ANNEX 2
of the Commission Implementing Decision on the
Annual Action Programme 2014 in favour of Belarus

Action Document for Support to the European Humanities University Trust Fund

1. IDENTIFICATION

<table>
<thead>
<tr>
<th>Title/Number</th>
<th>Support to the European Humanities University Trust Fund</th>
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<tr>
<td>CRIS number:</td>
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<th>Total cost</th>
<th>Total estimated cost: EUR 2 million</th>
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<td>Total amount of EU budget contribution: EUR 2 million</td>
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<th>Aid method / Management mode and type of financing</th>
<th>Project Approach</th>
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<td>Indirect management with the Nordic Council of Ministers (NCM)</td>
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<th>DAC-code</th>
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2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

This action is designed to guarantee the continuity of the financial contribution of the EU to the European Humanities University (EHU), a Belarusian university in exile in Vilnius, for the academic years 2014-2015 and 2015-2016. It follows the commitment of the European Commission announced at the international donors conference "Solidarity with Belarus" (Warsaw 2011), organised in the aftermath of the Belarusian presidential 2010 elections. The overall objective is to boost democratic development in Belarus by giving young Belarusians access to independent higher education. This will be done through enabling the EHU to provide education and subsistence to Belarusian students deprived of a chance to acquire relevant higher education and through providing support to the EHU in pursuing the long-term sustainability by pooling the EU funding and the contributions of other donors.

2.2. Context

In the difficult economic and social situation the Belarusian population is facing, more and more young people are recognising the need for obtaining quality education in order to be able to get a job and thereby sustain their livelihoods. The European Humanities University, a Belarusian university in exile in Lithuania, offers an education which is not influenced by the Belarusian state ideology. The EHU acts as a symbol of a Belarusian academic culture, and plays an important role as an actor not only in the academic field but also through its contribution to the development of the Belarusian society by promoting academic freedom and an effective forum for discussing developments in contemporary Belarus.
2.2.1. **Country context**

### 2.2.1.1. Economic and social situation and poverty analysis

Belarus faced one of the greatest challenges with the economic shocks in 2011. Although the government temporarily stabilized the economy in 2012, it demonstrated its reluctance to undertake serious structural reforms, and the problems that precipitated the 2011 crisis remain in place.

According to the 2013 International Monetary Fund (IMF) report, the growth in Belarus slowed for the third year in a row, reaching only 1.1 percent (year-on-year) in the first nine months of 2013, and inflation remains in double-digits. The economy of Belarus remains to be characterised by the dominance of state-owned enterprises. The economy continues to depend on energy- and resource-intensive exports.

Compared to the other Commonwealth of Independent States (CIS), Belarus has a relatively high level of socioeconomic development. The 2011 economic crisis did cause some increase in poverty and narrowed inequality as the relatively rich were also hit hard by the crisis. According to a recent UNDP report, in 2012 the absolute poverty rate in Belarus improved to 6.3% in 2012 compared to 7.3% in 2011. The level of exclusion of some social groups from the society is comparatively low. However, Belarus’s highly developed welfare regime, one of the priorities of the country’s social market economy model, is very cost-intensive.

According to official figures, the unemployment rate in Belarus in 2013 was about 0.6% of the economically active population. In reality the number is much higher because the official statistics only counts the number of people who are officially registered at employment bureaus.

### 2.2.1.2. National development policy


The main goals and objectives of the government are:

- Human capacity development based on improved education, health care, housing construction and other services sectors.
- Innovative development of the national economy.
- Building export potential through increased competitiveness, technological retooling, application of science, intensive resource saving, environmentally friendly productions.
- Boosting agro-industrial complex and social recovery of rural areas.

The strategic documents remain descriptive and vague in their recommendations and essentially promote the current policy of the government.
2.2.2. Sector context: policies and challenges

Education is one of the sectors in which sporadic reforms have been implemented in Belarus since its independence. New higher education standards, piloted since 1 September 2008, are based on a competence approach and contain the ECTS\textsuperscript{13} compatible system of educational credits as a necessary tool to support student mobility.

Out of the 55 officially recognised higher education institutions, 45 are public and 10 private, and the vast majority of students attend public universities.

Belarus applied for a membership in the Bologna Process, but received rejection in 2012 due to doubts about its commitment to academic freedom, institutional autonomy and student democracy. The next Bologna Ministerial conference will take place in the spring 2015. Belarus has not formally applied again, but the Minister of Education has announced on a number of occasions that they intend to join the Bologna process.

