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## Annex 1

### 1. Identification

Title/Number	Primary Education Sector Policy Support Programme (PrimEd SPSP)		
Total cost	EUR 122.680 000		
Aid method / Method of implementation	Sector Policy Support Programme: Sector budget support (centralised management)		
DAC-code	11220	Sector	Primary Education

### 2. Rationale and country context

#### 2.1. Country context and rationale for SPSP

##### 2.1.1. *Economic and social situation and poverty analysis*

South Africa experienced strong economic growth from 2004 to 2007 with real Gross Domestic Product (GDP) increasing at around 5% annually, but growth has slowed since the global economic crisis of mid-2008 (GDP growth for 2008 was 3.1%) and the economy may go into recession during 2009. A decline since 2000 in the number of people living in poverty can be attributed in some part to increased government spending on social services. The rate of unemployment also declined steadily from 2003 to 2008 (from 31.2% in 2003 to 29.1% in 2008), but South Africa's labour force participation rate of 56.5% (calculated for persons 15-64 years of age) is still well below that of comparable countries. South Africa's Gini coefficient of 57.8 (2005 data) is one of the highest in the world and indicates a high level of income inequality.

##### 2.1.2. *National development policy*

In 2004, Government presented its ten-year vision for South Africa for the second decade of freedom and democracy. Five key goals are indicated: (i) Reducing poverty; (ii) Developing skills and capacity; (iii) Reducing unemployment; (iv) Addressing key health issues; and (v) Reducing preventable causes of death. These goals are incorporated into Government's Programme of Action (PoA), which is published annually. Government generally and the Education Ministries<sup>1</sup> specifically fully own the PoA. A self-review published by the Presidency in October 2008 indicates that satisfactory progress is being made in most areas, but identifies at the same time some key issues that require special attention, e.g. the outcomes produced by the education system are weak overall, and unemployment and income inequalities remain unacceptably high.

In presenting the 2009 budget, the Finance Minister acknowledged that the negative impact of the global financial crisis on the South African economy has been more severe than anticipated, and announced a number of instruments (e.g. a budget deficit of 3.8%, ZAR 787 billion for infrastructure investment, ZAR 13 billion in tax relief) to cushion the impact of the crisis and help the South African economy return to higher levels of GDP growth.

As expected, the ruling African National Congress (ANC) remained in power after the general elections held in April 2009. Its election manifesto indicated that it would "speed up change in people's lives" with a focus on creating more jobs and decent work, fighting poverty and hunger, providing quality education and health care for all, developing the rural

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<sup>1</sup> Following the recent general elections, the Ministry of Education has been split into a Ministry for Basic Education and a Ministry for Higher Education and Training.

areas and improving the safety and security of communities. The establishment of two Ministries for Education (one for Basic Education and the other for Higher Education and Training) is an important demonstration of a renewed commitment to providing quality education for all.

## **2.2. Sector context: policies and challenges**

The rationale for SPSP is (i) positive assessment of the seven key areas for SBS with respect to the education sector as indicated below, (ii) the fact that SBS is successfully applied in other sectors in South Africa, (iii) that SBS is the preferred modality for the Government of South Africa, and (iv) that SBS is in line with the Paris Declaration and the Accra Agenda for Action.

### **2.2.1. Sector context**

The South African Government recognises the importance of education and skills development for economic growth and poverty alleviation, and uses its substantial budget allocation to this sector (16.8% of total budget in 2009/2010) to broaden access to education and improve its quality. The sector comprises all levels of education from early childhood development to higher education and skills development. Education policy is comprehensive and **pro-poor**, and is regarded as sufficiently well-defined to form the basis for the provision of SBS. Significant challenges remain, however, with respect to addressing historical backlogs in infrastructure, materials, teacher qualifications and capability, and support systems at district level, which are major causes of poor educational outcomes, as evidenced by local and international comparative assessments. Concrete steps are being taken to address these challenges, e.g. the Quality Improvement, Development, Support and Upliftment (QIDS-UP) Programme, and the Foundations for Learning Campaign. The QIDS-UP Programme is a Presidential lead programme which aims to improve the quality of education delivery in a holistic manner. It targets the poorest schools (poverty quintiles 1 to 3) and encompasses the provision of essential resources (including basic infrastructure); developing leadership, management skills and teacher competence; improving school performance and learner performance; and strong monitoring and evaluation. In the context of the Foundations for Learning Campaign teachers are provided with clear directives on teaching and on assessing learner performance, with the intention of improving average learner performance specifically in literacy and numeracy.

