

# House of Representatives of the States General

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### **Adoption of the budgets of the Ministry of Education, Culture and Science (VIII) for the year 2012**

**No. 158**

#### **LETTER FROM THE STATE SECRETARY FOR EDUCATION, CULTURE AND SCIENCE**

To the President of the House of Representatives of the States General

The Hague, 23 December 2011

The earning capacity of the Netherlands depends to a vital degree on this country's international position. As the knowledge economy becomes an increasingly dominant paradigm for economic growth in the Netherlands, the significance of mobility for students, teachers and researchers will rise dramatically. Consequently, this government aims for a system of higher education that has international appeal, exercises a powerful draw on top-flight scientists and professionals and which will bolster (via the government's top-sector policy) the international competitive position of our trade and industry.

Against this background it is good to observe that the number of international students coming to the Netherlands is growing. At the same time, outbound mobility (i.e., Dutch students going abroad to study) is limited. Your House has asked questions regarding the balance between inbound and outbound mobility and its effects on the quality of education (see, *inter alia*, the written questions from MP Lucas on the undesirable incentive that attracts students dated 26 April 2012 and from MP Van Dijk on the growth of the number of international students in higher education dated 2 September 2012).

Late last year, your House adopted a motion from MPs Van der Ham and Klaver that seeks to identify the revenues generated by international students participating in Dutch higher education (see Parliamentary Papers II, 32 500, No. 68). In addition, in response to the discussion of the document 'Quality in Diversity: Strategic Agenda for Higher Education, Research and Science', a motion from MPs Van der Ham and De Rouwe (31 288, No. 236) was adopted. This motion seeks to supplement the strategic agenda for the internationalisation of higher education, with a focus on increasing the appeal of the Netherlands to knowledge migrants, the costs for international students in the Netherlands and stimulating the international mobility of Dutch students and researchers. In a letter dated 29 November 2012, I informed the House of Representatives on how I intend to give substance to this motion.

In this letter I will focus on the following areas in sequence:

1. Current policy with respect to mobility
2. Mobility facts and figures
3. The costs and benefits of our mobility policy
4. Risk factors
5. Areas for policy adjustment
6. Further action

This letter aims to respond to the motion of member Haersma Buma (33 000, No. 13), which asks for additional measures to be devised, together with the top sectors, aimed at increasing the appeal of the Netherlands as a destination for international knowledge workers.

This letter also contains a response to the recommendation of the Education Council entitled 'The well-considered use of English in higher education', in accordance with the request contained in the letter from the Committee for Education, Culture and Science dated 17 November 2012.

### **1. Current policy with respect to mobility**

Internationalisation can provide an important stimulus for raising the quality of higher education. The more strongly study programmes orient themselves internationally, the better prepared their students will be for a job market that is itself becoming increasingly international in character. The presence of foreign students can positively impact the performance of Dutch students. Not only does internationalisation increase quality in higher education, it also demands quality: talented staff and students from abroad will only be attracted to Dutch higher education if it delivers a quality product. For some time now, the Netherlands has been cooperating within the context of the European Union and the countries that are signatories of the Bologna Accords to create a European Higher Education Area.

Institutions are responding to internationalisation in various ways, for example by offering international classrooms and joint-degree programmes with foreign partners and more generally by drawing up an international curriculum and benchmarking the quality of the study programmes they offer with those of institutions abroad. The Accreditation Organisation of the Netherlands and Flanders (*Nederlands-Vlaamse Accreditatie Organisatie*, 'NVAO') has developed a 'special quality hallmark' for internationalisation as well as an 'internationalisation certificate' that is to be adopted by the European Consortium for Accreditation. This provides the institutions with important instruments for presenting themselves both nationally and internationally, something which is clearly essential for internationally oriented students.

In the interest of stimulating initiative and creativity to the greatest possible degree, institutions, students and researchers are free to formulate their own ideas, plans and ambitions with respect to internationalisation. Research universities and universities of applied sciences are free to determine which foreign institutions they will partner with. Moreover, students and researchers make their own choices when it comes to continuing their education or research paths. The Strategic Agenda for Higher Education, Research and Science states that the aim of the policy is to stimulate and facilitate free choice wherever possible. In addition to improving the business climate for enterprises, the focus is on boosting the mobility of students, researchers and other knowledge workers.

#### *Student mobility*

For a significant portion of Dutch graduates, it is essential to be properly prepared for the international job market and to possess international competencies. This can be achieved, on the one hand, by attracting international students to the Netherlands and creating international classrooms and, on the other, by having Dutch students pursue their study programmes, either fully or in part, outside the Netherlands.