Education is one of the most important areas in laying the foundations for democracy, and the European Union fully acknowledges the key role of Belarusian young people in the democratisation process in Belarus. Since 2005, the European Union has given sustained support to Belarusian civil society in general and to the higher education sector in particular. The European Humanities University in exile plays an essential role in this regard, in particular given the political context prevailing since the presidential elections held in December 2010. It is currently the only independent Belarusian university that allows Belarusian students to study such disciplines as political sciences and European studies, communication and media, international and European law (including human rights law), Belarusian studies, cultural studies, democracy and civil society, social and political philosophy, modern art, etc., without political interference. The political value of the EHU is therefore evident so long as the current situation in Belarus prevails.

In coordination with other donors, the European Union has agreed to provide support to the EHU through a dedicated multi-donor trust fund, which was set up and is managed by the Nordic Council of Ministers (NCM). Its aim is to help the EHU fulfil its educational and democratisation mission through financial support with a view to the university becoming self-sustainable in the future. The trust fund has become the main mechanism for channelling the financial contributions of the international donor community to the EHU. In addition to the EU and 12 EU Member States, also the NCM, the United States, Norway and the MacArthur Foundation (a private US foundation) give donations through the trust fund.

The EHU Governing Board, consisting of committed higher education experts, was set up at the initiative of the Nordic Council of Ministers and the McArthur Foundation in 2007. Its main task is to provide strategic guidance and fiduciary oversight for the EHU. The Board supports EHU’s management and administration and works towards maximizing fundraising efforts. An EHU Trust Fund Advisory Committee advises the EHU Trust Fund Manager on donor coordination and fundraising. The Annual Donors’ Assembly is convened once per year in Vilnius, which is complemented by bi-annual higher education meetings. Recently, the EHU has developed a strategic plan that guides its development in the period 2013-2019. It has begun actively targeting the private sector with the aim to supplement the

\textsuperscript{13} European Credits Transfer System.
university's budget to become less dependent on donor contributions, enhancing its own sustainability.

2.3. Lessons learnt

In 2013, the Institutional Evaluation Programme (IEP) carried out an evaluation of the EHU, with the aim of supporting the university in the development of its strategic management and internal quality culture. The IEP report emphasised the need for the EHU to elaborate an appropriate strategic plan with prioritisations, realistic timeframes and procedures for reviewing its implementation.

The EU Delegation carried out an overall evaluation of the EHU and EU funding in 2012 with a view to establish an exit strategy. Although the evaluation report fails to acknowledge that almost no European university is fully independent from external financing, it does however raise a number of very valid points with regards to the financial sustainability of the EHU.

Another lesson is that a university needs a long-term financial planning. Donor contributions which are allocated on a year-by-year basis are therefore not helpful; this should instead stretch over a longer period. This is why this contribution should cover the two remaining years of the mandate of the EHU Trust Fund, and thus help the university to develop the long-term financial sustainability strategy.

2.4. Complementary actions

EU Programmes

- EU language courses for young Belarusians (EUR 2 million): The specific objectives of this 2-year project are the enhancement of cross-cultural competences of young Belarusians through learning of EU languages in EU Member States, raising the awareness on the EU and European societies and values among representatives of Belarusian society and the establishment of professional and personal contacts of young Belarusians with counterparts in the EU. Implementation period: 2013-2014.

- Open Europe Scholarship Scheme – OESS (EUR 4 million) for young Belarusians to study BA and MA in European universities (implemented by the Nordic Council of Ministers in 2011-2016). Under the OESS II (EUR 8 million) some 200 students are expected to study in the EU during the period 2014-2018.

- Mobility Scheme for Targeted People-to-People Contacts – MOST (EUR 5 million): This action is a mobility scheme designed to facilitate direct people-to-people contacts between representatives of three broad sectors such as culture, education & youth and science & technology in Belarus and their counterparts in Member States of the European Union. First activities should start in late 2014.

- Erasmus+ is the EU programme 2014-2020 for Education, Training, Youth, and Sport. Belarus is eligible to take part as a Partner country in higher education and youth actions of the programme. Erasmus+ replaces Erasmus Mundus, Tempus
and Youth in Action. However, Erasmus Mundus and Tempus multiannual projects selected during the last calls are ongoing.

- **Erasmus Mundus Action 1 (2004-2013):** Joint programmes (masters and doctoral programmes) of outstanding academic quality, including a scholarships scheme. Since the launch of the programme in 2004, the number of Belarusian students receiving a scholarship for Erasmus Mundus Masters Courses has increased continuously (with 11 in 2012 and 12 in 2013). In total 62 students from Belarus have been selected over the 10 annual selections up to 2013. As of 2014, scholarships for degree mobility will be supported through the Erasmus+ programme.

- **Erasmus Mundus Action 2 (2007-2013):** partnerships between European and third-country higher education institutions as a basis for structured cooperation, exchange and mobility at all levels. Whereas some 60 Belarusian nationals (students and teachers) took part in this mobility scheme annually in 2007-2010, this amount has tripled in the past few years. In total 829 students from Belarus have been selected up to 2013. As of 2014, scholarships for credit mobility will be supported through the Erasmus+ programme.