### **2.2.2. Sector budget and its medium term financial perspectives**

South Africa has progressively developed and strengthened the linkages between sector policies and budget allocations through the MTEF. Planning instruments provide strong linkages between policy priorities and budget management and implementation. South Africa has been progressively increasing its investment in education since democracy, which ensures predictability of budget allocation.

### **2.2.3. Coordination process**

National responsibility for donor coordination and management is vested with the International Development Cooperation (IDC) Chief Directorate within the National Treasury (NT). It coordinates donor support with the objective of ensuring aid effectiveness within the framework of the Paris Declaration. An Education and Training Development Partners Forum, open to all donors, has been established. Senior officials of the national Department of Basic Education regularly participate in the Forum, which is donor-led. The Department of Basic Education briefs the donor community on an annual basis after the budget has been presented to Parliament.

### **2.2.4. Institutional capacity**

The Constitution determines that education is a concurrent responsibility between the national and provincial spheres of Government. A well-developed, mature set of institutions and institutional arrangements for the management of the sector, and for the development, implementation and monitoring of sector policy is in place. At national level the institutional capacity to discharge key constitutional responsibilities clearly exists. Provincial education

departments generally have the requisite capacity, but those who inherited high proportions of previous homeland education systems appear to experience more challenges in the implementation of national policy than those who inherited higher proportions of well-endowed systems.

### **2.2.5. Performance monitoring**

The Presidency requires a sub-set of performance targets to be reported on annually by all sectors of Government, and publishes these results, e.g. the 2008 *Development Indicators* publication. The Budget Office of the National Treasury has responsibility for the monitoring and measurement of both budget related performance and strategic delivery of line departments. The education authorities at national level have to report on and account for the performance of the system. The Education Management Information System (EMIS) units at the national and provincial departments of education are responsible for the collection, analysis and publication of data. The key data-sets are available in a range of disaggregations, which include age, gender, race, language, level, poverty quintile, school type, etc.

### **2.2.6. Macroeconomic framework**

The most recent IMF Article IV Consultations Staff Report (August 2008) indicates that risks to macroeconomic stability have increased, but is of the opinion that policies remain broadly appropriate. While South Africa has had economic growth of around 5% up to 2007, it is expected to slow to around 1%, or even go into recession in 2009. Inflation, which kept within the 3% to 6% target band until 2007, peaked at 13.6% in August 2008, but is beginning to decline and is expected to reach 6% or less by the end of 2009. Debt has risen, but is sustainable under a variety of shocks, remaining below 43% of GDP in stress tests. The current account deficit is projected to rise to 9% to 9.5% of GDP in 2009. There are strong indications that macroeconomic policy will be maintained in key areas after the recent general elections, which were won by the ruling ANC.

### **2.2.7. Public Financial Management**

South Africa has a positive track record with respect to PFM. The Government has put in place first class PFM systems, linked to sound implementation principles and mechanisms, and a reform process that is robust and ongoing. All relevant legislation is in place and the oversight and control functions of the Parliament and the Office of the Auditor-General are mature and independent. The reform agenda focuses on the challenges of the roll-out of the Public Finance Management Act to the provincial and local Governments. The PEFA assessment for South Africa undertaken during 2008 identified positive PFM aspects as well as weaknesses<sup>2</sup>. The overall assessment of PFM is that a credible and relevant programme of improvement of PFM has been established.

## **2.3. Eligibility for budget support**

With reference to section 2.2 above, it is confirmed that the budget support eligibility criteria have been met:

- (1) A well-defined policy for the education sector is in place and under implementation.
- (2) Stability-oriented macroeconomic policy is in place and is expected to be maintained over the medium term.
- (3) First-class PFM systems as well as a credible and relevant programme to improve PFM is in place and under implementation.

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<sup>2</sup> Positive aspects include that South Africa has a highly credible budget, a comprehensive budgetary process underpinned by the MTEF, sound revenue administration, full integration in cash and debt management, and an audit system that meets all the standards of independence set by INTOSAI for supreme audit institutions. Identified weaknesses include donor practices, tax arrears collection, respect of procurement rules, and information on resources received by front line delivery units.