With respect to the latter – outbound mobility – the Netherlands has committed itself to the Bologna Accords objective of at least 20% of graduates spending a period abroad to study or take up an internship by 2020. The percentage of Dutch students that currently go abroad for a part of their study programmes or to take up internships is currently around 17%. The percentage of students that complete their entire study programmes abroad is low, namely 2.7% (see Section 2 below for more details).

In addition to the efforts made in the context of the EU and the Bologna Accords for international transparency and recognition of educational quality, the measures for stimulating outbound mobility mainly focus on:

- a. Student grant portability;
- b. Incorporating a period of study abroad into the curriculum via 'mobility windows' and joint degrees;
- c. European scholarship programmes, such as Erasmus and Erasmus Mundus;
- d. National scholarship programmes.

These measures are explained in further detail in Appendix 1.

#### *Researcher mobility*

In the competition for attracting top-notch scientific talent, it is vital to stay connected with the world's best. While the Netherlands does have the connections, international competition in the world of scientific research is growing. Mobility and international experience are indispensable for a career in science. The Dutch research system is attuned to this reality and is equipped to stimulate international mobility through national and European programmes.

In the past few years, the Netherlands Organisation for Scientific Research (*Nederlandse Organisatie voor Wetenschappelijk Onderzoek*, 'NWO') has developed a sizeable talent programme that welcomes excellent researchers from abroad. In addition to national policy to stimulate international mobility, Dutch researchers make intense and frequent use of the European programmes.

The European Research Council (ERC) awards 'starting scholarships' and 'advanced scholarships' to top-rate researchers. In the past few years, the Netherlands has been successful in competing internationally for these scholarships. In the final award round for the starting scholarships, the Netherlands was able to secure almost 10%, or 47 of the 480 successful applications. This places the Netherlands in fourth place, behind the UK (124 scholarships), Germany (64 scholarships) and France (57 scholarships). International mobility is also stimulated by other European programmes and instruments, such as the European Institute for Technology and Innovation (EIT) with its knowledge and innovation clusters (KICs). This institution uses 'summer schools', among other instruments, to stimulate student mobility. The European Marie Curie Programme is specifically designed to develop research skills, stimulate the transfer of knowledge and improve the career perspectives for European researchers. The general objective of the Marie Curie (People) Programme is to boost Europe's appeal to researchers in all phases of their careers. As part of this programme, a number of instruments have been developed for individual scholarships and for networks of host institutions. This is another example of a programme in which Dutch participation is high.

#### *Attracting knowledge migrants*

According to SEO Economic Research, knowledge migrants consider the Netherlands an attractive destination. However, this certainly does not mean it is easy for knowledge migrants to come to this country. Since the admission policy for knowledge migrants from outside the EU is largely demand driven, the inbound flow is directly related to actual requirements for knowledge workers at a given time. The efforts of the government, trade and industry as well as the knowledge institutions focus on further expanding our strong, quality-linked position in order to attract the best of the best to the Netherlands. One of the objectives of the top sector policy is to strengthen the Netherlands' knowledge-based and competitive edge through close public-private cooperation in general and by attracting innovative international enterprises in particular. The government wishes to emphasise that the Netherlands is already viewed as an appealing destination by knowledge migrants, as evidenced by a study carried out by Amsterdam-based SEO Economic Research on behalf of the then Minister of Economic Affairs Van der Hoeven in 2010. The House of Representatives was informed of the findings of this study in a letter of 30 May 2010 (Parliamentary Papers II, 2009/2010, 30 573, No. 55).

The SEO study entitled 'What motivates knowledge migrants? An analysis of the competitive strength of the Netherlands in attracting knowledge migrants' compares the Netherlands with ten other OECD countries. In this comparison, the Netherlands was bettered only by the United States and Switzerland. The Netherlands is more attractive for knowledge migrants than Canada, Australia, Sweden, the United Kingdom, Germany, France, Denmark and Belgium. The 27 indicators used to compile this benchmark survey show that the Netherlands scores well in the following categories: the general level of income, a well-functioning job market, the reputation of the country's universities, the originality of ideas (citations and patents), the quality of education, the accessibility of the country's admission policy and the rights of and support given to knowledge workers in the job market. This positive rating means that Dutch employers – including research universities and universities of applied sciences – are in a favourable position for recruiting highly qualified personnel in the international job market.

