | TARGET GROUP I Students & staff from partnership | | TARGET GROUP II Other third-country nationals in targeted country(ies) except target group III | TARGET GROUP III Refugees, asylum seekers, unjustified expulsion/discrimination, indigenous populations |
|-----------------------------|---|------------------------|---|--|
| | EU/other European partners | Third-country partners | | |
| Undergraduate | 6-10 months | 6-10 months | Not applicable | 6-34 months |
| Master | 6-10 months | 6-22 months | 6-22 months | 6-22months |
| Doctorate | 6-34 months | | 6-34 months | 6-34months |
| Post doctorate | 6-10 months | | 6-10 months | 6-10 months |
| Academic staff | 1-3 months | | Not applicable | Not applicable |

Source: Call for proposals – EACEA 07/34

The duration of the mobility flow at the Master level (applicable to the project) for target group 1 (students and staff from the partnership) is for students coming from EU partner HEI limited to 6 to 10 months of stay at partner Third-country HEI and for students coming from partner Third-country HEI limited to 6 to 22 months of stay at partner EU HEI. The duration of the mobility flow at the Master level for target group 2 (Third-country nationals in target country(ies) other than from partner HEI or target group 3) as well as for target group 3 (refugees, asylum, people in vulnerable situations) is limited to 6 to 22 months stay at partner EU HEI.

Information provided in the three tables above are applicable in the composition of the mobility flow of each partnership that must be following:

- target Group 1 must represent at least 50% of the individual mobility covered by the project,
- outgoing mobility of European students can represent maximum 30% of the individual mobility flows,
- incoming mobility of Third-country students must represent at least 70% of the individual mobility flows.

Furthermore, partnerships have to state the number of individuals, target groups and types of mobility activities and education they intend to cover. The deadline for the submission of the lists is by the 1st of December each year. Moreover, mobility flows for student and academic staff between the European or between Third-country institutions involved in the partnership is neither allowed neither financed. This means that European (Third-country) students mobility between European (Third-country) institutions involved in the partnership cannot be covered by this scheme. The Agency advises European Universities to be fully aware of the specific conditions in each of the Third -countries concerned and to follow the advice of their Ministries of Foreign Affairs.

4.3.2.6 INDIA – GEOGRAPHICAL LOT 15

Represented project is focused on the establishment of joint international center in India and therefore on establishment of partnership with India. Each geographical Lot has set special conditions that must be respected in case that Third-country higher education institution from specific lot is member of the partnership. India is in the Lot 15.

Estimated budget for India, Lot 15, is EUR 9.6 million, which is the maximum amount that one Lot can be assigned. The Table below provides information on the expected minimum number of individual mobility flows and the estimated maximum amounts foreseen to cover the organization and implementation of mobility activities in Lot 15, India.

Table 12: India – Geographical Lot 15

| Geographical Lot | Third-country | Minimum number of individual mobility flows | Estimated maximum grant |
|-------------------------|----------------------|--|--------------------------------|
| Lot 15 (Asia 4) | India | 320 | EUR 9.6 million |

Source: Call for proposals – EACEA 07/34

Partnership composition

In addition to the general rule for minimum partnership composition mentioned in chapter Minimum and maximum project partnership under EMECW must minimum partnership composition include 5 European HEI possessing an Erasmus Charter and at least 2 institutions from two different states in India. Partnerships including mobility of students from Target Group 3 are given priority in line with the Government of India’s policies towards the relevant vulnerable and/or minority groups. Challenge appears in the term of organization and coordination for the partnership consisting of 7 member HEI’s due to the fact that each HEI will try to stress the issues beneficial to themselves. This can jeopardize the main objective of the partnership.

Type of mobility

Individual Geographical Lot try to satisfy specific geographical needs. Type of mobility and the indicative distribution for Indian geographical window is presented in table below. Mobility at the Master level should represent 25% of the total mobility (at all five levels of higher education) for the India.

Table 13: Types of mobility and indicative distribution for India - Lot 15

| Type of mobility | Indicative distribution |
|----------------------------|--------------------------------|
| Undergraduates | 25% of the total |
| Masters | 25% of the total |
| Doctorates | 20% of the total |
| Post-doctorate fellowships | 10% of the total |
| Academic staff | 20% of the total |

Source: Call for proposals – EACEA 07/34

Regional needs and thematic fields of study for India – Lot 15

EMECW supports all fields of study. Anyway, following fields have priority: business studies and management sciences, agricultural sciences, architecture, urban and regional planning, education, teacher training, engineering, technology, geography, geology, law, medical sciences, natural sciences and social sciences. As project focuses to offer MBA course is fact that are business studies and management sciences as prioritized fields of study in India in a favour for the project realization.

4.3.2.7 ASIA REGIONAL

Another possible option for realization of the project is covered under Asia regional. As discussed below this option is complex.

The overall indicative amount for the Asia Regional is EUR 20 million. The table below provides information on the expected minimum number of individual mobility flows per geographical lot and the estimated maximum amounts foreseen to cover the organization of these mobility activities. India falls within the optional countries. This means that programme enables to partnerships to select India under optional county for a partner country.

Table 14: Geographical Lots, minimum number of individual mobility flows and estimated maximum grant under Asia regional

| Geographical Lots | Third Countries | Minimum number of individual mobility flows | Estimated maximum grant |
|-------------------|---------------------------|---|-------------------------|
| Lot 12 (Asia 1) | Afghanistan | 50 | EUR 9 million |
| | Bhutan | 20 | |
| | Nepal | 35 | |
| | Pakistan | 90 | |
| | <i>Optional countries</i> | | |

| | | | |
|--|---------------------------|-----------|---------------|
| Together with <i>optional</i> mobility | | Total 295 | |
| Lot 13 (Asia 2) | Bangladesh | 85 | EUR 7 million |
| | Cambodia | 20 | |
| | Myanmar | 50 | |
| | Maldives | 10 | |
| | <i>Optional countries</i> | | |
| Together with <i>optional</i> mobility | | Total 230 | |
| Lot 14 (Asia 3) | Mongolia | 20 | EUR 4 million |
| | Vietnam | 50 | |
| | Laos | 20 | |
| | <i>Optional countries</i> | | |
| | | | |
| Together with <i>optional</i> mobility | | Total 130 | |

| | |
|---|--|
| List of optional eligible countries (not compulsory) | |
| Sri Lanka – India – Indonesia - Malaysia – Philippines – Thailand – China – North Korea | |

Source: Call for proposal - EACEA 07/34

With respect to the general rule for the minimum partnership under EMECW has partnerships under Asia regional consist of five eligible European universities having subscribed an Erasmus Charter from at least three European Union countries plus at least one University from each country included in the corresponding geographical lot and at least one university from an optional country. Priority will be given to the partnerships that will include more universities from more than one country listed as optional. The maximum size of the partnership under Asia regional is limited to 20 partners.

However, this option is quite complicated which in turn could lead to long time delays to form required partnership. In addition to the complexity there is always an apprehension of the real motive and objective of the lead partner being defeated in the end owing to different interests of numerous partners involved.

5 PROJECT PROSPECTS BY ALIGNING WITH AN ALREADY EXISTING PARTNERSHIP – Option 4

Fourth option for realization of the project is to align with already existing partnerships that operate in the field of management and economics and were selected in past Calls for proposals under Asia Link, EM or EMECW.

In the table below are presented another four options for project realization by aligning with already existing partnerships under EM or EMECW. Focus is on number of partners

in the partnership after 2 potential partners (FELU from Slovenia and IPE from India) would join different existing partnerships.

Table 15: Options 4a, 4b, 4c and 4d for realization of the project and number of partners in the partnership after aligning with already existing partnerships

| Option | Minimum number of partners in already selected partnerships | Number of partners in the partnership after 2 potential shareholders of the project (FELU, IPE) join the partnership |
|--|---|---|
| Option 4a: Alignment with partnership selected under EM Action 1 | 3 = 3 eligible higher education institutions from at least 3 different EU Member States | 5 (3+2) or more |
| Option 4b: Alignment with partnership selected under EM Action 3 | 4 = 3 EU and 1 Third-country higher education institutions | 6 (4+2) or more |
| Option 4c: Alignment with partnership selected under EMECW – India Lot 15 | 7 = 5 EU and 2 Indian (from 2 different states) higher education institutions | 9 (7+2) or more |
| Option 4d: Alignment with partnership selected under EMECW – Asia regional | 9 or 10 = eligible 5 EU and 4* or 5** Third-country higher education institutions | 11 (9+2) or more |

* Lot 14 (Asia 3)

** Lot 12 (Asia 1) and Lot 13 (Asia 2)

Source: Author

Following this option means to become a part of a partnership with relatively high number of members. This fact could disturb some long-term objectives of the project. Furthermore, high number of members in the partnership demands precise coordination, not only in the organization sense also in following the same goals and objectives of the members on the long-run. The already existing and selected partners may try to push the partnership into the agenda suiting them. In case of EM the one time funds for covering operational costs will have to be shared among more members of the partnership resulting in smaller shares which will be insufficient to cover actual operational costs by new members and will be a superfluous fund for already existing partners resulting in likely differences due to this inequality. Grant awarded under EMECW is flat amount of EUR 10,000 per HEI. There will be coordination problems owing to high number of partners.

5.1 Selected projects involving Indian and Slovenian institutions

Following research provides information on how many HEIs from India and Slovenia have been already involved in international cooperation through EM, discontinued Asia Link programme and EMECW. This information will show how actively Indian and

Slovenia HEIs gain experiences in and perform on international market i.e. beyond their borders.

5.1.1 Erasmus Mundus (2004 – 2008)

Projects that had been selected under Erasmus Mundus under the Action 1 – Master Courses can cover partnerships from EU and can be found in Annexure 1. There are 105 partnerships consisting from European higher education institutions. In the programme Erasmus Mundus under the Action 3 – Partnerships with Third-countries in the field of higher education had European Commission selected 52 partnerships in the period from 2005 to 2008. They can be found in Annexure 2. Indian higher education institutions participated in 5 partnerships out of 52 selected. None of these partnerships has been operating in the field of management or business sciences. Slovenian higher education institutions are involved in two selected partnerships out of 52. None of these partnerships including Slovenia are covering field of management or business sciences. However, out of 52 partnerships that had been selected under Erasmus Mundus in Actions 3 over the period 2005 – 2008 there are 5 that involve Indian and 2 that involve Slovenian higher education institutions. Moreover, none of these partnerships are covering field of management or business sciences. Information of selected projects under Action 1 and Action 3 is also provided on the web side:

http://ec.europa.eu/education/programmes/mundus/projects_en.html.

5.1.2 Asia Link (2002-2006)

Asia-Link was the programme supporting partnerships between EU and Third-country higher education institutions that was in academic year 2006/2007 replaced by Erasmus Mundus External Cooperation Window. Programme selected through Calls for proposals over the period 2002-2006 total of 175 partnerships for grants totaling €65 million. In the period 2002 – 2005 has India participated in 32 partnerships out of 155 that were selected. Within these 32 partnerships there is 38 Indian higher education institutions involved. There is only five partnerships among 32 that are involving India that cover the field of management and business science. There is one partnership that connects Indian as well as Slovenia higher education institution which is operating in the field of medicine. This partnership can be seen in the table below. Furthermore, in the year 2006 there was no partnership involving Indian institution among selected partnerships. To see 175 selected projects under programme Asia-Link refer to the following web page: http://ec.europa.eu/europeaid/where/asia/regional-cooperation/higher-education/documents/asia_link_2002-05_en.pdf.

In the table below are listed five partnerships in the field of management and business science among 32 that are involving India, plus one partnership where Indian as well as Slovenia higher education institution is cooperating as partners in the field of medicine. In the Asia-Link Call for proposals 2006 there was one partnership selected where Slovenian higher education institution from University of Ljubljana was a member of partnership.

Table 16: Selected project in the field of management under Asia-Link 2002-2005 including Indian HEI

| Project | Partners |
|---|--|
| Developing an International Master Programme on Entrepreneurship and Innovation (CD) | University of Central England in Birmingham (UK), Harbin Institute of Technology (CN), Kunming University of Science and Technology (CN), Hong Kong Polytechnic University (CN), Centre for Applied Sciences, Hochschule für Technik und Wirtschaft, Dresden (DE), Indian Institute of Management Bangalore (IN) |
| MOVE: new curriculum for international transfer of technologies for entrepreneurial development | Università degli Studi del Sannio (IT), University of Luton (UK), Indian Institute of Management Bangalore (IN), Tribhuvan University of Kathmandu (NP) |
| Development of a Quality Improvement System for Management Education in South Asia | European Foundation for Management Development, Brussels (BE), Association of Management Development Institutions in South Asia, Hyderabad (IN), Association of Sri Lankan Institutes of Management, Colombo (LK), Escuela Superior de Administración y Dirección de Empresas, Barcelona (ES) |
| Human Resource Development in Law and Economics for India and Europe (HRD) | University of Hamburg, Institute for Law and Economics (DE); University of Hyderabad (IN); University of Ghent, Law School (BE); Indira Gandhi Institute of Development Research (IN); National Law School of India University, Bangalore (IN) |
| MIKE: new curriculum to train experts in the analysis, reporting and Management of Intangibles in the Knowledge based Economy | Copenhagen Business School - Department of International Economics and Management (DK); Libera Università Internazionale degli Studi Sociali Guido Carli (LUISS) (IT); Universitat Politècnica de Catalunya (ES); Indian Institute of Management (IN); National Institute for Science and Technology Policy and Strategy Studies (VN); Fudan University (CN) |
| URO - A new curriculum to improve the quality of life for people with Urinary incontinence (SI & IN) | University of Salerno - Centro ICT (IT); University of Ljubljana, University College for Health Studies (SI); Huazhong University of Science Technology, Xiehe Hospital, Tongji Medical College, (CN); NU trust hospital, Nephro-Urology super specialty post graduate national institute (IN) |

Source: http://ec.europa.eu/europeaid/where/asia/regional-cooperation/higher-education/documents/asia_link_2002-05_en.pdf

5.1.3 Erasmus Mundus External Cooperation Window (from 2007 on)

EMECW appeared as replacement for Asia Link in year 2007. In the year 2007/2008 there were 18 partnerships selected out of which only one partnership includes India. Information about the field of study of this one partnership is not given. Selected projects under EMECW can be found in Annexure 3.