## 2.4. Lessons learnt

Reviews, ROM missions and evaluations of EC funded projects in the education sector have highlighted high transaction costs (particularly for Technical Assistance to ensure compliance with EC procedures) and the challenges of implementing parallel systems. The introduction of the 36-month contracting deadline in 2003 has had particularly adverse effects for the Schools Infrastructure Support Programme with the decommitment of approximately two-thirds of the project budget. Negative experiences with project implementation, a positive experience with budget support provided by the Netherlands, improved relationships with the Delegation, and witnessing the success of EC funded sector policy support programmes in other sectors, have all contributed to SBS now being the preferred modality for National Treasury and the Department of Basic Education.

In formulating, implementing and reviewing policy, the education authorities take into account findings and recommendations of internal and external reviews as appropriate. For instance, the QIDS-UP Programme and the Foundations for Learning Campaign (see section 2.2.1) respond well to the recommendations of the 2008 OECD education policies review that curriculum implementation could be strengthened by the development and distribution of teaching and learning materials, the professional development of teachers, and the development of assessment tools. Another positive development is the planned establishment of a National Education Evaluation and Development Unit (essentially the re-introduction of an inspectorate).

## 2.5. Complementary actions

By the time the proposed Primary Education SPSP starts, the only other EC action in the education sector will be Erasmus Mundus Partnerships, which could provide opportunities for strengthening capacity in the higher education sub-sector to address the challenges experienced at lower levels of the education system. Current information indicates that the EC will be the only donor providing significant support to primary education at that time. The Netherlands, the only other donor to provide substantial support to the education sector, intends to focus on technical and vocational education and higher education in the future. Synergy and complementarity particularly in respect of teacher education is possible. The possibility of joint monitoring will be explored. The proposed SPSP will support, amongst others, the Quality Improvement, Development, Support and Upliftment Programme (QIDS-UP), which is a Presidential Lead Programme of the South African Government.

## 2.6. Donor coordination

Refer to section 2.2.3. above.

## 3. Description

### 3.1. Objectives

The proposed SPSP is nested within the Government programme for General Education and Training, which aims to lay a solid foundation for lifelong learning and to ensure increased access to quality education for all children. The SPSP's **overall objective** is to contribute to improving learner performance in literacy and numeracy at primary school level, in order to achieve better throughput to secondary and higher education and vocational training in South Africa. The programme **purpose** is to strengthen fundamental elements of the General Education and Training Programme that are key to improving the quality of education delivery at primary school level.

### 3.2. Expected results and main activities

The main **results** anticipated from the Government sector programme, as supported by the SPSP, are as follows:

- Faster roll-out of appropriate Reception Year provision;
- More effective teaching and learning of literacy and numeracy, particularly for learners from poor schools and communities;

- Accelerated provision of adequate and appropriate learning and teaching support materials to the poorest primary schools; and
- An improved initial teacher education system that attracts and delivers higher numbers of capable Foundation Phase (Reception Year and Grades 1 to 3) primary school teachers, particularly teachers who are able to teach in the indigenous languages.

The SPSP will allow the Government to channel additional resources to the national and provincial education departments to pursue the objectives of the overall Government sector programme as appropriate. The main **activities** will be those undertaken by the Government to achieve the results indicated above, e.g. in-service training of teachers to teach and assess initial literacy and numeracy and to effectively utilise the materials provided for this purpose. Sector dialogue with a view to monitoring the performance of the sector programme will focus on the achievement of the results through effective implementation of the priority programmes to address identified challenges. Another important activity for Delegation staff will be analysis and verification of conditions and performance for the purposes of processing payment requests.

### 3.3. Risks and assumptions

There are no indications that the new leadership of the African National Congress will adopt a fundamental shift with respect to macroeconomic policy, education sector policy or the ongoing PFM reforms. The establishment of two Ministries for Education, one with a focus on basic education and the other with a focus on higher education and training will necessitate new institutional arrangements, which may make additional demands on senior managers during the next few months. It is assumed that such arrangements will be finalised by the time implementation of the PrimEd SPSP commences.

Indications are that the Foundations for Learning Campaign, which provides guidelines for teaching and assessing literacy and numeracy is being received very well by teachers, and is actively supported by some of the teacher unions. There may be some resistance to the re-introduction of an inspectorate (the proposed National Education Evaluation and Development Unit), and this will be monitored closely.