- **Tempus (2007-2013),** a programme which supports the modernisation of higher education in the EU’s surrounding area. Belarus has been involved in 34 Tempus projects. Tempus supports Belarusian universities to improve their administrative and organisational structures / study programs, promote teacher trainings, student mobility, consultation with entrepreneurial world, cooperation with stakeholders. Through Tempus projects, Belarusian universities develop with the assistance of European experts a number of new Master’s degree programs in several fields of study. As of 2014, capacity building projects will be supported through the Erasmus+ programme.

- **Young people from Belarus have benefited from the Youth in Action programme and from the dedicated Eastern Partnership window.** Each year, dozens of Belarusians were involved in one of its two components, the Youth in Action programme. As of 2014, Erasmus+ represents to a large extend, continuity with the actions supported under the Youth in Action programme. Youth mobility is supported through youth Exchanges (non-formal learning activities aimed at developing skills, competences and attitudes), European Voluntary Service (unpaid and full-time voluntary service in another country) and mobility of youth workers (professional development of youth workers through training and networking activities).

- **The EU-Nordic Council of Ministers scholarship programme at universities in Ukraine.**

**Other donors**

- The Visegrad Group Scholarship Programme funded by the International Visegrad Fund, enabling studies in the Czech Republic, Hungary, Poland and Slovakia;

- Scholarships offered by individual EU Member States (mainly Sweden, Germany, United Kingdom, Poland, France and the Netherlands).
2.5. Donor coordination

Donor coordination is carried out by the Trust Fund, which ensures consistent support for the EHU by bringing donors’ primarily non-earmarked contributions together and which is thus able to identify gaps and avoid overlaps in donors’ financing. The Trust Fund is open for financial contributions from all kinds of donors. Such coordination is organised in compliance with principles of the Paris Declaration and Accra Agenda for Action and is aimed to ensure maximum development aid effectiveness.

In addition, the European Commission and the European External Action Service organise regular implementers and donors meetings, both taking place in Brussels (about twice a year). EU Member States, international financial institutions (IFIs) and other donors such as the United States, Canada and Norway take part.

3. Detailed Description

3.1. Objectives

The overall objective of EU support to the EHU Trust Fund is to give young Belarusians access to independent higher education which provides graduates with skills and knowledge deemed necessary to exert an influence on the democratic development of Belarusian society.

The specific objectives of the project are as follows:

- To give access to higher education to young Belarusians in an environment of academic and political freedom through the EHU;
- To provide education geared specifically to enabling the target group to develop democratic values in Belarus;
- To contribute to the education, housing and subsistence of Belarusian students throughout their studies (maximum 4 years);
- To provide support to the EHU in pursuing the long-term sustainability by pooling the EU funding and the contributions of other donors via a trust fund mechanism.

3.2. Expected results and main activities

The project is expected to have the following results:

- Enable the EHU to provide education and subsistence to Belarusian students deprived of a chance to acquire relevant higher education;
- Guarantee the long-term sustainability of EHU by pooling the EU funding and the contributions of other donors and encouraging new financial initiatives from the international donor community.

The main activities of the project include running a range of BA and MA degree programmes (spring and autumn semesters in each calendar year) focused on the skills and knowledge necessary for developing democratic institutions, civil society and human rights in Belarus. BA programmes include the following disciplines: cultural heritage, media and communication, media and visual design, world politics and economics, political science and European studies, sociology, international law,
as well as contemporary art. MA programmes include the following disciplines: business administration, cultural studies (critical urban studies, gender studies, visual and cultural studies), psychology, historic and cultural heritage, international law and European law, and public policy. PhD programme includes philosophy.

3.3. Risks and assumptions

Risks

- The Belarusian authorities do not officially object to Belarusian students studying abroad, although they do discourage Belarusian students from studying at the EHU. There is a risk that the Belarusian authorities may apply repressive measures or try to influence the selection of both the students and the Belarusian teaching staff, which consists mainly of Belarusian citizens, but this risk has not yet materialised. The EHU has put in place a methodology for a strict selection procedure which assures that students and staff are able to perform their duties without major obstructions.

- The degrees awarded by the EHU are unlikely to be recognised in Belarus in the current political situation. Therefore, students might face difficulties finding a job related to their qualifications upon their return to Belarus. This risk applies essentially to state-run and institutional organisations; other entities might on the contrary be keen on employing students with up-to-date knowledge and skills. The issue of recognition is mainly linked to political considerations and the fact that Belarus is lagging behind in terms of adapting to the Bologna process standards. It is expected that this gap will be bridged as Belarus moves towards more democratic openness and towards European standards in the long-term. It is to be noted however that the distance learning section of the EHU allows for several EHU students to study in parallel at Belarusian state universities. Other students take a second degree with the EHU, following a degree with a state university and vice versa. The degrees from state universities can serve as the official degrees when these students apply for work in Belarusian state-run entities.