6 FUNDING OPPORTUNITIES FOR THE PROJECT

In this chapter is presented financial perspective of Erasmus Mundus and Erasmus Mundus External Cooperation Window for establishment of Slovenia - India Joint International Education Centre in India. Chapter covers general financial conditions, partnership framework agreement, grant agreement and calculation of grants for all four actions of EM and for EMECW. Data were collected on the base of Erasmus Mundus Call for proposals — EACEA /07/07 and Erasmus Mundus External Cooperation Call for proposals — EACEA /07/34.

6.1 General Financial Conditions

General financial conditions are applicable to EM as well as EMECW. General financial conditions are stated in the Erasmus Mundus, Call for proposals – EACEA07/07 in the following wording. “Acceptance of an application does not constitute an undertaking to award a financial contribution equal to the amount requested by the beneficiary. The awarding of a grant does not establish an entitlement for subsequent years. Community grants are incentives to carry out projects which would not be feasible without the Community’s financial support and are based on the principle of co-financing. They complement the applicant's own financial contribution and/or national, regional or private assistance that has been obtained elsewhere. Each project may give rise to the award of only one grant to any one beneficiary. The award of grants shall be subject to the principle of transparency and equal treatment. Grants may not be cumulative or awarded retrospectively. If a proposal is approved, a grant agreement in Euro setting out the conditions and the level of funding will be signed by the Agency and the beneficiary. Beneficiaries who have been found to have seriously failed to meet their contractual obligations may have their agreements cancelled and/or receive financial penalties.”

In addition to general financial conditions is applicable for EM also the following: “If the total of pre-financing and interim payments exceeds EUR 750,000 per financial year and per agreement ...//... a certificate on the financial statements and underlying accounts produced by an approved auditor may be demanded in support of any payment, unless the beneficiary is a public-sector body. Interim payments and payments of the balance are subject to receipt and approval of interim reports and final reports including a financial statement. Payment shall be made upon proof that the relevant project has been carried out in accordance with the provisions of the grant agreement. With the exception of scholarships for individuals, Community grant may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of receipts over costs. The amount of the grant will be reduced by the amount of any surplus.”

6.2 Partnership framework agreement and grant agreement

Partnership framework agreement and grant agreements for Erasmus Mundus Actions 1, 2 and 3 are elucidated in the Erasmus Mundus Call for proposals – EACEA07/07 as following: “The Agency concludes a five-year “framework partnership agreement” with the coordinating institution of each selected Erasmus Mundus Master consortium. Action

1 and 2: On the basis of the “framework partnership agreement”, a specific grant agreement covering one edition of the Master Course is signed each year between the Agency and the coordinating institution of the consortium. The signature of the specific grant agreement every year is subject to an annual renewal process. Action 3: On the basis of the “framework partnership agreement”, a specific grant agreement of one, two or three years – depending on the length of the partnership – is signed between the Agency and the coordinating institution of the consortium.”

Projects selected under EMECW will be offered a three year partnership framework agreement. The partnership framework agreement specifies the procedure for awarding specific grants to the partnership for the subsequent Call(s) for proposals. The signature of the specific grant agreement every year is subject to an annual renewal process.

6.3 Calculation of the grants

6.3.1 Erasmus Mundus Action 1

Each selected Erasmus Mundus Master consortium is granted an annual flat-rate amount of EUR 15,000 for a five-year period. As Erasmus Mundus is a subject of a renewal of the programme in the year 2008 some modifications of the financial conditions are possible.

Every selected Erasmus Mundus Master consortium has to sign a financial agreement, drawn up in euro and detailing the conditions and level of funding. This agreement is entered into between the Agency and the beneficiary. Erasmus Mundus Master Courses are selected for a five-year period. This ensures that selected Erasmus Mundus Master consortia commit themselves to maintaining the content of the Course substantially in the form that was approved over certain period. Modifications, for example improvements of the Course and adaptations to needs are defined and known to the consortia before entering into the relation with an Agency. Moreover, composition of the consortium should not change significantly during that period.

Administrative procedures are described in the Call for proposals – EACEA 07/07. Financial conditions for Action 1 are abstracted in the following text. “The annual amount of EUR 15,000 is calculated as a flat-rate amount of EUR 5,000 to each partner of the minimum consortium. The beneficiaries are not asked to report on the use of the flat-rate amount. 100% of the annual flat-rate amount is paid in one pre-financing instalment after signature of the annual financial agreement. This payment will be made within 45 days of the date when the last of the two parties signs the agreement and all the necessary guarantees have been received. Pre-financing is intended to provide the beneficiary with a float...//...The renewal process bases on a progress report from the coordinating institution on behalf of the Erasmus Mundus Master consortium. The decision to renew will be based on proof that the Erasmus Mundus Master Course has been delivered, that Third-country students have followed it and that high standards of quality are maintained. In cases of patent non-compliance with high quality standards the

Agency may refuse to renew the grant and designation of the Master Course, or even ask for its reimbursement. The respective National Structure and, possibly, Third-country students / scholars involved in the Erasmus Mundus Master Course in question may be consulted.”

Flat-rate of EUR 15,000 that is awarded to the consortia every year for five consecutive years is distributed among number of partners participating in the selected partnership. Amount that is calculated on the base of minimum required number of partners in the partnership (3 x EUR 5,000 per HEI) gets in the case of higher number of partners divided with higher number which leads to the situation that each partner gets annually smaller amount than EUR 5,000. However, flat-rate amount is meant to cover organizational costs related to the mobility of the HEIs of the partnership.

6.3.2 Erasmus Mundus Action 2

With regard to the fact that Erasmus Mundus Master Courses selected under Action 1 are all obliged to participate in the Action 2 - Erasmus Mundus scholarships is annual grant agreement for individual scholarships concluded between the Agency and the coordinating institution of the consortium within the overall “framework partnership agreement”. Scholarship scheme supporting incoming mobility i.e. Third-country students and scholars to study and carry out scholarly work in Europe covers travel and living expenses and tuition fee for the full duration of the course for students and for scholars cover travel costs and monthly scholarship payments (Call for proposals – EACEA 07/07).

Consortia are free to establish their own system of payment of the scholarships to the students and scholars. They are obliged to provide an in-advance and transparent payment system. Payments have to be performed on a regular basis, for example every 1, 2 or 3 months. Students are free to use awarded scholarships as they wish.

Awarding funds to Third-country students and scholars depends on the duration of the stay in EU and are the following:

- for Third-country students (incoming students):
 - 1-year Course = EUR 21,000
 - 2-year Course = EUR 42,000
 - Course between 1 and 2 years = proportional amount between EUR 21,000 and EUR 42,000
- for Third-country scholars:
 - 3-month stay = EUR 13,000

Scholarships for students and scholars per partnership are calculated as shown below.

- Scholarships for students for one year = (number of students x 10 months x EUR 1,600) + (number of students x EUR 5,000)
- Scholarships for scholars per one stay = (number of scholars x 3 months x EUR 4,000) + (number of scholars x EUR 1,000)

This amounts to a yearly total of EUR 21,000 per student and EUR 13,000 per scholar. Scholarships for scholars are always calculated on a yearly basis, regardless of the length of the Master Course, and cover maximum duration of three months. The scholarship for students for a two-year Master Course amounts to EUR 42,000. As for Courses lasting more than one but less than two years, students receive EUR 1,600 for each additional month of study following their first year at the Course. As from the 16th month of study onwards, the fixed amount of EUR 5,000 is paid in full for the second year.

Agency annually pre-pays to the co-ordinating institution of consortia the scholarship amount as pre-financing in two installments. The first installment of 70% of the total amount (80% in the case of consortia running Master' programmes of one year) is within 45 days from signing the grant agreement and fulfillment of all necessary conditions. A second pre-financing payment of 30% of the total amount (or the remaining 20% in the case of consortia running Master' programmes of one year) is made within 45 days of the after Agency's approval. Second pre-financing payment is not done until at least 70% of the previous pre-financing payment has been used up.

High amounts of grants that are awarded to Third-country students and scholars are a part of the EC's strategy to create a European Higher Education Area and European system of education a "world reference" by 2010. Financial benefits for the HEIs that take part in the partnership are covered costs of scholars which are paid through scholarly scheme i.e. by EC and therefore not by the HEIs of the partnership.

6.3.3 Erasmus Mundus Action 3

The grant calculation for Action 3 bases on an annual flat-rate amount and unit costs for scholarships for European students and scholars to study in a partner HEI in Third-country. The grants, which depend on the duration of the Partnership, are paid to the coordinating institution of the Master Course consortium selected under Action 1 concerned by means of a specific grant agreement covering one, two or three years.

Administrative procedures are described in the Call for proposals – EACEA 07/07

Payment procedures for Action 3 in the Call for proposals – EACEA 07/07 is described here under. "In the event of definitive approval, a financial agreement, drawn up in euro and detailing the conditions and level of funding, is entered into between the Agency and the beneficiary. This agreement (the original) must be signed and returned to the Agency immediately. The Agency signs it last.

100% of the amount contained in the grant agreement is paid to the coordinating institution in two instalments as pre-financing. A pre-financing payment of 70% is transferred to the beneficiary within 45 days of the date when the last of the two parties signs the agreement and all the necessary guarantees have been received. Pre-financing is intended to provide the beneficiary with a float.

A second prefinancing payment of 30% of the total amount is made within 45 days of the approval, by the Agency, of the progress report on the action's implementation. This second prefinancing payment may not be made until at least 70% of the previous prefinancing payment has been used up.

Payments of the second instalment are subject to:

- the annual renewal process for the Master consortium in question,
- the presentation of a progress report by the co-ordinating institution on behalf of the Erasmus Mundus Master consortium.

The progress reports have to show that the Partnership is operational, that EU students and scholars have been sent out and that high standards of quality are maintained. In cases of patent non-compliance with high quality standards the Agency may ask for the reimbursement of the grant. The respective National Structure and, possibly, EU students / scholars involved in the Partnership in question may be consulted.

The Agency establishes the amount of the final payment to be made to the beneficiary on the basis of the final reports. At final report stage the coordinating institution has to prove that the Partnership has been carried out. The beneficiaries are not asked to report on the use of the flat rate. As for the amount used for mobility, the beneficiary has to report on the students and scholars actually sent out listing the names of the grantees. Also, the beneficiary will have to declare how much interest has been yielded by pre-financing. On the basis of "units" spent and interest gained, the agency calculates the final grant amount. If the eligible costs actually incurred by the organization during the project are lower than anticipated, the Agency applies its rate of funding to the actual costs, and the beneficiary is, where applicable, required to repay any excess amounts already transferred under the pre-financing payments."

Eligible Costs and Grant Amounts for Action 3 are presented in the Call for proposals – EACEA 07/07 as the following:

“Erasmus Mundus Master consortia receives the following grant amount for Partnerships:

1. flat rate for Partnership

A flat-rate amount of EUR 5,000 is granted for each participating Third-country institution, payable in total to the coordinating institution. If the Partnership involves more than three Third-country institutions, the annual amount is a maximum of EUR 15,000. The annual flat rate assigned to Erasmus Mundus Master consortia for their Partnerships thus ranges from EUR 5,000 (one participating Third-country institution) to EUR 15,000 (three or more participating Third-country institutions). The maximum

annual amount of EUR 15,000 is calculated as a flat-rate amount of a maximum of EUR 5,000 to each partner of the consortium. In the case of two-year or three-year Partnerships, the annual flat-rate amount is also paid in the second and Third year.

2. amount for outgoing mobility scholarships based on unit costs

The annual fixed amount is calculated on the basis that, in principle, a minimum of 10 and a maximum of 30 students as well as 3 scholars per Master consortium have to be sent out every year. In principle, an equivalent number of students have to be sent out from each participating institution in the consortium. The Agency reserves the right to adjust the number of proposed out-going students / scholars according to budget availability.

The maximum mobility scholarship of an outgoing Partnership student amounts to EUR 3,100 (three monthly scholarships of EUR 700 plus EUR 1,000 for travel), and of an outgoing Partnership scholar to EUR 13,000 (three monthly scholarship payments of EUR 4,000 plus EUR 1,000 for travel). Although the length of the mobility period can be shorter, the minimal duration is one month (4 weeks) for students and two weeks for scholars. As a result, individual scholarships can be calculated by using the unit costs of monthly scholarships and travel expenses mentioned above. If the mobility periods are calculated in weeks rather than months, the following applies: stays from 2 to 6 weeks are worth one monthly scholarship, stays from 7 to 11 weeks are worth two monthly scholarships, and stays from 12 to 15 weeks are worth three monthly scholarships. The mobility period can also be longer than three months, however, the maximum scholarship of EUR 3,100 for students and EUR 13,000 for scholars must not be exceeded.”

Similar as in the Action 1, the maximum annual flat-rate amount of EUR 15,000 that is calculated as a maximum of EUR 5,000 to each partner of the consortium is in the case that there is more than one Third-country partner HEIs divided with higher number which leads to the situation that each partner gets annually smaller amount than EUR 5,000. As more than one Third-country partners are not required and are neither in the interest of the project can be this aspect overlooked. On the other hand, following the minimum number of Third-country partners in the partnership i.e. one (Indian) is the financial contribution to the partnership through Action 3 total of EUR 5,000 (per one Third-country – Indian partner).

Funds awarded

- for European students (outgoing students):
 - 3-month stay = EUR 3,100 and
- for European scholars:
 - 3-month stay = EUR 13,000

are from the perspective of European students in comparison with funds awarded to Third-country students less (EUR 1,600 vs. EUR 700 per month) and for shorter period (1-2 years vs. 3 months) whereas are funds awarded to European and Third-country scholars of the same amount (EUR 13,000) and for the same period (3 months).

Favorable for the project is that in the case of only one Third-country HEI partner (Indian) in the partnership outgoing mobility i.e. a minimum of 10 and a maximum of 30 students and 3 scholars per consortium as whole sent to this one (Indian) partner HEI.

6.3.4 Erasmus Mundus External Cooperation Window

EMECW as second suitable programme for project realization cover the costs incurred for the implementation of eligible activities. (Call for proposals – EACEA 07/34).