### 3.4. Stakeholders

The main **stakeholders** are:

- Within Government - The National Treasury, the national and provincial education departments.
- Outside Government - Teacher unions, NGOs in the field of education, research bodies and other donors.

All these stakeholders were consulted during formulation and engagement with them will continue during implementation. The stakeholders within Government have demonstrated a high level of ownership of the proposed SPSP, and are considered to have sufficient institutional capacity for the implementation of the SPSP.

The main **beneficiaries** will be learners and teachers in the primary school system, as well as primary education students.

### 3.5. Crosscutting Issues

The legislative and policy framework for education in South Africa addresses the cross-cutting issues of good governance, human rights, gender equality, HIV and AIDS, and the environment. EC support for education policy implementation will thus include these cross-cutting issues.

## 4. Implementation issues

### 4.1. Method of implementation

Direct centralised management.

#### 4.2. Procurement and grant award procedures

Not applicable.

#### 4.3. Budget and calendar

The indicative amounts and calendar for disbursements is as follows:

Tranche	FY 2010/11	FY 2011/12	FY 2012/13	Total
Fixed EUR M	32.68	22.50	22.50	77.68
Variable EUR M	0	22.50	22.50	45.00
<b>Total EUR M</b>	<b>32.68</b>	<b>45.00</b>	<b>45.00</b>	<b>122.68</b>

The intention is to disburse the fixed tranches at the beginning of the financial year of the South African Government, i.e. April/May, and to disburse the variable tranches towards the end of the calendar year when the performance data for the previous financial and academic year will be available.

The operational duration of the SPSP will be 48 months from signature of the Financing Agreement.

#### 4.4. Performance monitoring and criteria for disbursement

The indicators to be utilised to measure performance of the PrimEd SPSP are indicated in Annex. The indicators selected for assessing performance towards achieving the results of the PrimEd SPSP, have mostly been derived from the definitive set of indicators of education sector performance for which data is collected regularly by the education authorities, and are considered to give the best indication of performance in the key focal areas of the General Education and Training Programme supported by the PrimEd SPSP. A Monitoring Committee comprising representatives of the DoE and the EC Delegation will be established for dialogue at operational level. Such dialogue will include, *inter alia*, performance of the PrimEd SPSP and PFM at sector level.

**General conditions** for the disbursement of all tranches will be satisfactory progress in implementing policy and programmes pertaining to primary education; satisfactory progress in implementing a stability-oriented macroeconomic policy; and satisfactory progress in improvements in public finance management. **Specific conditions** for the disbursement of individual variable tranches will be based on indicators of performance against agreed sector targets.

#### 4.5. Evaluation and audit

A Mid-Term Review and a Final Evaluation of the SPSP will be initiated, contracted, managed and paid by the Department of Basic Education, utilising SPSP funds. It is also foreseen that the SPSP will be included in results-oriented monitoring commissioned by the EC.

#### 4.6. Communication and visibility

All communication and visibility activities will be undertaken in compliance with the *Communication and Visibility Manual for EU External Actions*, and in close collaboration with the South African Government. The education sector has strong communication mechanisms in place, and utilises television, radio, the print media, publications, conferences, awards and special events in implementing its communication strategy. Acknowledgement of EC support to the sector will be given as appropriate, and SPSP funding will be utilised for this purpose.

Appendix : Performance Indicators

## Appendix - Performance indicators

The indicators to be utilised for measuring performance of the PrimEd SPSP are as follows:

N°	Indicator
1	Gross enrolment ratio in Grade R
2	Net enrolment ratio in primary schools (MDG 6)
3	Percentage of quintile 1 public ordinary primary schools with appropriate learning support materials to improve teaching of literacy and numeracy
4	Percentage of public ordinary and special schools with toilets
5	Percentage of educators in public ordinary schools who have the required professional qualifications
6	Percentage of schools offering Home Language instruction in Grade 3
7	National average learner performance in Grade 3 in literacy and numeracy
8	National average learner performance in Grade 6 in language and mathematics
9	Number of public Higher Education Institutions (HEIs) involved in initial teacher education for teaching in the Foundation Phase
10	Number of students enrolled in initial teacher education programmes specialising in the Foundation Phase