The SEO study focuses on the qualitative aspects of the Netherlands as a destination for knowledge migrants. According to this study, the Netherlands is performing well in qualitative terms in the 'battle for the brains', which is not to say, however, that there is no departure of talent from the Netherlands to destinations abroad, such as the Boston area in the US. Nonetheless, as well-founded research on the numbers involved in either the 'brain gain' or the 'brain drain' is lacking, we cannot draw any conclusions on this issue. The efforts of the government, trade and industry as well as the knowledge institutions focus on further expanding our strong, quality-linked position in order to attract the best of the best to the Netherlands. One of the objectives of the top sector policy is to strengthen the Netherlands' knowledge-based and competitive edge through close public-private cooperation in general and by attracting innovative international enterprises in particular. In 2011 our universities climbed higher in a number of prominent international rankings.

With respect to setting up large-scale research infrastructures, the Dutch initiative to establish the EU's first ERIC (European Research Infrastructure Consortium) this year has clearly strengthened the country's reputation. In early 2012, the Netherlands will host the second ERIC, a fact that signifies that this country has a leading role to play in Europe. Finally, the government is increasing the annual funding available for setting up large-scale infrastructures from € 20 million to € 56 million, of which € 15 million is earmarked for the establishment of ICT infrastructures. The remainder will be spent on large-scale infrastructures that the Netherlands will use for constructing world-class research facilities. The existing national roadmap is currently being updated for that purpose, the results of which will be announced to the House of Representatives early next year. These developments will further reinforce the anchors underlying the Netherlands' policy of attracting top-rate researchers and knowledge migrants that make a real contribution to the consolidation of our knowledge base and innovative strength.

## 2. Mobility facts and figures

The Netherlands is characterised by greater inbound than outbound student mobility. Seen from an international perspective, the Netherlands is in the middle bracket (see the table below). The figures used in this table for outbound mobility, while being the most recent figures available, only cover the period up to 2007. This is because data on outbound Dutch students still needs to be collected from the countries of destination. In terms of percentage, the 2007 inflow and outflow are lower than the EU average and lower than the figures for neighbouring countries such as Belgium and Germany.

**Inbound and outbound diploma mobility expressed as a % of the total student population per country (2007)**

	Population (in millions)	inbound	outbound	balance
<i>The Netherlands</i>	0.60	6.7	2.7	4.0
Germany	2.25	10.9	4.3	6.5
Belgium	0.40	10.6	2.7	7.9
Sweden	0.41	8.5	4.0	4.5
Denmark	0.23	8.3	2.9	5.4
Finland	0.31	3.7	3.0	0.7
EU21 (excl. Luxembourg)	17.35	8.1	3.0	5.1

Source: Nuffic/IMOM2010

The figures on inbound mobility, which are collected in the Netherlands, are available up to 2010. The figures for that year indicate that German students represent by far the largest group of international students in the Netherlands (24,000 in 2010) and that this group is still growing fastest (14% per year). With the reduction of secondary education in Germany from seven to six years and the abolition of compulsory military service, an even greater influx of German students can be expected in the years ahead. The largest portion of this influx enrolls in institutions located in the border region near Germany.

On the other hand, the number of Dutch students earning a certificate in Belgium is higher than the number of Belgian students earning certificates from institutions in the Netherlands. Outbound mobility to Belgium grew considerably between 2008 and 2010 (from 1,760 to 2,687 at the universities of applied sciences and from 2,574 to 3,852 at research universities, particularly in the study programmes Medicine, Commerce and Health Sciences). Examining the inflow from and outflow to Belgium in all education sectors (primary, secondary and tertiary), we can observe that far more Dutch students are being educated in Belgium (Flanders) than the other way around (30,000 compared with 3,000 in the 2008-2009 academic year). Such data is not available for Germany. However, preliminary enrolments indicate a further growth in the number of international students, although the qualification needs to be made that, as preliminary enrolments, a portion will never result in actual registrations. The definitive number of enrolments will be known in early 2012.

## 3. The costs and benefits of our mobility policy

As stated above, the motion of MPs Van der Ham and Klaver, seeking to identify the revenues generated by international students participating in Dutch higher education, prompted the Ministry of Education, Culture and Science to commission a study.

This is not the only such study to be conducted. The past few years have seen a number of national and international studies into the effect of internationalisation in education. However, these studies have generally not included cost-benefit analyses, but merely examined the effects on the application of funds. Moreover, nearly all of these studies focus far more on the benefits rather than on the costs.

Unfortunately, the study commissioned by the Ministry to clearly identify both the costs and the benefits of internationalisation was not of the desired quality.

Based on our current knowledge, we are nevertheless able to draw the following provisional conclusions:

- Costs to the government primarily relate to the group of EEA students (65% of all foreign students) that come to the Netherlands to earn their certificates. As opposed to non-EEA students, EEA students pay the statutory tuition fee and institutions are compensated for enrolling them. The average education expenditure for each of these students is around € 6,000. Given that nearly 34,000 EU students were studying in the Netherlands in 2010, in that year the Dutch government spent approximately € 205 million on this group of international students.