Grants are calculated on the basis of:

- a lump sum for each participating institution to cover costs deriving from the organization of the individual mobility flows,
- unit costs amounts for travel, fees, subsistence and insurance costs of students and academic staff participating in the individual mobility flows.

The part of the grant awarded to cover the costs incurred by the universities for the organization of the mobility is calculated on the basis of flat rate amounts. This flat rate amount corresponds to EUR 10.000 per each institution member of the partnership. The Community support for individual mobility of students and academic staff will contribute to cover the travel expenses, subsistence costs, insurance costs and, where applicable, tuition fee for mobile students and academic staff.

Coverage of the unit-costs is described in detail in next few paragraphs that are projected from the Call for proposal - EACEA 07/34.

“Travel costs

The following rates are applied for return tickets for the direct/linear distance ("*as the crow flies*") between on the one side the *location of origin of the student/academic staff (for Target Group 2), the location of residence (for Target Group 3) or the sending university (for Target Group 1)* and on the other side the hosting university premises.

Table 17: Travel costs

| Distance (km) | Fixed-amount rate (€) |
|----------------------|------------------------------|
| < 500 | 250 |
| 500 – 1.000 | 500 |
| > 1.000 – 1.500 | 750 |
| > 1.500 – 2.500 | 1.000 |
| > 2.500 – 5.000 | 1.500 |
| >5.000 – 10.000 | 2.000 |
| > 10.000 | 2.500 |

Source: Call for proposal - EACEA 07/34

On the basis of the above rates, universities will cover the travel expenses for students and academic staff participating in the individual mobility flows.

Subsistence costs

Participating Universities must provide the integrity of the subsistence allowance specified in the table to the visiting students/ academic staff. A part should be provided upon arrival to cover installation costs and the remaining part must be provided on a regular basis.

Fees

For Target Group 1 (students from partner institutions), students will continue paying their registration fees in their university of origin but the hosting universities must apply a fee waiver policy (no registration/tuition fees) if mobility is inferior to 10 months. In all other cases, the maximum fee for incoming students is limited to EUR 3.000 per academic year and student and to EUR 5.000 registration fees for specialised post-doctorate studies. In order to avoid double imposition of fees, in those cases where the hosting universities require the payment of the registration/tuition fees the students must not be charged the same fees by the universities of origin.

A small additional fee may be charged to the incoming students by the host universities to cover additional library, student trade unions, laboratory consumable costs, etc. on an equal basis as the local students.

Insurance costs

The Agency has foreseen unit costs for universities to cover insurance for students and academic staff participating in the mobility activities. Universities must take a full insurance coverage (health, travel, accident) to cover the incoming students and academic staff participating in the individual mobility activities.

Visa costs

Costs related to the obtaining of the Visa for the individuals participating to the mobility may be covered by the grant awarded. In order to accelerate and facilitate the procedure for obtaining the Visa for the students and academic staff selected under this mobility scheme, the selected partnerships are strongly advised to contact and liaise with the EC Delegations in the EU partners' countries as well as the Consulates and the Embassies of the EU member states in the concerned countries as soon as they receive the official confirmation of being selected.”

The Beneficiary will receive annual pre-financing payments in accordance with the timetable below.

Table 18: Payments

| | First pre-financing | Second pre-financing | Third pre-financing |
|----------------------|----------------------------|-----------------------------|----------------------------|
| Two years projects | 70% of the grant | 30% of the grant | |
| Three years projects | 50% of the grant | 30% of the grant | 20% of the grant |

Source: Call for proposal - EACEA 07/34

Within 45 days of the date of signature of the specific grant agreement the first pre-financing payment is done. Subsequent pre-financing payments may be made upon

submission that at least 70% of the amounts of pre-financing already paid by the Agency have been spent by the partnership.

Any **modification** to the grant agreement must be approved by the Agency. The modifications are specified in an annex to the specific agreement. Consultation at the Administrative and Financial handbook annexed to the grant agreement is encouraged.

Table 19: Costs of the individual mobility flows

| Type of mobility | Monthly Subsistence allowance | Duration | Tuition/registration Fees | Insurance | Maximum amount (excluding travel) |
|----------------------|--------------------------------|---|---|------------|-----------------------------------|
| UNDERGRADUATE | Target Group 1 | | | | |
| | 1.000€/month | 6-10 months | Fee waiver policy if stay is below 10 months 3.000 € per academic year | 75€/ month | 13.750€ |
| | Target Group 3 | | | | |
| | 1.000€/month | 6-34 months | 3.000 € per academic year | 75€/month | 45.550€ |
| MASTER | Target Group 1 | | | | |
| | 1.000€/month | 6-10 months for Europeans | Fee waiver policy if stay is below 10 months 3.000 € per academic year | 75€/ month | 29.650 € |
| | | 6-22 months for third-countries nationals | Fee waiver policy if stay is below 10 months 3.000 € per academic year | | |
| | Target Groups 2 & 3 | | | | |
| 1.000€/month | 6-22 months | 3.000 € per academic year | 75€/ month | 29.650 € | |
| DOCTORATE | All Target Groups | | | | |
| | 1.500€/month | 6-34 months | 3.000 € per academic year | 75€/ month | 62.550 € |

| | | All target groups | | | |
|----------------|----------------------------|-------------------|--|-------------|----------|
| POST-DOCTORATE | 1.800€/month | 6-10 months | No fees for research activities Max. 5.000€ per academic year for specialised post-doctorate studies (to be described in the application) | 75€ / month | 23.750 € |
| | Only target group 1 | | | | |
| ACADEMIC STAFF | 2.500€/month | 1-3 months | Not applicable | 75€/ month | 7.725€ |

Source: Call for proposal - EACEA 07/34

7 FUTURE OF THE PROGRAMMES

European Commission prepared proposal for establishing an action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through co-operation with Third-countries - Erasmus Mundus for the period 2009-2013. Proposal foresees the integration of the Erasmus Mundus External Cooperation Window into the Erasmus Mundus programme.

The extract of the proposal is provided here under (Impact assessment and ex-ante evaluation of the future programme, EC, 2007).

“The overall aim of a future Erasmus Mundus programme should be to enhance the quality of European higher education and to promote dialogue and understanding between peoples and cultures through cooperation with Third-countries as well as to contribute to the development of Third-countries in the field of higher education. In concrete terms, the new programme should:

- fund high-quality joint master and doctoral programmes offered by a group of European and possibly Third-country higher education institutions
- grant full-study scholarships to European and Third-country students to follow these joint programmes as well as short-term scholarships to European and Third-country academics to carry out research or teaching assignments at these joint programmes
- develop co-operative partnerships between European and Third-country higher education institutions as a basis for exchange of students and academics at all levels of higher education with a view to enhancing the international cooperation capacities of higher education institutions in Third-countries
- support transnational initiatives, analyses, studies, projects, events and other activities aiming at enhancing the attractiveness of European higher education in the world

New Erasmus Mundus programme is going to foster:

- extension of the programme to include funding for doctoral studies

- inclusion of financial support for EU students within the scope of the programme
- better integration of Third-country higher education institutions into the programme
- integration of the Erasmus Mundus External Cooperation Window into the programme

Legal basis, subsidiarity and proportionality

The future programme is based on Article 149 of the Treaty.

Article 149

1. The Community shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action, while fully respecting the responsibility of the Member States for the content of teaching and the organization of education systems and their cultural and linguistic diversity.
2. Community action shall be aimed at:
 - developing the European dimension in education, particularly through the teaching and dissemination of the languages of the Member States
 - encouraging mobility of students and teachers, by encouraging inter alia, the academic recognition of diplomas and periods of study
 - promoting cooperation between educational establishments
 - developing exchanges of information and experience on issues common to the education systems of the Member States
 - encouraging the development of youth exchanges and of exchanges of socio-educational instructors
 - encouraging the development of distance education
3. The Community and the Member States shall foster cooperation with Third-countries and the competent international organizations in the field of education, in particular the Council of Europe. The proposal is thus based on an article in the Treaty which defines clear limits to the European Union's right to act.

Policy objectives

The preceding needs and problem analysis and the legal framework for Community intervention in the field of education and training form the basis for developing the objectives of any future Community programme in the field of higher education cooperation including a Third-country dimension. The overall aim of a future programme should be to enhance the quality of European higher education and to promote dialogue and understanding between peoples and cultures through cooperation with Third-countries as well as to contribute to the development of Third-countries in the field of higher education.

General objectives of the proposal are:

- to foster structured cooperation between higher education institutions and academic staff in Europe and Third-countries with a view to creating centres of excellence and providing highly trained human resources
- to promote mobility for the most talented students and academics from Third-countries to obtain qualifications and/or experience in the European Union and to promote the mobility of the most talented European students and academics towards Third-countries
- to contribute towards the development of human resources and the international cooperation capacity of higher education institutions in Third-countries through increased mobility streams between the European Union and Third-countries
- to improve accessibility and enhance the profile and visibility of European higher education in the world as well as its attractiveness for Third-country nationals

These objectives are in line with and support the Lisbon strategy and the Bologna process.

Operational objectives of the proposal are:

- to help develop high-quality joint master and doctoral programmes offered by a group of European and possibly Third-country higher education institutions
- to grant full-study scholarships to the most talented European and Third-country students to follow these joint programmes as well as to grant short-term scholarships to European and Third-country academics of outstanding quality to carry out research or teaching assignments at these joint programmes
- to help develop wide co-operative partnerships between European and Third-country higher education institutions as a basis for short or long-term exchange of students and academics at all levels of higher education with a view to enhancing the international cooperation capacities of higher education institutions in Third-countries
- to support transnational initiatives, analyses, studies, projects, events and other activities aiming at enhancing the attractiveness of European higher education in the world”

Formation of the future EM and EMECW programmes is focused on stronger cooperation with Third-countries which indirectly support development of the higher education in cooperative Third-countries but still does not offer direct support to foster its development. Therefore is there for now no strong support to the objective of the programme which is to attract students and scholars to the center.

8 BOTTLENECK AND SWOT ANALYSIS FOR ESTABLISHMENT OF SLOVENIA – INDIA INTERNATIONAL EDUCATION CENTER IN INDIA WITH THE FUNDS FROM EUROPEAN

8.1 Bottleneck

In order to get the funds from European Union through Erasmus Mundus or Erasmus Mundus External Cooperation Window for the establishment of Joint International Education Center in India is the key bottleneck the selection of the proposal sent on the base of the Call for proposals. As EC is flooded with highly competitive and prospective similar proposals every year it may happen that this project may fail to qualify itself. Although the Calls for proposals for these two programmes are announced on yearly basis knowing and taking into consideration “Secrets how to deal with European Commission” will gain some competitive advantage for the project. These secrets are enlisted and elaborated in a book How to write a competitive proposal for Framework 6 (2003) and projected here under.

Secret 1: Never go to Brussels looking for money for the project. Only go there to solve a problem that European Commission has identified.

Since the problem envisaged is Establishment of joint international education center in India, in particular how to get the fund from EU for its realization, is the realization of the project possible through two programmes lunched by EU with respect of programmes and indirectly EU objectives.

Secret 2: Educate the evaluators with facts and figures.

Calls for proposals are carried out on competitive basis and aiming to select only the project of high quality. Therefore, proposal has to base on facts and figures of the results achieved by partners involved in the partnership.

Secret 3: Respect the European Commission documents.

European Commission is highly organized organization focused to achieve set goals. Fundamentals of its past, present and future work are documents. There is a broad scope of documents addressing how to write proposal, what are procedures before and after the selection of the proposal, etc. Proposals that are not respecting EC documents are not eligible to be selected.

Secret 4: Understand the lobbying (or briefing) process.

Well approached information sharing stressing the highlights of the project should be taken up with various wings of EU authorities. These will enable the chances of them being able to understand better about the prospects of the project and will boost the chances of them supporting the project for approval. This is important because complete ignorance regarding any project may result in the ignorance of the project itself.

Secret 5: Focus on deliverables, users and routes for exploitation.

Chances of project success in EU can be enhanced exclusively by putting forth on the beneficial aspects of the projects which the project has the potential to deliver to its users. The project also has various means of further propagation as well as sustainability factors, these should also form the prime focus for presentation for EU.

8.2 SWOT analysis

On the base of the data research for materialization of the project with funds from EU are the main strengths (S), weaknesses (W), opportunities (O) and threats (T) assimilated in the SWOT analysis bellow. These are strategic factors in light of current situation. Analysis will help at strategic planning. SWOT helps in pinpointing the strategically important factors because these will help in formulating SO (strengths- opportunities) strategies for using its strengths to take advantage of opportunities; ST (strengths- threats) strategies to consider strengths as ways to avoid threats; WO (weaknesses- opportunities) strategies so as to take advantage of opportunities by overcoming weaknesses and WT (weaknesses- threats) strategies which are basically defensive and act to minimize weaknesses and avoid threats (Wheelen, T. L. and Hunger J. D., 2006, p. 139)

Basic threats or risks for the business are business culture risks, legal and institutional risks, economic risks, political risks, security of financial assets, security of personnel, security of physical assets, reputational risk. Reputational risk concerns the public perception of the company and how the various stakeholders view it (Joly, A. 2003).

Great opportunity for project maturation is cooperation through networks. In order to attract as many students and scholars to study and work at the established education center in India is participating in different networks essential. Networks offers growth and internationalization of the business within already establish channels (networks). There are few advantages of such growth. Increased reliance on external (outside) resources is one. It is not necessary that each partner possesses all entrepreneurial and business skills or specialized knowledge of the core business, whereas importance of social, communication and negotiation skills increase. Than, coordination and cooperation with other network members is important and control of the key areas is necessary. There is more reliance on the market then hierarchy. Strategy of the growth within networks is mostly proactive but frequently based on voluntary development. It concentrates on the core competencies of the business and takes into consideration the aims of other network members (Pšeničny, V., 1999) Local partner on Indian market (IPE) will through its networks create the base for attracting Indian and other students and scholars that are in the reach of its networks. On the other hand, will Slovenian partner (FELU) and other partners act through their channels to access European and other students and scholars as potential shareholders of the International Education Center established in India.