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## Annex 2

### 1. IDENTIFICATION

Title/Number	Erasmus Mundus Partnerships (Erasmus Mundus II, Action 2)		
Total cost	EUR 5 000 000		
Aid method / Method of implementation	Project approach – indirect centralised management (to be implemented by the Education, Audiovisual & Culture Executive Agency)		
DAC-code	11420	Sector	Higher Education

### 2. RATIONALE

#### 2.1. Sector context

The European Union has established a number of programmes that provide opportunities for international cooperation in higher education, the most notable of which is the Erasmus Mundus Programme. This programme is indicated as the major vehicle for cooperation in higher education between Europe and Africa in the *EU Strategy for Africa*, and African countries are invited to consider the creation of specific Erasmus Mundus "windows". In the context of the EU-SA Strategic Partnership, former President Mbeki, and Presidents Sarkozy and Barroso welcomed the development of the Erasmus Mundus South Africa Window during the EU-SA Summit held in France in July 2008. The proposed project is coherent with the goal of development cooperation expressed in the Joint Country Strategy Paper (CSP) for 2007 – 2013, namely "poverty alleviation in the context of sustainable development". The corresponding Multi-Annual Indicative Programme (MIP) foresees further support to the education sector, with a decision to be taken in 2009.

Even though South Africa is involved in a number of trans-national scholarly and scientific networks, including international collaborations and academic exchanges involving both students and academics, there has been so far no formal policy on the internationalisation of higher education. The South African Government is however now developing such a framework for the internationalisation of the public higher education system. It also actively disseminates information on international study and research opportunities in higher education to the public and to higher education institutions.

A shortage of suitably skilled graduates, technicians and artisans has been identified as one of six binding constraints on growth in South Africa. The number of students who successfully complete post-graduate qualifications, especially at doctoral level, does not meet the high-level skills requirements of the country. The low output at doctoral level can be attributed in large part to a shortage of suitably qualified and experienced academics to supervise doctoral studies, particularly at the universities of technology and at the historically disadvantaged institutions. For the same reason there is an unsatisfactory output at masters level, which does not provide an adequate pool of candidates for doctoral level studies. Lack of funding has also been identified as a constraint to post-graduate studies for a significant number of deserving students. Those that are most affected, are those belonging to the "designated" groups, i.e. black people, women, and people with disabilities.

The opportunity provided by Erasmus Mundus has only been utilised minimally in South Africa. Participation in Erasmus Mundus I (2004-2009) by South African students, scholars and universities is as follows: 31 students (out of 4,489), 33 academics (out of 1,053), five HEIs have been involved in a total of 47 partnership projects, and only one institution has participated in an attractiveness project. The selection results for Action 1 Masters courses for the 2009/10 academic year are as follows: 20 students on the main list and 11 on the reserve list; 12 scholars on the main list and 6 on the reserve list. It should be noted that the

success rate for students and scholars from South Africa is far above average, i.e. 32.5% compared to the general success rate of 7.31% for the 2009/10 academic year.

## 2.2. Lessons learnt

The Interim Evaluation of Erasmus Mundus I (June 2007) found, amongst others, that the provision of scholarships for third country students addressed a real need, and that third country scholars appreciated the opportunity to teach and to carry out research in an EU country. They also indicated that comparing different teaching styles and methodologies presented valuable learning opportunities for them.

During formulation it was learnt that most South African HEIs know very little about the Erasmus Mundus Programme, that most HEIs already have international academic partnerships, and that there is significant interest in participating in Erasmus Mundus Partnerships.

## 2.3. Complementary actions

Two EC funded cooperation programmes in higher education are open to South Africa:

1. Erasmus Mundus II Action 1, which provides opportunities for HEIs to implement programmes together with European HEIs at post-graduate level, as well as mobility for students and academics in the context of these programmes; and
2. EDULINK, which funds cooperative projects between HEIs in countries signatories to the 10<sup>th</sup> EDF. South African HEIs may participate in cooperative projects, but may not be direct beneficiaries of EDF funds.

Several other international scholarship and exchange programmes are available to South Africans, including Commonwealth Scholarships, Fullbright Scholarships, DAAD, British Chevening Scholarships etc. Many EU Member States also fund cooperation programmes and student and academic mobility, e.g. the Netherlands, France and Belgium.

The EC has been supporting higher education in South Africa for many years and more recently, by supporting HEIs to address the challenges of HIV & AIDS (the HEAIDS Programme) and to build capacity in the technical education sector (the TABELISA Project).