- The risk of project-funded students not coming back to their home country after they finish their studies is reduced by the fact that they will study in countries neighbouring Belarus, with teaching specific to the Belarusian context and in an expatriate, but Belarusian, environment (staff, academics, etc.). This will enable them to stay in close contact with the home and social networks that they have left. The majority of resident EHU graduates return to Belarus, and the EHU remains aware of their whereabouts through Alumni and other network systems put in place. The EHU is also able to provide administrative and legal services to (former) students.

- The main challenge in selecting grant-aided students will remain as sometimes Belarusian students are penalised for political reasons. This challenge is addressed by combining sound political and academic judgment in assessing each applicant and by close cooperation of experts with first-hand knowledge of Belarusian affairs. This will ensure maximum efficiency in selecting the most appropriate applicants.

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14 About one third of the students are residing in Vilnius during their studies, the rest are distance learning students. Approximately 50% of the resident bachelor graduates return to Belarus immediately after the end of their studies, and one fourth of the resident students continue studying at the EHU to obtain a masters degree, out of which again 50% return to Belarus after finishing their studies. This means that an average of 250 students (out of a total of 1800) do not return to their home country per year.
Assumptions
- Good co-operation within the donor community;
- Appropriate financial contributions from EU Member States, international organisations, other countries and NGOs politically supporting the EHU;
- Sound and transparent management of donors’ funds and transparent flow of information on each donor’s contribution;
- Sound and transparent accounts of the EHU.

3.4. Cross-cutting issues
The project will contribute to the development of good governance, human rights and gender equality.

3.5. Stakeholders
The beneficiaries of the project are about 1800 Belarusian students and the Belarusian population as a whole. Other stakeholders are the EHU donor community (EU Member States and other countries, international foundations and NGOs) and EHU teaching staff (about 260 teachers mainly from Belarus commuting to Vilnius when lecturing).

4. IMPLEMENTATION ISSUES

4.1. Financing agreement
In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

4.2. Indicative operational implementation period
The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 30 months from the date of entry into force of the financing agreement or, where none is concluded, from the adoption of this Action Document, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements, and shall be aligned with the duration of the EHU Trust Fund. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

4.3. Implementation components and modules

4.3.1. Indirect management with an international organisation
This action with the objective of providing support to the EHU Trust Fund in order to boost democratic development in Belarus by giving young Belarusians access to independent higher education may be implemented in indirect management with the Nordic Council of Ministers (NCM) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation is justified because the NCM manages the multi-donor trust fund for the EHU. NCM have an excellent
record in implementing educational and civil society projects for the benefit of various Belarusian stakeholders (Open Europe Scholarship Scheme, EHU Trust Fund management, Instrument for Stability). The representation of the NCM in neighbouring Lithuania (branch office in Vilnius) allows for efficient implementation of these politically sensitive actions and closest monitoring of Belarusian background.

The entrusted entity – the Nordic Council of Ministers - would manage contributions to the European Humanities University Trust Fund.

The entrusted entity intends to sub-delegate some activities related to running BA, MA and PhD programmes to the EHU. Appropriate provisions will be included in the delegation agreement.

The entrusted entity is currently undergoing the ex-ante assessment in accordance with Article 61(1) of Regulation (EU, Euratom) No 966/2012. In anticipation of the results of this review, the responsible authorising officer deems that, based on a preliminary evaluation and on the long-standing and problem-free cooperation with this entity, it can be entrusted with budget-implementation tasks under indirect management.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

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<tr>
<td><strong>Totals</strong></td>
<td><strong>2 million</strong></td>
<td><strong>N.A.</strong></td>
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4.6. Performance monitoring

The project will be monitored according to standard procedures. Project monitoring will be based on periodic assessments of progress on delivery of specified project results and towards the achievement of project objectives.
4.7. **Evaluation and audit**

Evaluation will be based on the annual reports on completion of each academic year, interim reports and audited reports prepared by the Trust Fund for the donors in accordance with the rules of the Fund.

Audits may also be conducted on the systems and procedures used if need be. Where relevant, audit and evaluation contracts will be concluded by the European Commission and will be funded from other budget sources.

4.8. **Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.

A specific Communication and Visibility Plan will be submitted by the entrusted entity. The Communication and Visibility Manual for European Union External Action shall be used to establish this plan and the appropriate contractual obligations. Visibility and communication measures should also be fully in line with the developments in the overall EU-Belarus relations and the particular politically sensitive context.