Table 20: SWOT analysis for establishment of Slovenia-India Joint International Education Center in India

| | |
|------------------|-------------------|
| STRENGTHS | WEAKNESSES |
|------------------|-------------------|

| | |
|---|---|
| <ul style="list-style-type: none"> ▪ EU is supporting EU-Indian external relations (EU and India are strategic partners) also in the field of higher education ▪ EU is financing outgoing study mobility, which is that European students and scholars study and work at Third-country HEI and will after year 2008 through renewed programmes EM and EMECW foster outgoing mobility even more ▪ Project already foresees four potential partner HEIs: FELU (Slovenia), ICPE (Slovenia), IPE (India), HEI from Hungary ▪ To already have a potential Indian HEI partner (IPE) interested in the project who possesses knowledge and experience of the Indian (local) market | <ul style="list-style-type: none"> ▪ FELU has no experiences or exposure in operating in India sub-continent or Asia ▪ EU does not financially support mobility of Third-country (Indian) students and scholars within in Third-country/-ies (India) ▪ Four potential shareholders foreseen by now are not enough for realization of the project neither through EM neither through EMECW |
| <p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> ▪ Vast potential exists in the field of higher education in India and can be effectively tapped ▪ EU-India FTA is in the process which aims to accelerate liberalization in India's services sectors ▪ EU supports partnerships between already existing EU and Third-country higher education institutions through two programmes: Erasmus Mundus (EM) and Erasmus Mundus External Cooperation Window (EMECW) through which can project be realized ▪ Open Calls for proposals are carried out every year ▪ Renewal of the EM and EMECW programmes in year 2008 will focus even more on cooperation of EU and Third-country HEIs | <p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> ▪ Challenge of facing tough competition of already existing Indian HEIs offering management courses ▪ Cultural differences that might cause problems in harmonization and realization of interests of HEIs involved ▪ Selection of proposals are carried out on a highly competitive basis i.e. strong competition exists among proposals ▪ Opportunity costs occurred in the case if proposal is not selected (at least one year i.e. time till next Call for proposals is lost) ▪ In the case of the selection of the project there are certain obligations affecting the institutions after the contract expires ▪ Possible gap between interests of partners |

9 FINDINGS AND RECOMMENDATIONS

Careful study and analysis of the data assimilated show us a few very important information and insights required for realization of this project. Political, economical, business, social and cultural cooperation between the EU and Asia, even more relevant for the project, more specifically the cooperation between the EU and India appears positive and a prospective background for project's realization. With regard to the European Union, the perspective European Commission developed many funding programmes in the field of education and vocational trainings. However, in depth research and feasibility study carried out that from European Union perspective only two funding programmes appear to be relevant for the realization of the project i.e. establishment of Slovenia- India Joint International Education Centre in India. These two programmes enable few further possible options for realization of the project. Nevertheless, European Commission neither sets regulations for how international higher education institutions should be established in India or anywhere else, nor does it provide founding on an ad-hoc basis for their establishment.

With emergence of India as an important political and economic player on the global stage and the EU taking this fact into account, their cooperation with each other represents a huge opportunity. India is one of the world's most dynamic economies and in the Third generation of reforms with increasingly bright economic prospects. There is enormous potential for growth in the fields of financial services, power and energy supply, telecommunications, biotechnology and textiles etc. On the other hand, the EU is India's main foreign investor and the biggest trading partner. The regional strategy document of EU-Asia identifies and contains the policy to have know-how-based cooperation (including higher education and support to research institutions, environment) and support to uprooted people. The EU and India have already adopted wide-ranging 'joint action plan' which supports bringing people and cultures together through strengthened dialogue, political and economical consultation mechanisms and cooperation as well as by developing trade and investment. India and the EU have launched a series of innovative and exciting initiatives to promote awareness and mutual understanding about EU-India relations, including cross-cultural programmes for funding media, entrepreneurial and academic projects and round table of leading personalities to discuss concerns and priorities etc. In order to get facilitated by these policies of the EU the project needs to be aligned to be considered in the ambit of these policies. The project should help in fulfilling the core objectives of these cooperation policies so that both countries could derive mutual benefit. As a consequence of globalization, higher education has been internationalized. The EU is no exception, and has, due to the globalization and the challenges of the new knowledge-based economy introduced two things: the Lisbon strategy "*to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion by 2010*" and the Bologna process that aims to create a European Higher Education Area by 2010 as well as to become a "world

reference” by 2010. With respect to this objectives, the EU fosters intercultural co-operations and the student and scholar mobility through which offers programmes that enable realization of projects such as the establishment of Slovenia- India Joint International Education Centre in India. However, the EU programmes do not necessary meet such projects’ main objectives, in particular to attract students and scholars to study in the established center.

The European Commission covers education sector in the EU through Lifelong Learning Programme and External Relations Programmes. The two programmes of the European Commission that support inter-university cooperation through partnerships between already existing higher education institutions in EU and in the Third-countries are Erasmus Mundus (EM) and Erasmus Mundus External Cooperation Window (EMECW). These two programmes are also the most appropriate two for the project realization. They are co-operation and mobility programmes that aim to achieve better understanding and dialogues between peoples and cultures through co-operation between the EU and the Third-country higher education institutions and the exchange of students, researchers and academic staff. Erasmus Mundus has been operating since year 2004 and Erasmus Mundus External Cooperation Window has been operating since year 2007. Each of these two programmes every year publishes Call for proposals as a opportunities for HEIs interested in programmes’ objectives. The selection of proposals is carried out on a competitive basis. The objective behind this is to ensure that only high-quality proposals are selected. In the year 2008 both programmes will be the subject of the renewal. EM is foreseen to be an “umbrella” programme under which EMECW will be placed.

Erasmus Mundus programme consists from the following four actions:

- Action 1 – Erasmus Mundus Master Courses,
- Action 2 – Erasmus Mundus Scholarships,
- Action 3 – Partnerships with higher education institutions in the Third countries,
- Action 4 – Enhancing attractiveness.

Action 1 – Erasmus Mundus Scholarships is addressed to higher education institutions from the EU and a few more specific countries to offer Master courses through established partnerships. Action 1 fosters the mobility within the European area. Selected project are obligated to participate in Action 2 - Erasmus Mundus Scholarships, which supports incoming mobility i.e. students and scholars from the Third countries to study or carry out the scholarly work in Europe at the Erasmus Mundus Master Courses. EM through Action 3 - Partnerships with higher education institutions in the Third-countries appears to be suitable for the maturation of the idea for the project. However, partnerships with higher education institutions in the Third-countries (Action 3) can not be materialized without stepping into Actions 1 and 2.

In the year 2006/2007 the EMECW programme replaced the prior Asia-Link Programme that had been operating all since 2002. The EMECW in comparison to the EM appears to be “Action 3” itself as it supports establishment of partnerships between European and individually selected HEIs of the Third-countries.

The EM supports courses and the mobility at the Master level whereas the EMECW supports courses and the mobility from the undergraduate to the post-doctorate level, plus the mobility of academic staff. Projects selected under the EM are selected for 5 academic years in comparison with projects selected under the EMECW which are selected for maximum duration of 3 academic years. Every selected project bases on the establishment of the partnership. Under the EM the minimum partnership for Action 1 consists from 3 higher education institutions coming from at least three different eligible (EU) countries. The minimum partnership for Action 3 consists from the partnership selected under Action 1 and at least one Third-country higher education institution. With reference to the project minimum partnership under the EM will demand 4 partners i.e. 3 HEIs coming from at least three different eligible (EU) countries and 1 Indian HEI. Under the EMECW the minimum partnership in general consists of 5 European HEIs and 1 Third-country HEI whereas special conditions determined under specific geographical lots have to be respected. In the case of India such partnership requires 2 Indian HEI's belonging to two different states. There is no upper limit considering maximum number of partners of one partnership under the EM whereas EMECW limits it to 20.

In the year 2008 the Erasmus Mundus as well as the Erasmus Mundus External Cooperation Window will be the subjects of the renewal The following elements are most likely to implemented into the New Erasmus Mundus programme:

- extension of the programme to include funding for doctoral studies
- inclusion of financial support for EU students within the scope of the programme
- better integration of Third-country higher education institutions into the programme
- integration of the Erasmus Mundus External Cooperation Window into the programme

From the reflections of findings from the researched data the following scenarios can be pursued.

Scenario 1

Project can be given a start to be covered under the Erasmus Mundus by establishing a new partnership. A minimum partnership composition required is at least three EU HEIs from three different eligible EU countries (Action 1) and at least one Third-country partner HEI (Action 3). Consequently, there would be 4 HEIs: two potential partners interested in the project - FELU (Slovenia) and IPE (India) and two eligible HEIs from the EU. In this way, the needed factor of the minimum composition is fulfilled. Involving more partners in the partnership would not contribute to the objective of the project and would additionally demand more complex organization and coordination activities. Projects under the EM are selected for a period of five years.

Partnership composed of minimum partners required would therefore gain the following *on the annual base*:

- from Action 1; **EUR 15,000 per consortium** consisting of eligible EU HEIs for covering organization costs i.e. EUR 5,000 per each partner EU HEI;

- from Action 2 (incoming mobility); as 3 Third-country scholars have to be send to carry out scholarly work at the EU partner HEI where the mobility scheme covers EUR 13,000 per Third-country scholar for a period of three months. In this way partnership becomes **EUR 39,000 per 3 Third-country scholars**. This means that the costs for the scholars are covered by the mobility scheme i.e. the EC and not by the partnership itself;
- from Action 3 (outgoing mobility); carries out similar as Action 2 i.e. total of **EUR 39,000 per 3 EU scholars** taking into account the mobility flow of the scholars oriented from the EU to India HEI as the Third-country partner;
- from Action 3: **EUR 5,000 per Indian HEI** as the Third-country partner for covering organization matters.

In the five year period is calculation of grants awarded the following:

- **EUR 100,000 per partnership** for c under Action 1 and Action 3 which is **EUR 25,000 per HEI**;
- **EUR 78,000 per 6 scholars** covering incoming and outgoing mobility of the scholars under Action 2 and Action 3.

Through funds awarded to the partnership the EC supports students and scholars mobility between the EU and the Third-country higher education institutions which indirectly foster better understanding and dialogues between peoples and cultures. If the project is successfully selected, the partnership will have to provide incoming mobility (from the Third-countries to the EU) of around twenty students three scholars and outgoing mobility (from the EU to India as a Third-country representative) of 10 to 30 students and 3 scholars. Incoming mobility is not in line with the objective of the project i.e. establishment of the Education Center in India, but has to be realized. On the other hand, in the case of outgoing mobility all the students (10 to 30) and scholars (3) send to the Slovenia-India Joint International Education Center in India as Third-country partner HEI but only for a period of three months.

The objective of the project to attract students and scholars to study and work at the Education Center in India is not completely achieved. On one hand the EC supports establishment of partnerships between the EU and Indian (Third-country) HEIs through EM, but on the other hand, the set mobility scheme does not send EU students to study at the Education Center in India for a year or two, i.e. the period that MBA course usually lasts, but only for the period of three months. Partnership benefits from mobility of 6 scholars (incoming and outgoing mobility) whose costs are covered through mobility scheme. Hence, costs on this account shall not be a burden for the partnership. However, Erasmus Mundus programme does not support the mobility of Third-country students and scholars to study and carry out scholarly work in the Third-countries neither the mobility of European students and scholars to study and carry out scholarly work in the EU. In other words, EM does not financially support Indian students and scholars to carry out their studies and work in India.

Scenario 2

Creation of partnership for the project under the Erasmus Mundus External Cooperation Window is another possible scenario. A minimum partnership composition required under the EMECW is at least 5 European Union HEI's from at least 3 different EU countries and in case of India 2 different Indian HEI's located in different states. This leads to partnership involving total of 7 HEIs. HEIs interested in the project realization (FELU (Slovenia) and IPE (India)) would have to find another 4 eligible HEIs from 2 different EU countries other than Slovenia and another HEI from India in order to fulfill minimum partnership requirement. Similar to the EM, the EMECW involvement of more partners in the partnership than minimum required would also not contribute to the objective of the project establishment of Slovenia-India Joint Education International Center in India and would lead to more complex organization and coordination activities. Projects under the EMECW are selected for a period of three years.

Partnership composed from minimum partners required would therefore gain the following:

- a flat-rate amount of **EUR 10,000 per each member HEI**, which is **EUR 70,000 per partnership** to cover costs of organization of individual mobility for three years;
- **EUR 7,725 per scholar** involved in the mobility.

The EMECW mobility scheme supports outgoing mobility more than the EM one. Because it supports outgoing mobility which is one of the project's objective, it is more appropriate choice.

Programme covers mobility of students at Master level for duration of 6 to 10 months and mobility of scholars for duration of three months. Study period of 10 months provides a full participation of student in a one-year MBA Course. Incoming mobility that awards Third-country students and scholars to study in the EU for duration of 6 to 22 (for Group 3 even up to 34 months) and Third-country scholars to work in the EU for duration of three months does not contribute to the project's objective (attract students and scholars to study and work in new Education Center in India) directly but benefits the potentially established partnership under the EMECW indirectly.

Scenario 3

Instead of establishing a new partnership an already successfully selected partnership may be joined. This means that two potential partners in the project (FELU and IPE) will align with partnership that will consist of already existing at least 3 to 7 HEI's. Four options for realization of the project are possible:

- Alignment with partnership selected under the EM Action 1: newly formed partnership would consist from 5 HEIs or more;
- Alignment with partnership selected under E the M Action 3: newly formed partnership would consist from 6 HEIs or more;
- Alignment with partnership selected under the EMECW – India Lot 15: newly formed partnership would consist from 9 HEIs or more;
- Alignment with partnership selected under the EMECW – Asia regional: newly formed partnership would consist from 11 HEIs or more.

This proposal will benefit mainly from overcoming the selectivity failure because the partnership to be joined will be already selected by EC. The main disadvantage of all four options under the Scenario 3 is the high number of the HEIs involved in the partnership. This may lead to complex coordination between member HEIs and their interests. In the case of alignment under the EM it may also reach the situation where grants awarded have to be distributed among higher number of members which results in smaller grant amount per HEI (less than EUR 5,000 per HEI) than in the optimal situation (EUR 5,000 per HEI). Grant awarded under the EMECW is flat amount of EUR 10,000 per HEI.