## 2.4. Donor coordination

The Education and Training Development Partners Forum in South Africa, currently chaired by the Netherlands, provides a vehicle for coordination with other donors. Regular and ongoing education sector dialogue with the South African Government will be formalised shortly within the framework of the Primary Education SPSP (also part of the 2009 AAP).

## 3. DESCRIPTION

### 3.1. Objectives

The aim of Erasmus Mundus II is to promote European higher education, to help improve and enhance the career prospects of students and to promote intercultural understanding through cooperation with third countries, in accordance with EU external policy objectives in order to contribute to the sustainable development of third countries in the field of higher education.

The **overall objectives** of Erasmus Mundus Partnerships (Erasmus Mundus II Action 2) between South African and European HEIs are to contribute to the provision of appropriate high-level skills for sustainable development and growth in South Africa, and to improve political, economic and cultural links between South Africa and the EU.

The **purpose** of Erasmus Mundus Partnerships is to extend opportunities for the exchange of knowledge and skills between the South African and the European higher education communities.

### 3.2. Expected results and main activities

The **expected results** of the project are

- Enhanced international cooperation capacity of South African HEIs;
- Significant increase in the number of South African postgraduate students (masters and doctoral level) and academics accessing Erasmus Mundus opportunities;
- An enlarged pool of well-qualified and internationally experienced South African professionals, capable of responding to the challenges of sustainable and equitable development;
- Increased visibility of EU universities as external options for study, research and teaching;
- Increased visibility of South African HEIs as potential partners for international cooperation.

The main **activity** to be implemented in order to achieve the above-mentioned results will be the **issuing of one Call for Proposals** with a total value of EUR 4.8 million. Indicatively, the Call will be launched towards the end of 2009, so that mobility can commence with the 2010/11 academic year in Europe. The Call will require consortia of European and South African HEIs (Partnerships) to propose a mobility scheme for South African students and academics. These partnerships will be established in accordance with the general guidelines for Action 2 of the Erasmus Mundus 2009-2013 Decision (No 1298/2008/EC of the European Parliament and of the Council). Applications will respond to the guidelines issued with respect to the specific Call for Proposals. The EC Delegation to South Africa, in consultation with the South African Government, will advise as appropriate on pertinent aspects of the Guidelines for the Call for Proposals, e.g. the priority fields of study (in accordance with the high-level skills needs of South Africa), the levels of study, and the target groups (the designated population groups – black people, women and disabled people). Grant contracts will be awarded to the best institutional partnerships on the basis of published evaluation criteria. Partnership projects will comprise two main parts: (1) partnership activities for the organisation of mobility and the transfer of know-how and best practices, and (2) the implementation of individual mobility for students and academic staff.

In addition, **communication and visibility** activities (see 4.6) and **monitoring** activities (see 4.4) will be undertaken.

### 3.3. Risks and assumptions

The main risks are the following:

- Insufficient awareness of Erasmus Mundus opportunities  
Very few South African HEIs, students and academics have utilised Erasmus Mundus opportunities to date, and most South African HEIs know very little about the Erasmus Mundus Programme. This risk can be mitigated by all role players actively disseminating information on and promoting Erasmus Mundus Partnerships (see 4.6).
- Insufficient institutional capacity in some South African HEIs  
While most South African HEIs already have international academic partnerships, the capacity to organise mobility schemes may be limited for some. This risk can be mitigated by ensuring that Erasmus Mundus Partnerships include South African HEIs with better and with lesser capacity, to provide for the transfer of know-how not only between European and South African HEIs, but also between South African HEIs.
- Brain-drain  
South Africa has already lost a significant number of skilled professionals to Europe and other parts of the world, and the risk of losing talented students and academics by exposing them to Europe, is real. This risk can be mitigated by requiring that mobility schemes indicate measures to facilitate the return to South Africa, e.g. possible use of

"sandwich" degrees, in which the period of mobility to Europe is flanked by periods of study in South Africa.

### 3.4. Crosscutting Issues

Proposals for mobility schemes will have to demonstrate how they respond to gender equality and social equity issues. In the context of South Africa this will relate to the "designated" groups, i.e. black people, women, and people with disabilities.