In addition to the above mentioned scenarios, some general principles will also have to be kept in mind so as to ensure the success of the project. At the beginning, the aim of the project should be clearly stated, so the project will successfully be steered in the right direction. As mentioned, each scenario has different financing rules and the amount awarded under each action is also different. This will influence the choice of the programme and trade-offs between time, funds, benefits and risks have to be made cautiously. These choices will prove to be highly essential as they will affect the outcome regarding project realization. Every project partner has to respect the European Commission's regulations, both in letter and in spirit. The requirements of the Commission should be fulfilled completely and be in line with its general policies of integration, global cooperation, aid for development, multilateral cooperation in business, innovation, sustainability of growth, environmental awareness, etc. Thus, the project should take above mentioned policies as their own regarding above policies by expressing the various beneficiaries, specific beneficial aspects of the project, sustainability issues etc.

However, due to numerous applications for similar partnerships received by the EC every year, this project may fail to be selected. Selection of the proposal is therefore the bottleneck for realization of the project, if potential partners interested in the project decide for its realization through either Erasmus Mundus either Erasmus Mundus External Cooperation Window.

10 CONCLUSION

Project aims to establish a Slovenia - India Joint International Education Centre in India. The most likely purpose to be served by such an established center will be to attract students and scholars to it. In the case of carrying out the project through the EM or the EMECW programme offered by the EU few observations have been found that might not be in the favour to the project. In the case of project materialization through the EM or the EMECW will partnership have to expend its cooperation from Slovenia – India cooperation to cooperation between other EU and Third-country HEIs involved in minimum partnership as required under selected project. Furthermore, the mobility of students and scholars will not focus only to the established center but will have to satisfy mobility criteria specified in the Call for proposals of the selected programme which is demanded. On the basis of this research, European Union strives to meet objectives of the Lisbon strategy i.e. to become the most competitive and dynamic knowledge-based

economy in the world by the year 2010 and to meet objectives of the Bologna process i.e. to create the European Higher Education Area by 2010 as “world reference”. As a result the EU strongly supports mobility, and in order to meet the set objectives it prioritizes incoming mobility more than outgoing mobility. This means that it fosters more that Third-country students and scholars come to study and carry out scholarly work in Europe than to send European students and scholars to study and carry out scholarly work in the Third-countries. Because of this fact, the project will strive that the EU will support mobility of European students and scholars to the newly-established center, although it will also demand mobility of Indian students and scholars to the European partner HEIs within the partnership. Even more, mobility structure specified in the selected project will in any case demand higher mobility of Indian (a Third-country representative) students and scholars to the EU and lower mobility of European students and scholars to India. And finally, the EU does not finance the mobility of European students and scholars within the EU neither finances the mobility of Third-country (Indian) students and scholars within Third-countries (India).

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LIST OF ANNEXURES

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12 Erasmus Mundus - List of Masters Courses selected under Action 1 by year 2008

| Year of selection | Title | Website |
|-------------------|--|---|
| 2008 | ASC - Master of Science: Advanced Spectroscopy in Chemistry | http://www.master-asc.org/ |
| 2008 | CIMET - Color in Informatics and MEdia Technology | http://www.master-erasmusmundus-color.eu/ |
| 2008 | CLE - Master/Laurea Specialistica en Cultures Littéraires Européennes | http://www.cle.unibo.it/ |
| 2008 | EMAE - European Master in Applied Ecology | http://www.master-emaee.org |
| 2008 | EMARO - European Master in Advanced Robotics | http://emaro.irccyn.ec-nantes.fr |
| 2008 | EMBC - Erasmus Mundus Master of Science in Marine Biodiversity and Conservation | http://embc.marbef.org |
| 2008 | EMDIREB - European Master in Diagnosis and Repair of Buildings | http://www.emdireb.eu/ |
| 2008 | EMMEP - Erasmus Mundus Minerals and Environmental Programme | http://www.emmep.org/ |
| 2008 | EMQAL - European Joint Master in Quality in Analytical Laboratories | http://cursos.ualg.pt/emqal |
| 2008 | EMSRHS - European Master in Sustainable Regional Health Systems | http://ErasmusMundus.tprs.vu.lt |
| 2008 | EMTTLF - European Master's in Transnational Trade Law Finance | http://www.transnational.deusto.es/EMTTL |
| 2008 | EU4M - European Union Master's Course in Mechatronic and Micro-mechatronic Systems | http://www.eu4m.eu |
| 2008 | EUMAINE - European Master of Science in Nematology | http://www.eumaine.ugent.be/ |
| 2008 | EURHEO: European Masters in Engineering Rheology | www.uminho.pt/eurheo |
| 2008 | GIM - MSc in Global Innovation Management | http://www.globalinnovationmanagement.org/ |
| 2008 | IM in NLP & HLT - International Masters in Natural Language Processing and Human Language Technology | http://tesniere.univ-fcomte.fr/a_master_mundus.htm |
| 2008 | IMHS - International Master in Horticultural Sciences | http://www.imahs.unibo.it |
| 2008 | IMMSSET - International Master in Materials and Sensors Systems for Environmental Technologies | http://erasmusmimmsset.webs.upv.es/ |
| 2008 | MACLANDS: MAster of Cultural LANDScapes | http://master-erasmusmundus-maclands.univ-st-etienne.fr/ |
| 2008 | MAIPR: Master of Arts in International Performance Research | http://www2.warwick.ac.uk/fac/arts/theatre |
| 2008 | MATHMODS - Mathematical Modelling in Engineering: Theory, Numerics, Applications | http://www.mathmods.eu |
| 2008 | MCEMESV - Master Conjoint Erasmus Mundus en Etude du Spectacle Vivant | http://www.ulb.ac.be/philo/artst-mundus |
| 2008 | MUNDUS URBANO - Interdisciplinary Erasmus Mundus Master Course International Cooperation and Urban Development | http://www.mundus-urbano.eu/ |
| 2007 | Comem Erasmus Mundus MSc - Coastal | http://www.comem.tudelft.nl |

| | | |
|------|---|---|
| | and Marine Engineering and Management | |
| 2007 | DILL - International Master in Digital Library Learning | http://dill.hio.no/ |
| 2007 | EURMed (Etudes Urbaines en Régions Méditerranéennes) | http://erasmus-mundus-eurmed.univ-cezanne.fr/ |
| 2007 | European Masters Course in Software Engineering | http://www.fi.upm.es/emse |
| 2007 | European Master in Animal Breeding and Genetics (EM-ABG) | http://www.emabg.wur.nl/ |
| 2007 | FAME - Functionalised Advanced Materials and Engineering | http://www.fame-master.com |
| 2007 | GEMMA: Master's Degree in Women's and Gender Studies | http://www.ugr.es/~gemma/ |
| 2007 | IMESS: International Masters in Economy, State and Society | http://www.imess.eu/ |
| 2007 | IMMIT: International Master in Management of Information Technology | http://www.immit.eu/default.htm |
| 2007 | JEMES - Joint European Master Programme in Environmental Studies | http://www.tuhh.de/eciugs/pro_joint_jemes.html |
| 2007 | LCT- European Masters Program in Language and Communication Technologies | http://lct-master.org |
| 2007 | MA Human Rights Practice (Erasmus Mundus) | http://www.roehampton.ac.uk/admissions/ |
| 2007 | MaMaSELF - Master of Materials Science exploiting European Large Scale Facilities | http://mamaself.univ-rennes1.fr |
| 2007 | Master of Science in Computational Mechanics | http://www.cimne.com/cm-master/ |
| 2007 | Master of Science in Geospatial Technologies | http://geotech.uni-muenster.de |
| 2007 | ME3 - European joint Masters in Management and Engineering of Environment and Energy | http://webi.emn.fr |
| 2007 | Mundusfor - Formation de professionnels de la formation | http://www.ugr.es/~mundusfor/ |
| 2007 | MUNDUS MAPP - Erasmus Mundus Master's in Public Policy | http://www.mundusmapp.org/ |
| 2007 | OPSCITECH: Optics in Science and Technology | http://www.master-optics.eu/ |
| 2007 | Philosophies allemande et française dans l'espace européen | http://www.europhilosophie.eu/ |
| 2007 | SAMHC - Advanced Masters in Structural Analysis of Monuments and Historical Constructions | http://www.msc-sahc.org/ |
| 2007 | SUFONAMA - Sustainable Forest and Nature Management | http://www.sufonama.net |
| 2007 | TPTI: Techniques, Patrimoines, Territoires de l'industrie: Histoire, Valorisation, Didactique | http://www.tpti.eu/ |
| 2006 | AGRIS MUNDUS - Sustainable Development in Agriculture Masters Course | http://www.agrismundus.eu/agris-mundus/ |
| 2006 | ATOSIM : Atomic Scale Modelling of Physical, Chemical and Bio-molecular Systems | http://www.erasmusmundus-atosim.cecarn.org/ |
| 2006 | CoDe - Joint European Master in Comparative Local Development | http://www.unitn.it/mastercode/ |
| 2006 | EMIN - Economics and Management of Network Industries | http://www.upcomillas.es/emin/ |
| 2006 | Erasmus Mundus Master of Science in Photonics | http://www.master-photonics.org/ |
| 2006 | EUROCULTURE | http://www.euroculturemaster.org |

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|------|---|---|
| 2006 | Europubhealth – European Public Health Master | http://www.europubhealth.org |
| 2006 | FUSION-EP European Master in Nuclear Fusion Science and Engineering Physics | http://www.em-master-fusion.org/ |
| 2006 | IMIM : International Master in Industrial Management | http://www.imim.polimi.it/ |
| 2006 | M.A. Degree in Economics of International Trade and European Integration | http://webhost.ua.ac.be/eitei/ |
| 2006 | MA LLL - European Master's in Lifelong Learning: Policy and Management | www.dpu.dk/maIII |
| 2006 | Master of Bioethics | http://www.masterbioethics.org/index.html |
| 2006 | M.E.S.C.: Materials for Energy Storage and Conversion | http://www.u-picardie.fr/mundus_MESC/ |
| 2006 | MONABIPHOT - Molecular nano- and bio-photonics for telecommunications and biotechnologies | http://www.ens-cachan.fr/monabiphot/ |
| 2006 | MSPME, Masters in Strategic Project Management | http://www.mspme.org/ |
| 2006 | NordSecMob - Masters programme in Security and Mobile Computing | http://www.tkk.fi/Units/CSE/ |
| 2006 | PHOENIX EM - Dynamics of Health and Welfare | http://mundus-healthwelfare.ehess.fr/ |
| 2006 | QEM - Models and Methods of Quantitative Economics | http://www.univ-paris1.fr/rubrique1297.html |
| 2006 | SUTROFOR - Sustainable Tropical Forestry Erasmus Mundus Masters Course | http://www.sutrofor.net/ |
| 2006 | VIBOT – European Master in Vision and Robotics | http://www.vibot.org |
| 2006 | WOP-P - Master on Work, Organizational and Personnel Psychology | http://www.erasmuswop.org/ |
| 2005 | AMASE: Joint European Masters Programme in Advanced Materials Science and Engineering | http://www.amase-master.net/ |
| 2005 | Crossways in European Humanities | http://www.munduscrossways.eu |
| 2005 | EMMAPA: Erasmus Mundus Master in Adapted Physical Activity | http://www.erasmusmundus.be |
| 2005 | EMM-Nano - Erasmus Mundus Master of Nanoscience and Nanotechnology | http://www.emm-nano.org/ |
| 2005 | Erasmus Mundus Masters – Journalism and Media within Globalization: The European Perspective | http://www.MundusJournalism.com |
| 2005 | EuMAS - European Masters Course in Aeronautics and Space Technology | http://www.aerospacemasters.org/ |
| 2005 | EUROMIME: European Master in Media Engineering for Education | http://www.euromime.org |
| 2005 | European Master in Global Studies | http://www.uni-leipzig.de/zhs/erasmus_mundus |
| 2005 | GEM: Geo-information Science and Earth Observation for Environmental Modelling and Management | http://www.gem-msc.org/ |
| 2005 | International Master "Vintage", Vine, Wine and Terroir Management | http://www.vintagemaster.com |
| 2005 | MA SEN, Master's in Special Education Needs | http://www.roehampton.ac.uk/ |
| 2005 | Master of Applied Ethics | http://www.maeappliedethics.eu/ |
| 2005 | Master of Industrial Mathematics | http://www.esim.info |
| 2005 | MESPOM: Masters of Environmental Sciences, Policy and Management | http://www.mespom.org |
| 2005 | MSc in Network and e-Business Centred Computing | http://www.sse.reading.ac.uk/ |
| 2005 | SEFOTECH.nut: European MSc in Food Science, Technology and Nutrition | http://www.sefotechnut.org/ |

| | | |
|------|---|--|
| 2005 | SpaceMaster - Joint European Master in Space Science and Technology | http://www.spacemaster.eu |
| 2004 | ALGANT - Algebra, Geometry and Number Theory | http://www.math.u-bordeaux.fr/ |
| 2004 | CoMundus - European Master of Arts in Media, Communication and Cultural Studies | http://www.comundus.net/ http://www.mediastudieseurope.net/ |
| 2004 | EMCL - European Master's Clinical Linguistics | http://www.emcl-mundus.com |
| 2004 | EMMME - Erasmus Mundus Master of Mechanical Engineering | http://www.emmme.com |
| 2004 | EMMS - Joint European Masters Programme in Materials Science | http://www.tuhh.de/eciu-gs/ |
| 2004 | EuMI - European Master in Informatics | http://www.eumi-school.org/ |
| 2004 | EURO-AQUAE - Euro Hydro-Informatics and Water Management | http://www.euroaquae.org |
| 2004 | European Joint Master in Water and Coastal Management | http://cursos.ualg.pt/eumscwcm/index.htm |
| 2004 | European Legal Practice - LL.M. Eur | http://www.elpis.eu/ |
| 2004 | European Master in Law and Economics | http://www.emle.org |
| 2004 | European Masters Programme in Computational Logic | http://european.computational-logic.org |
| 2004 | HEEM - European Masters Degree in Higher Education | http://www.uv.uio.no/hedda/ |
| 2004 | IMRD: International Master of Science in Rural Development | http://www.imrd.ugent.be/home/index.html |
| 2004 | International Master's in Quaternary and Prehistory | http://web.unife.it/progetti/ |
| 2004 | MEEES - Master's in Earthquake Engineering and Engineering Seismology | http://www.meees.org |
| 2004 | MERIT - European Master of Research on Information and Communication Technologies | http://www.meritmaster.org |
| 2004 | MSc EF Master of Science in European Forestry | http://gis.joensuu.fi/mscef |
| 2004 | NOHA MUNDUS - European Master's Degree in International Humanitarian Aid | http://www.nohanet.org/ |
| 2004 | tropEd - European Master of Science Programme in International Health | http://erasmusmundus.troped.org |

Source: http://ec.europa.eu/education/programmes/mundus/projects_en.html

13 Erasmus Mundus - List of Partnerships selected under Action 3 by year 2008

Selection 2008

- EMAE: European Master in Applied Ecology
- EMARO: European Master in Advanced Robotics
- EMGS: European Master in Global Studies
- EMMA: Erasmus Mundus MA - Journalism and Media within Globalisation: The European Perspective
- EMMSP – Photonics: Erasmus Mundus Master of Science in Photonics
- EURMed: Etudes Urbaines en Régions Méditerranéennes
- EUROAQUAE: Euro Hydro-Informatics & Water Management
- EUROCULTURE: Erasmus Mundus Partnership: Europe in the Wider World
- GEMMA: Master's Degree in Women's and Gender Studies
- GIM: MSc in Global Innovation Management
- HEEM: European Masters Degree in Higher Education
- MONABIPHOT: Molecular nano- and bio-photonics for telecommunications and

- biotechnologies
- NOHA MUNDUS: Mundus - European Master's Degree in International Humanitarian Aid
- Phil-AF: Philosophies allemande et française dans l'espace européen
- SUTROFOR: Sustainable Tropical Forestry Erasmus Mundus Masters Course
- TPTI: Techniques, Patrimoines, Territoires de l'industrie: Histoire, Valorisation, Didactique
- TropEd: European Master of Science Programme in International Health

Source: http://ec.europa.eu/education/programmes/mundus/projects3_en.html

Selection 2007

- EMMDAPA Erasmus Mundus Masters Course in Adapted Physical Activity
- EMPCL: European Master's Program in Computational Logic – Australian Partnership
- ENVERA – MESPOM: Environmental Education and Research Alliance
- EUROMIME: European master in Media for Education Sciences
- FUSION-EP International Network for Nuclear Fusion Education
- MAE-SP MAE Consortium Stellenbosch University Partnership
- PaMaSELF: Partnership in Materials Science Exploiting Large Scale Facilities
- PHOENIX: Phoenix Erasmus Mundus Master "Dynamics of Health and Welfare"
- SPACEMASTER: Spacemaster's Global Partnership
- VINTAGE: Master international "Vintage" Vine, Wine and terroir management
- WOP-P: Partnership on Work Organizational and Personnel Psychology Education

Source: http://ec.europa.eu/education/programmes/mundus/projects3_en.html

Selection 2006

- Agris Mundus - Sustainable Development in Agriculture Masters Course
- ALGANT outbound - a worldwide training partnership in Algebra, Geometry and Number Theory
- CoDe - Joint European Master in Comparative Local Development
- EMLE - European Master in Law and Economics
- Quaternaire et Préhistoire
- IMRD -Partnership for Exposure to Rural Development Approaches in China
- ILeS - International Legal Studies
- Master of Bioethics Erasmus Mundus Partnership
- MSc EF - Global Partnership for Master of Science in European Forestry
- PAGEM: Partnership for Geo-information Science and Earth Observation for Environmental Modelling and Management

Source: http://ec.europa.eu/education/programmes/mundus/projects3_en.html










Selection 2005








- CoMundus - European Master of Arts in Media, Communication and Cultural Studies
- EMMAPA - Erasmus Mundus Master in Adapted Physical Activity Partnership
- Erasmus Mundus Joint Master in Water and Coastal Management
- Erasmus Mundus Joint Master in Water and Coastal Management - China
- EURO-AQUAE - Euro Hydro-Informatics & Water Management
- Global Studies
- International Network for Higher Education Studies - INHES
- NOHA Erasmus Mundus Partnership
- tropEd - International Health Global Partnership

Source: http://ec.europa.eu/education/programmes/mundus/projects3_en.html

14 Erasmus Mundus External Cooperation Window - Selection Call 2006 - Actions to be implemented in the academic year 2007-2008

List of selected projects from LOT 1 to LOT 9

| Lots | Applicant | EU mobility | Non EU mobility | Type of Mobility | | | | Academic staff exchanges | Details + Website | |
|------|--------------------------------------|--|-----------------|------------------|--------|-----------|----------------|--------------------------|-------------------|---|
| | | | | Undergraduate | Master | Doctorate | Post doctorate | | | |
| 1 | Morocco Algeria Tunisia | University of Nice-Sophia Antipolis - FR | 96 | 225 | 33 | 84 | 81 | 63 | 60 | Website  Project Fact Sheet |
| | |  Members of the partnership | 5 | 9 | | | | | | |
| 2 | Egypt West Bank Gaza Israel | Vrije Universiteit Brussel - BE | 35 | 231 | 72 | 71 | 53 | 29 | 41 | Website  Project Fact Sheet |
| | |  Members of the partnership | 10 | 10 | | | | | | |
| 3 | Lebanon Syria Jordan | Lund University - SE | 31 | 93 | 40 | 34 | 26 | 12 | 12 | Website  Project Fact Sheet |
| | |  Members of the partnership | 11 | 9 | | | | | | |
| 4 | Russia | University of Hohenheim - DE | 48 | 262 | 104 | 76 | 64 | 34 | 32 | Website  Project Fact Sheet |
| | |  Members of the partnership | 8 | 12 | | | | | | |
| 5 | Georgia Armenia Azerbaijan | Technologiko Ekpedeftiko Idrima - Thessalonikis - GR | 20 | 130 | 55 | 40 | 29 | 10 | 16 | Website  Project Fact Sheet |

| | | | | | | | | | | |
|---|--------------|--|------------|-------------|------------|------------|------------|------------|------------|--------------------|
| | Ukraine |  Members of the partnership | 7 | 11 | | | | | | Project Fact Sheet |
| 6 | Moldova |  Members of the partnership | 10 | 10 | | | | | | Project Fact Sheet |
| | Belarus |  Members of the partnership | 10 | 10 | | | | | | Project Fact Sheet |
| 7 | Iran | International Institute For Geo-Information Science And Earth Observation (Itc) - Enschede - NL | 9 | 110 | 17 | 47 | 20 | 19 | 16 | Website |
| | Iraq |  Members of the partnership | 10 | 10 | | | | | | Project Fact Sheet |
| 8 | Kazakhstan | Technische Universiteit Eindhoven - NL | 16 | 44 | 10 | 24 | 14 | 7 | 5 | Website |
| | |  Members of the partnership | 9 | 6 | | | | | | Project Fact Sheet |
| 9 | Kyrgyzstan | Erasmushogeschool Brussel - BE | 39 | 101 | 48 | 32 | 26 | 16 | 18 | Website |
| | Tajikistan |  Members of the partnership | 9 | 11 | | | | | | Project Fact Sheet |
| | Turkmenistan |  Members of the partnership | 9 | 11 | | | | | | Project Fact Sheet |
| | | Total of mobility flow - students and | 359 | 1456 | 493 | 486 | 379 | 224 | 233 | |

academics

**Total number
of High
Education
Institutions
involved in
the mobility** **79 88**

Source: http://eacea.ec.europa.eu/extcoop/results/call2006_en.htm

| | | Country | Consortium of High Education Institutions - HEI | HEI | EU Mobility | Non EU Mobility | |
|-------|--|------------|---|-----|----------------|--------------------|-----------|
| Lot 8 | EU | NL | TECHNISCHE UNIVERSITEIT EINDHOVEN | 9 | 16 | | |
| | | DE | FREIE UNIVERSITÄT BERLIN | | | | |
| | | DE | HUMBOLDT UNIVERSITÄT ZU BERLIN | | | | |
| | | ES | UNIVERSIDAD DE DEUSTO | | | | |
| | | PT | UNIVERSIDADE DO ALGARVE | | | | |
| | | RO | UNIVERSITATEA DIN BUCURESTI | | | | |
| | | SE | LUNDS UNIVERSITET | | | | |
| | | SI | UNIVERSITY OF LJUBJANA | | | | |
| | | TR | ORTA DOGU TEKNIK UNIVERSITESI | | | | |
| | Non EU | Kazakhstan | A. YASAWI INTERNATTIONA KAZAKH-TURKISH UNIVERSITY ACADEMICIAN E.A. BUKETOV KARAGANDA STATE UNIVERSITY KAZAKH ECONOMIC UNIVERSITY NAMED AFTER RYSKULOV KAZAKH NATIONAL TECHNICAL UNIVERSITY NAMED AFTER K.I. SATBAYEV KAZAKHSTAN INSTITUTE OF MANAGEMENT, ECONOMICS AND STRATEGIC RESEARCH L.N. GUMILYOV EURASIAN NATIONAL UNIVERSITY | 6 | | 44 | |
| | Total of HEI | | | | 15 | | |
| | Total of mobility flow - students and academics | | | | | 16 | 44 |
| | | | | | | 60 | |

Source: http://eacea.ec.europa.eu/extcoop/results/documents/partners_08.pdf

15 ERASMUS MUNDUS EXTERNAL COOPERATION WINDOW 2nd Call for Proposals (EACEA/34/07) - ACTIONS TO BE IMPLEMENTED IN THE ACADEMIC YEAR 2008-2009

List of selected projects

ERASMUS MUNDUS EXTERNAL COOPERATION WINDOW
2nd Call for Proposals (EACEA/34/07) - ACTIONS TO BE IMPLEMENTED IN THE ACADEMIC YEAR 2008-2009
 List of selected partnership projects

| Lots | Applicant | Total mobility | EU | Non EU | Type of Mobility | | | | |
|--|--|----------------|----|--------|------------------|--------|-----------|----------------|----------------|
| | | | | | Under graduate | Master | Doctorate | Post doctorate | Academic staff |
| 1 Monocco Algeria Tunisia | Université Montpellier 2 - FR | 326 | 72 | 254 | 114 | 81 | 65 | 33 | 33 |
| | Members of the partnership | | 9 | 11 | | | | | |
| 2 Egypt West Bank Gaza Israel | Vrije Universiteit Brussel - BE | 287 | 31 | 256 | 98 | 80 | 55 | 24 | 30 |
| | Members of the partnership | | 10 | 10 | | | | | |
| 3 Lebanon Syria Jordan | Lund University - SE | 110 | 29 | 81 | 40 | 26 | 22 | 11 | 11 |
| | Members of the partnership | | 11 | 9 | | | | | |
| 4 Russia | University of Hohenheim - DE | 269 | 32 | 237 | 98 | 64 | 52 | 27 | 28 |
| | Members of the partnership | | 8 | 12 | | | | | |
| | TU Dresden - DE | 210 | 55 | 155 | 69 | 55 | 45 | 22 | 19 |
| | Members of the partnership | | 8 | 12 | | | | | |
| 5 Georgia Armenia Azerbaijan | University of Turku - FI | 246 | 66 | 180 | 82 | 62 | 50 | 25 | 27 |
| | Members of the partnership | | 9 | 10 | | | | | |
| | Technologiko Ekpedefitiko Idirima - Thessalonikis - GR | 140 | 14 | 126 | 50 | 34 | 28 | 14 | 14 |
| 6 Ukraine Moldova Belarus | Members of the partnership | | 7 | 11 | | | | | |
| | Universidad de Deusto - ES | 283 | 52 | 231 | 108 | 67 | 51 | 26 | 31 |
| 8 Kazakhstan | Members of the partnership | | 10 | 10 | | | | | |
| | Technische Universiteit Eindhoven - NL | 74 | 15 | 59 | 24 | 17 | 14 | 7 | 12 |
| | Members of the partnership | | 9 | 8 | | | | | |

| | | | | | | | | | | |
|----|---|--|-------------------------------------|----|-----|----|-----|----|----|----|
| 9 | Kyrgyzstan Tajikistan Uzbekistan Turkmenistan | Erasmushogeschool Brussel - BE | 152 | 29 | 123 | 43 | 33 | 30 | 16 | 30 |
| | | | Members of the partnership 9 11 | | | | | | | |
| 10 | Africa, Caribbean & Pacific | International Institute For Geo-Information Science And Earth Observation (Itc) - Enschede - NL | 180 | 12 | 168 | 0 | 144 | 0 | 0 | 36 |
| | | | Members of the partnership 6 12 | | | | | | | |
| 12 | Nepal Pakistan India Sri Lanka | Mälardalen University - SE | 320 | 64 | 256 | 24 | 98 | 72 | 42 | 84 |
| | | | Members of the partnership 9 7 | | | | | | | |
| 14 | Mongolia Vietnam Laos Thailand Indonesia China | Universität für Bodenkultur Wien - AT | 150 | 37 | 113 | 35 | 41 | 30 | 15 | 29 |
| | | | Members of the partnership 8 11 | | | | | | | |
| 17 | Chile | University of Valladolid - ES | 215 | 33 | 182 | 0 | 129 | 32 | 54 | 0 |
| | | | Members of the partnership 10 10 | | | | | | | |
| 18 | Mexico | Rijksuniversiteit Groningen - NL | 188 | 35 | 153 | 51 | 76 | 26 | 9 | 26 |
| | | | Members of the partnership 9 11 | | | | | | | |

The mobility figures included in this table are indicative and subject to confirmation

16 Extra-EU27 trade, by main trading partners - total product - value in EUR bn and share

The table shows the 20 main partners of the EU27 (according to the sum imports+exports), expressed in value terms and in % of the total flow.