### 3.5. Stakeholders

The **key stakeholders** are the Government of South Africa, Higher Education South Africa (HESA) and the 23 public higher education institutions in South Africa. There are only a small number of private higher education institutions in South Africa, and these are not targeted.

- Erasmus Mundus Partnerships will fit into the Government's strategic objective of "internationalisation of higher education". The South African Government has the capacity to identify with the EC priority fields of study, to provide further input to the guidelines for the Call for Proposals, and to monitor the implementation of Erasmus Mundus Partnerships in South Africa.
- HESA is the representative body of the Vice-Chancellors of the public higher education institutions. HESA will have a critical role with respect to the dissemination of information. It is well equipped to do so.
- The delivery of public higher education rests with the 4 comprehensive universities, the 13 universities, and the 6 universities of technology. Information dissemination, encouraging students and academics to participate, and cooperation with other local and European HEIs will be the key roles of the HEIs. While the majority of HEIs have the capacity to fulfil these roles, there are institutions that will need assistance in this regard.

The **main beneficiaries** will be 1) South African and European HEIs 2) South African students at masters and doctoral level, particularly those from the "designated groups" and 3) South African academics, particularly those from the comprehensive universities, the formerly disadvantaged universities, and the universities of technology.

## 4. IMPLEMENTATION ISSUES

### 4.1. Method of implementation

Indirect centralised management with the Education, Audiovisual & Culture Executive Agency (EACEA), the body that has been mandated to implement all actions related to the Erasmus Mundus 2009-2013 Decision (No 1298/2008/EC of the European Parliament and of the Council), and that has recently been assessed positively by DG EAC and AIDCO. The administrative costs of € 126,000 of the Delegation Agreement with the EACEA are not included in the budget of € 5 million indicated in 4.3 below, but are funded from the BA budget lines of AIDCO.

### 4.2. Procurement and grant award procedures

#### 1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation (DCI). Further extensions of this participation to other natural or legal persons by the concerned authorising officer shall be subject to the conditions provided for in Articles 31(7) and (8) of the DCI.

## 2) Specific rules of grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EC external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): On the basis of Article 253.1 e) of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the European Communities, no co-financing is foreseen. This is justified by the fact that the Erasmus Mundus Programme is clearly identified as a successful initiative of the European Commission in the field of education, and that mobility initiatives under Erasmus Mundus Partnerships (Action 2) will be complementary to national scholarship and mobility programmes provided by Member States. Commission Regulation 478/2007 amended Article 253.1 by providing for a derogation to the principle of co-financing also in cases where it is in the interests of the Community to be the sole donor to an action, and in particular to ensure visibility of such an action.

- Derogation to the principle of non-retroactivity: a grant may be awarded for an action which has already begun only if the applicant can demonstrate the need to start the action before the grant is awarded, in accordance with Article 112 of the Financial Regulation applicable to the general budget.

The EACEA is the implementing body and will be responsible for the management of the Call for Proposals, and for the assessment and management of grant awards. It is the contracting authority and will ensure the monitoring and follow-up of the selected projects. Relevant Commission services will participate in the selection panels of proposals. In the selection process EC Delegations will be consulted on the eligibility of third country institutions and relevance of the proposals to the country needs.

### **4.3. Budget and calendar**

The maximum EC contribution to this action is EUR 5 million. EUR 4.8 million is intended for grant contracts, EUR 150,000 for evaluation, and EUR 50,000 for audit. The maximum duration of the programme will be 60 months.

### **4.4. Performance monitoring**

The EACEA will monitor this new mobility scheme. An in-country Monitoring Committee, comprising representatives of the South African Government, HESA, HEIs and the Delegation will be established to reflect on the implementation of the programme.

### **4.5. Evaluation and audit**

The EC Delegation, in cooperation with the South African Government, will carry out an evaluation of the Erasmus Mundus Partnerships towards the end of 2011. The EACEA will audit the projects financed under this action.

#### **4.6. Communication and visibility**

In view of the fact that insufficient awareness in South Africa of Erasmus Mundus opportunities has been identified as the main risk to implementing Erasmus Mundus Partnerships, communication and visibility will be the joint responsibility of all role players. All communication and visibility activities will be undertaken in compliance with the *Communication and Visibility Manual for EU External Actions* ([http://ec.europa.eu/europeaid/work/visibility/index\\_en.htm](http://ec.europa.eu/europeaid/work/visibility/index_en.htm)).