Table 21: Imports in 1000 million of ECU/EURO

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------|--------|--------|--------|--------|--------|---------|---------|---------|---------|
| Extra EU-27 | 743.30 | 992.70 | 979.14 | 936.97 | 935.25 | 1027.54 | 1179.85 | 1351.74 | 1424.30 |
| United States | 165.86 | 206.28 | 203.30 | 182.62 | 158.12 | 159.37 | 163.80 | 175.22 | 180.88 |
| China (excl. Hong Kong) | 52.60 | 74.63 | 82.00 | 90.15 | 106.22 | 128.69 | 160.36 | 194.83 | 231.27 |
| Russian Federation | 35.90 | 63.78 | 65.87 | 64.49 | 70.66 | 83.95 | 112.61 | 140.89 | 143.52 |
| Switzerland | 55.12 | 62.57 | 63.63 | 61.69 | 59.09 | 62.00 | 66.60 | 71.59 | 76.75 |
| Japan | 75.41 | 92.09 | 81.13 | 73.65 | 72.39 | 74.71 | 74.06 | 77.29 | 77.89 |
| Norway | 30.42 | 47.19 | 46.37 | 48.02 | 51.02 | 55.29 | 67.18 | 79.16 | 76.68 |
| Turkey | 15.96 | 18.74 | 22.08 | 24.59 | 27.26 | 32.74 | 36.08 | 41.69 | 46.89 |
| South Korea | 20.50 | 26.96 | 23.27 | 24.56 | 26.00 | 30.67 | 34.44 | 40.77 | 39.38 |
| India | 10.45 | 12.85 | 13.46 | 13.68 | 14.06 | 16.37 | 19.09 | 22.61 | 26.24 |
| Brazil | 14.07 | 18.66 | 19.60 | 18.36 | 19.11 | 21.72 | 24.10 | 27.20 | 32.61 |
| Canada | 14.00 | 18.98 | 18.57 | 16.70 | 15.96 | 16.44 | 17.38 | 19.74 | 23.26 |
| South Africa | 10.86 | 14.70 | 16.35 | 15.92 | 15.06 | 15.81 | 16.84 | 18.55 | 20.92 |
| Taiwan | 21.32 | 28.41 | 26.11 | 23.51 | 22.61 | 23.89 | 24.11 | 26.70 | 26.07 |
| Singapore | 13.65 | 17.39 | 15.16 | 14.34 | 14.90 | 16.92 | 18.42 | 19.28 | 18.36 |
| Saudi Arabia | 8.48 | 15.92 | 13.16 | 12.36 | 12.99 | 16.27 | 22.60 | 23.39 | 18.28 |
| Ukraine | 3.30 | 4.81 | 5.90 | 6.65 | 6.58 | 8.46 | 8.66 | 9.85 | 12.36 |
| Australia | 7.12 | 9.15 | 9.58 | 9.09 | 9.03 | 8.81 | 9.58 | 11.21 | 11.84 |
| Mexico | 4.95 | 7.40 | 7.73 | 6.56 | 6.55 | 6.91 | 9.25 | 10.57 | 11.90 |
| United Arab Emirates | 1.88 | 2.53 | 2.86 | 2.92 | 3.94 | 5.36 | 9.86 | 5.76 | 5.62 |
| Algeria | 7.89 | 16.62 | 16.17 | 14.41 | 14.59 | 15.25 | 20.89 | 24.16 | 21.15 |

Source: Eurostat, 2008

Table 22: Exports in 1000 million of ECU/EURO

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| Extra EU-27 | 683.08 | 849.74 | 884.71 | 891.90 | 869.24 | 952.93 | 1053.20 | 1159.28 | 1238.78 |
| United States | 187.00 | 238.20 | 245.59 | 247.93 | 227.28 | 235.50 | 252.85 | 268.99 | 261.33 |
| China (excl. Hong Kong) | 19.66 | 25.86 | 30.66 | 35.10 | 41.47 | 48.38 | 51.87 | 63.78 | 71.74 |
| Russian Federation | 16.86 | 22.74 | 31.60 | 34.42 | 37.21 | 46.03 | 56.88 | 72.31 | 89.05 |
| Switzerland | 63.74 | 72.53 | 76.51 | 72.82 | 71.38 | 75.21 | 82.63 | 87.73 | 92.68 |
| Japan | 35.69 | 45.50 | 45.52 | 43.46 | 40.97 | 43.39 | 43.71 | 44.74 | 43.74 |
| Norway | 23.90 | 26.40 | 27.18 | 28.16 | 27.66 | 30.78 | 33.92 | 38.47 | 43.36 |
| Turkey | 21.62 | 31.90 | 21.87 | 26.62 | 30.85 | 40.13 | 44.63 | 49.99 | 52.58 |
| South Korea | 11.66 | 16.74 | 15.84 | 17.65 | 16.45 | 17.93 | 20.23 | 22.86 | 24.79 |
| India | 10.60 | 13.68 | 12.95 | 14.33 | 14.57 | 17.15 | 21.32 | 24.38 | 29.44 |

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Brazil | 14.39 | 16.85 | 18.57 | 15.74 | 12.40 | 14.17 | 16.06 | 17.74 | 21.29 |
| Canada | 16.87 | 21.11 | 22.39 | 22.91 | 21.58 | 22.10 | 23.89 | 26.69 | 25.89 |
| South Africa | 9.79 | 11.81 | 12.58 | 12.62 | 13.59 | 16.05 | 18.11 | 19.88 | 20.47 |
| Taiwan | 12.02 | 15.17 | 13.47 | 11.94 | 11.04 | 12.89 | 13.06 | 13.22 | 13.33 |
| Singapore | 12.55 | 15.80 | 15.23 | 14.87 | 14.32 | 16.21 | 17.44 | 19.70 | 20.61 |
| Saudi Arabia | 10.40 | 12.20 | 13.51 | 14.36 | 13.66 | 12.68 | 15.58 | 17.61 | 20.06 |
| Ukraine | 3.95 | 5.45 | 7.09 | 7.85 | 8.94 | 10.58 | 13.26 | 18.26 | 22.36 |
| Australia | 13.84 | 15.85 | 15.66 | 16.87 | 17.53 | 19.90 | 20.73 | 21.28 | 22.70 |
| Mexico | 10.58 | 14.28 | 15.34 | 15.34 | 14.39 | 14.73 | 16.84 | 19.13 | 20.93 |
| United Arab Emirates | 9.84 | 12.12 | 14.15 | 14.76 | 16.55 | 18.87 | 25.56 | 25.26 | 26.81 |
| Algeria | 5.35 | 6.24 | 7.75 | 8.33 | 8.02 | 9.51 | 10.49 | 9.96 | 11.19 |

Source: Eurostat, 2008

Table 23: Trade balance in 1000 million ECU/EURO

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------|--------|---------|--------|--------|--------|--------|---------|---------|---------|
| Extra EU-27 | -60.21 | -142.96 | -94.44 | -45.07 | -66.01 | -74.61 | -126.65 | -192.47 | -185.52 |
| United States | 21.14 | 31.92 | 42.30 | 65.31 | 69.16 | 76.13 | 89.05 | 93.77 | 80.45 |
| China (excl. Hong Kong) | -32.94 | -48.77 | -51.34 | -55.05 | -64.75 | -80.32 | -108.50 | -131.05 | -159.53 |
| Russian Federation | -19.04 | -41.04 | -34.27 | -30.07 | -33.46 | -37.92 | -55.73 | -68.58 | -54.47 |
| Switzerland | 8.61 | 9.96 | 12.88 | 11.14 | 12.29 | 13.20 | 16.03 | 16.14 | 15.92 |
| Japan | -39.72 | -46.59 | -35.61 | -30.20 | -31.42 | -31.32 | -30.35 | -32.55 | -34.15 |
| Norway | -6.52 | -20.79 | -19.19 | -19.86 | -23.36 | -24.51 | -33.27 | -40.69 | -33.33 |
| Turkey | 5.66 | 13.16 | -0.22 | 2.03 | 3.59 | 7.39 | 8.55 | 8.30 | 5.69 |
| South Korea | -8.84 | -10.21 | -7.43 | -6.91 | -9.55 | -12.74 | -14.21 | -17.91 | -14.59 |
| India | 0.15 | 0.83 | -0.51 | 0.65 | 0.51 | 0.78 | 2.24 | 1.77 | 3.20 |
| Brazil | 0.32 | -1.81 | -1.03 | -2.62 | -6.72 | -7.55 | -8.04 | -9.46 | -11.33 |
| Canada | 2.87 | 2.13 | 3.82 | 6.20 | 5.62 | 5.67 | 6.51 | 6.95 | 2.63 |
| South Africa | -1.08 | -2.89 | -3.77 | -3.29 | -1.47 | 0.24 | 1.27 | 1.34 | -0.45 |
| Taiwan | -9.30 | -13.24 | -12.65 | -11.57 | -11.57 | -11.00 | -11.05 | -13.48 | -12.74 |
| Singapore | -1.09 | -1.59 | 0.07 | 0.53 | -0.58 | -0.71 | -0.98 | 0.42 | 2.24 |
| Saudi Arabia | 1.92 | -3.72 | 0.34 | 2.00 | 0.66 | -3.59 | -7.02 | -5.78 | 1.78 |
| Ukraine | 0.65 | 0.65 | 1.19 | 1.20 | 2.36 | 2.13 | 4.60 | 8.41 | 10.00 |
| Australia | 6.71 | 6.71 | 6.08 | 7.79 | 8.50 | 11.09 | 11.15 | 10.06 | 10.87 |
| Mexico | 5.64 | 6.88 | 7.61 | 8.78 | 7.84 | 7.82 | 7.59 | 8.56 | 9.02 |
| United Arab Emirates | 7.96 | 9.59 | 11.29 | 11.84 | 12.61 | 13.51 | 15.71 | 19.50 | 21.18 |
| Algeria | -2.54 | -10.38 | -8.42 | -6.08 | -6.57 | -5.74 | -10.39 | -14.20 | -9.95 |

Source: Eurostat, 2008

Table 24: Share in Total Extra-EU imports (%)

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Extra EU-27 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| United States | 22.3 | 20.8 | 20.8 | 19.5 | 16.9 | 15.5 | 13.9 | 13.0 | 12.7 |
| China (excl. Hong Kong) | 7.1 | 7.5 | 8.4 | 9.6 | 11.4 | 12.5 | 13.6 | 14.4 | 16.2 |
| Russian Federation | 4.8 | 6.4 | 6.7 | 6.9 | 7.6 | 8.2 | 9.5 | 10.4 | 10.1 |
| Switzerland | 7.4 | 6.3 | 6.5 | 6.6 | 6.3 | 6.0 | 5.6 | 5.3 | 5.4 |
| Japan | 10.1 | 9.3 | 8.3 | 7.9 | 7.7 | 7.3 | 6.3 | 5.7 | 5.5 |
| Norway | 4.1 | 4.8 | 4.7 | 5.1 | 5.5 | 5.4 | 5.7 | 5.9 | 5.4 |

| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------------------------|------|------|------|------|------|------|------|------|------|
| Turkey | 2.1 | 1.9 | 2.3 | 2.6 | 2.9 | 3.2 | 3.1 | 3.1 | 3.3 |
| South Korea | 2.8 | 2.7 | 2.4 | 2.6 | 2.8 | 3.0 | 2.9 | 3.0 | 2.8 |
| India | 1.4 | 1.3 | 1.4 | 1.5 | 1.5 | 1.6 | 1.6 | 1.7 | 1.8 |
| Brazil | 1.9 | 1.9 | 2.0 | 2.0 | 2.0 | 2.1 | 2.0 | 2.0 | 2.3 |
| Canada | 1.9 | 1.9 | 1.9 | 1.8 | 1.7 | 1.6 | 1.5 | 1.5 | 1.6 |
| South Africa | 1.5 | 1.5 | 1.7 | 1.7 | 1.6 | 1.5 | 1.4 | 1.4 | 1.5 |
| Taiwan | 2.9 | 2.9 | 2.7 | 2.5 | 2.4 | 2.3 | 2.0 | 2.0 | 1.8 |
| Singapore | 1.8 | 1.8 | 1.5 | 1.5 | 1.6 | 1.6 | 1.6 | 1.4 | 1.3 |
| Saudi Arabia | 1.1 | 1.6 | 1.3 | 1.3 | 1.4 | 1.6 | 1.9 | 1.7 | 1.3 |
| Ukraine | 0.4 | 0.5 | 0.6 | 0.7 | 0.7 | 0.8 | 0.7 | 0.7 | 0.9 |
| Australia | 1.0 | 0.9 | 1.0 | 1.0 | 1.0 | 0.9 | 0.8 | 0.8 | 0.8 |
| Mexico | 0.7 | 0.7 | 0.8 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.8 |
| United Arab Emirates | 0.3 | 0.3 | 0.3 | 0.3 | 0.4 | 0.5 | 0.8 | 0.4 | 0.4 |
| Algeria | 1.1 | 1.7 | 1.7 | 1.5 | 1.6 | 1.5 | 1.8 | 1.8 | 1.5 |

Source: Eurostat, 2008

Table 25: Share in Total Extra-EU exports (%)

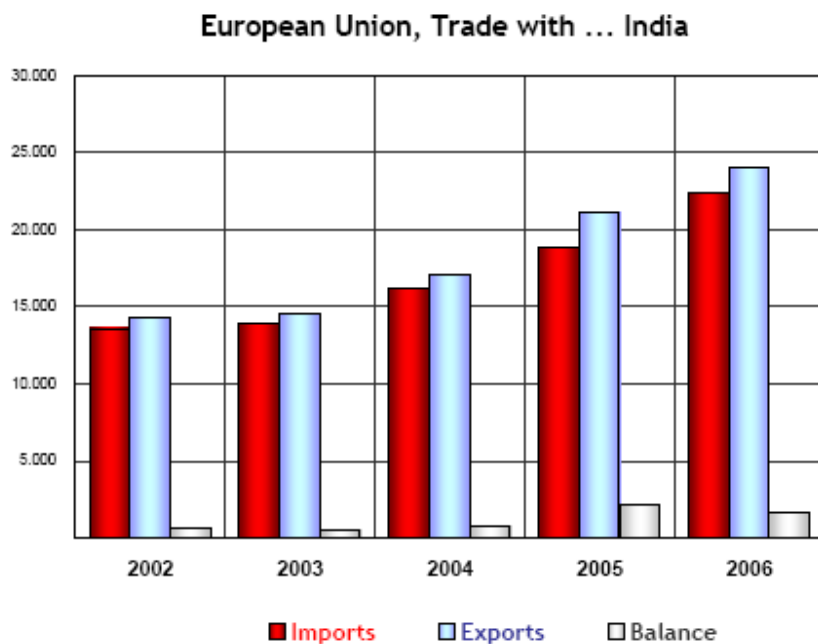
| time partner | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Extra EU-27 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| United States | 27.4 | 28.0 | 27.8 | 27.8 | 26.1 | 24.7 | 24.0 | 23.2 | 21.1 |
| China (excl. Hong Kong) | 2.9 | 3.0 | 3.5 | 3.9 | 4.8 | 5.1 | 4.9 | 5.5 | 5.8 |
| Russian Federation | 2.5 | 2.7 | 3.6 | 3.9 | 4.3 | 4.8 | 5.4 | 6.2 | 7.2 |
| Switzerland | 9.3 | 8.5 | 8.6 | 8.2 | 8.2 | 7.9 | 7.8 | 7.6 | 7.5 |
| Japan | 5.2 | 5.4 | 5.1 | 4.9 | 4.7 | 4.6 | 4.2 | 3.9 | 3.5 |
| Norway | 3.5 | 3.1 | 3.1 | 3.2 | 3.2 | 3.2 | 3.2 | 3.3 | 3.5 |
| Turkey | 3.2 | 3.8 | 2.5 | 3.0 | 3.5 | 4.2 | 4.2 | 4.3 | 4.2 |
| South Korea | 1.7 | 2.0 | 1.8 | 2.0 | 1.9 | 1.9 | 1.9 | 2.0 | 2.0 |
| India | 1.6 | 1.6 | 1.5 | 1.6 | 1.7 | 1.8 | 2.0 | 2.1 | 2.4 |
| Brazil | 2.1 | 2.0 | 2.1 | 1.8 | 1.4 | 1.5 | 1.5 | 1.5 | 1.7 |
| Canada | 2.5 | 2.5 | 2.5 | 2.6 | 2.5 | 2.3 | 2.3 | 2.3 | 2.1 |
| South Africa | 1.4 | 1.4 | 1.4 | 1.4 | 1.6 | 1.7 | 1.7 | 1.7 | 1.7 |
| Taiwan | 1.8 | 1.8 | 1.5 | 1.3 | 1.3 | 1.4 | 1.2 | 1.1 | 1.1 |
| Singapore | 1.8 | 1.9 | 1.7 | 1.7 | 1.6 | 1.7 | 1.7 | 1.7 | 1.7 |
| Saudi Arabia | 1.5 | 1.4 | 1.5 | 1.6 | 1.6 | 1.3 | 1.5 | 1.5 | 1.6 |
| Ukraine | 0.6 | 0.6 | 0.8 | 0.9 | 1.0 | 1.1 | 1.3 | 1.6 | 1.8 |
| Australia | 2.0 | 1.9 | 1.8 | 1.9 | 2.0 | 2.1 | 2.0 | 1.8 | 1.8 |
| Mexico | 1.5 | 1.7 | 1.7 | 1.7 | 1.7 | 1.5 | 1.6 | 1.6 | 1.7 |
| United Arab Emirates | 1.4 | 1.4 | 1.6 | 1.7 | 1.9 | 2.0 | 2.4 | 2.2 | 2.2 |
| Algeria | 0.8 | 0.7 | 0.9 | 0.9 | 0.9 | 1.0 | 1.0 | 0.9 | 0.9 |

Source: Eurostat, 2008

17 INDIA STATISTIC

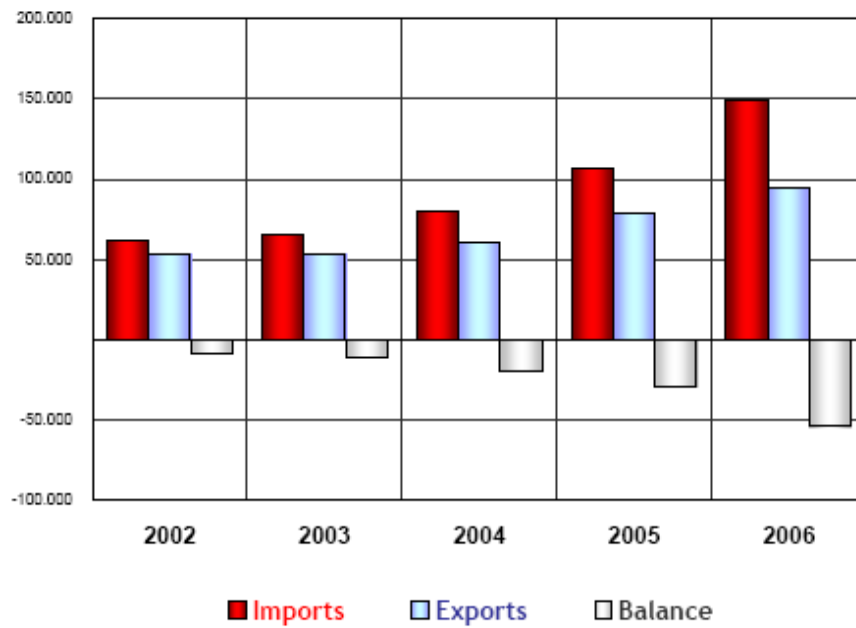


Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf



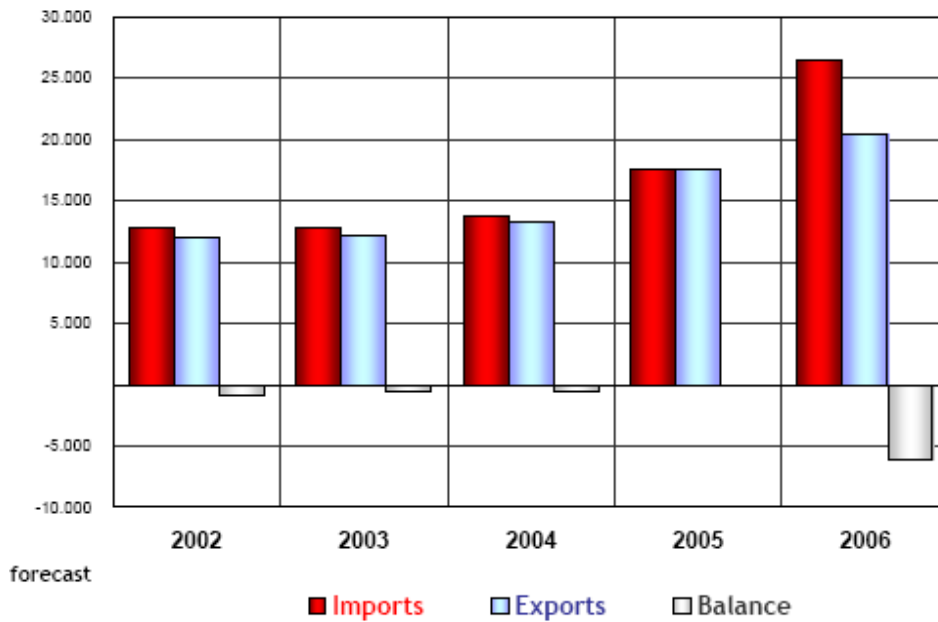
Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf

India, Trade with the World



Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf

India, Trade with the European Union



Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf

EU TRADE WITH MAIN PARTNERS

(2006)

| The major imports partners | | | The major export partners | | | The major trade partners | | |
|----------------------------|------------------|--------------|---------------------------|------------------|--------------|--------------------------|------------------|--------------|
| Partners | Mio euro | % | Partners | Mio euro | % | Partners | Mio euro | % |
| World | 1.350.494 | 100,0 | World | 1.166.109 | 100,0 | World | 2.516.604 | 100,0 |
| 1 China | 191.769 | 14,2 | 1 USA | 267.895 | 23,0 | 1 USA | 444.410 | 17,7 |
| 2 USA | 176.514 | 13,1 | 2 Switzerland | 86.752 | 7,4 | 2 China | 255.130 | 10,1 |
| 3 Russia | 137.022 | 10,1 | 3 Russia | 71.944 | 6,2 | 3 Russia | 208.966 | 8,3 |
| 4 Norway | 79.061 | 5,9 | 4 China | 63.361 | 5,4 | 4 Switzerland | 157.651 | 6,3 |
| 5 Japan | 76.483 | 5,7 | 5 Turkey | 46.457 | 4,0 | 5 Japan | 121.139 | 4,8 |
| 6 Switzerland | 70.898 | 5,2 | 6 Japan | 44.656 | 3,8 | 6 Norway | 117.232 | 4,7 |
| 7 Turkey | 38.538 | 2,9 | 7 Norway | 38.170 | 3,3 | 7 Turkey | 84.995 | 3,4 |
| 8 Korea | 38.334 | 2,8 | 8 Romania | 27.297 | 2,3 | 8 Korea | 61.114 | 2,4 |
| 9 Brazil | 26.280 | 1,9 | 9 Canada | 26.521 | 2,3 | 9 India | 46.422 | 1,8 |
| 10 Taiwan | 26.127 | 1,9 | 10 United Arab Emir. | 24.704 | 2,1 | 10 Canada | 46.085 | 1,8 |
| 11 Libya | 25.763 | 1,9 | 11 India | 24.061 | 2,1 | 11 Romania | 44.935 | 1,8 |
| 12 Algeria | 23.970 | 1,8 | 12 Korea | 22.780 | 2,0 | 12 Brazil | 43.963 | 1,7 |
| 13 Saudi Arabia | 23.511 | 1,7 | 13 Hong Kong | 21.576 | 1,9 | 13 Saudi Arabia | 40.945 | 1,6 |
| 14 India | 22.361 | 1,7 | 14 Australia | 21.298 | 1,8 | 14 Taiwan | 39.307 | 1,6 |
| 15 Canada | 19.565 | 1,4 | 15 South Africa | 19.852 | 1,7 | 15 Singapore | 38.857 | 1,5 |
| 16 Singapore | 19.398 | 1,4 | 16 Singapore | 19.459 | 1,7 | 16 South Africa | 38.283 | 1,5 |
| 17 South Africa | 18.431 | 1,4 | 17 Mexico | 19.022 | 1,6 | 17 Hong Kong | 33.839 | 1,3 |
| 18 Malaysia | 17.699 | 1,3 | 18 Ukraine | 17.834 | 1,5 | 18 Algeria | 33.794 | 1,3 |
| 19 Romania | 17.639 | 1,3 | 19 Brazil | 17.682 | 1,5 | 19 Australia | 32.315 | 1,3 |
| 20 WA_AO | 16.581 | 1,2 | 20 Saudi Arabia | 17.434 | 1,5 | 20 WA_AO | 32.027 | 1,3 |

Source: http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113390.pdf

INDIA'S TRADE BALANCE WITH MAIN PARTNERS

(2006)

| The major import partners | | | The major export partners | | | The major trade partners | | |
|---------------------------|----------|-------|---------------------------|----------|-------|--------------------------|----------|-------|
| Partners | Mio euro | % | Partners | Mio euro | % | Partners | Mio euro | % |
| World | 149.071 | 100,0 | World | 94.863 | 100,0 | World | 243.934 | 100,0 |
| 1 EU | 26.427 | 17,7 | 1 EU | 20.374 | 21,5 | 1 EU | 46.802 | 19,2 |
| 2 China | 12.736 | 8,5 | 2 USA | 16.589 | 17,5 | 2 USA | 25.399 | 10,4 |
| 3 USA | 8.810 | 5,9 | 3 United Arab Emir. | 8.114 | 8,6 | 3 China | 20.289 | 8,3 |
| 4 Singapore | 6.698 | 4,5 | 4 China | 7.554 | 8,0 | 4 United Arab Emir. | 12.499 | 5,1 |
| 5 Australia | 5.883 | 3,9 | 5 Singapore | 3.524 | 3,7 | 5 Singapore | 10.222 | 4,2 |
| 6 Switzerland | 5.687 | 3,8 | 6 Hong Kong | 3.422 | 3,6 | 6 Japan | 6.887 | 2,8 |
| 7 Malaysia | 4.477 | 3,0 | 7 Japan | 2.970 | 3,1 | 7 Australia | 6.646 | 2,7 |
| 8 United Arab Emir. | 4.385 | 2,9 | 8 Sri Lanka | 1.831 | 1,9 | 8 Switzerland | 6.136 | 2,5 |
| 9 Korea | 4.056 | 2,7 | 9 Saudi Arabia | 1.674 | 1,8 | 9 Hong Kong | 6.004 | 2,5 |
| 10 Japan | 3.916 | 2,6 | 10 Korea | 1.594 | 1,7 | 10 Korea | 5.649 | 2,3 |
| 11 Indonesia | 2.848 | 1,9 | 11 Bangladesh | 1.562 | 1,6 | 11 Malaysia | 5.439 | 2,2 |
| 12 Hong Kong | 2.582 | 1,7 | 12 Canada | 1.337 | 1,4 | 12 Indonesia | 4.182 | 1,7 |
| 13 Russia | 2.538 | 1,7 | 13 Indonesia | 1.334 | 1,4 | 13 Russia | 3.236 | 1,3 |
| 14 Thailand | 1.588 | 1,1 | 14 South Africa | 1.261 | 1,3 | 14 Saudi Arabia | 3.209 | 1,3 |
| 15 Saudi Arabia | 1.535 | 1,0 | 15 Thailand | 1.173 | 1,2 | 15 Thailand | 2.760 | 1,1 |
| 16 Chile | 1.300 | 0,9 | 16 Iran | 1.166 | 1,2 | 16 Canada | 2.596 | 1,1 |
| 17 Canada | 1.259 | 0,8 | 17 Turkey | 1.124 | 1,2 | 17 Sri Lanka | 2.345 | 1,0 |
| 18 Israel | 1.109 | 0,7 | 18 Israel | 1.034 | 1,1 | 18 Israel | 2.143 | 0,9 |
| 19 Qatar | 837 | 0,6 | 19 Brazil | 963 | 1,0 | 19 South Africa | 1.944 | 0,8 |
| 20 Brazil | 830 | 0,6 | 20 Malaysia | 962 | 1,0 | 20 Brazil | 1.793 | 0,7 |

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