- On the other hand, other countries pay the costs for a portion of the Dutch students that they host. In 2007, just over 16,000 Dutch students were studying abroad. Extrapolating the growth of outbound mobility to 2010, we arrive at a figure of around 18,900 Dutch students studying abroad. This group saves the Dutch government around € 115 million. Offsetting the costs of inbound and outbound mobility, the Dutch government is left with a negative difference of € 90 million per year.

This calculation, however, only considers the short-term effects on government finances. VAT revenues generated by student expenditure and income tax generated by student jobs are, for example, not factored in. The same applies to a number of welfare effects which are difficult to quantify but potentially significant:

• *Positive effects on the quality of higher education leading to a better educated labour force:* Recent figures from the Education Executive Agency (*Dienst Uitvoering Onderwijs*, 'DUO') and the Research Centre for Education and the Labour Market (*Researchcentrum voor Onderwijs en Arbeidsmarkt*, 'ROA') show that Dutch higher education tends to attract the more capable international student. The average foreign student earned higher final marks and graduated sooner than his Dutch counterpart. Germans, the largest group of international students, top the table with final marks that are half a grade point higher and a success rate that is almost 25% higher. The international classroom environment with – often more capable – foreign students may indeed raise the performance of the average Dutch student and thereby contribute to a more ambitious academic culture. This is the case when more capable international students exert what are known as 'peer group effects'. However, there are limitations to the benefits of the international classroom. A successful international classroom depends on the quality of the students and on a balanced mix of nationalities, as otherwise any peer effect may become a negative factor that actually lowers quality. For example, a German-language study programme only attended by German students will generate no positive peer effect at all.

• *Benefits through stronger international trading and other relationships:* Even the return of international students to their countries of origin may yield benefits for the Netherlands. Research shows that 30% of them will end up in positions with an international focus. Working in the areas of international trade and investments, they will often seek assistance from their networks of Dutch contacts. The impact of these contacts is not to be underestimated given the enormous export market Germany already represents for the Netherlands and the huge trading potential opened up by the European free market. Nevertheless, it is - as yet - impossible to say which of these benefits can be attributed directly to the international mobility of students, researchers and other knowledge migrants.

• *Benefits in the form of more knowledge and innovation:* International students that stay in the Netherlands to work or carry out research following their studies raise the country's knowledge base and its capability for innovation and, as such, are a boost to the Dutch GDP. Moreover, we also know from economic studies<sup>1</sup> that the highly qualified are essential to advanced knowledge economies like the Netherlands as it is exactly they who are able to utilise the available technological opportunities and develop creative solutions. Through their research and professional activities, the highly qualified are in a position to push the frontiers of technology and innovation. Highly qualified international students in the Netherlands provide a boost to the country's knowledge level, its production capacity and its innovative prowess.

#### *Proposal for a supplementary study*

Considering the foregoing, I conclude that the information currently available to me is insufficient to form a well-founded opinion on the wider cost-benefit aspect of internationalisation. I will therefore commission the CPB Netherlands Bureau for Economic Policy Analysis to conduct a follow-up study into the social costs and benefits of inbound and outbound mobility. The aim of this supplementary study is as follows:

- to determine the net effect of inbound and outbound mobility on government finances through, inter alia, VAT effects and the effects of tax on student income as well as the effect caused by any additional pressure on government financed facilities;
- to also gain insight into the structural effect on government finances by calculating the contribution made by international students to government finances over the course of their entire lives, given that a portion of the international students remain in the Netherlands after completing their studies and consequently contribute to government finances as taxpayers. This supplementary study should also lead to a better understanding of the 'stay rate' of foreign graduates that remain in the Netherlands;
- to detail in concrete terms the various welfare effects of inbound and outbound mobility. This should also consider any crowding out mobility may have on the job market.

<sup>1</sup> CPB, 2007, *Excellence for productivity*, The Hague.

The results of the follow-up study are expected to be available in the spring of 2012. The House of Representatives will be informed of the results in May 2012.

#### **4. Risk factors**

While it is clear that higher education with an international focus has an important role to play in the Dutch knowledge economy, I would like to take this opportunity to point out a number of possible risks that may compromise the positive effects of internationalisation.

An unrestrained increase in the influx of foreign students, certainly in the case of nationalities that are already overrepresented, can have serious adverse consequences for the quality of education. An overrepresentation of certain nationalities will, for example, diminish the proposed benefits of the international classroom.

Furthermore, it may result in lower accessibility to study programmes for Dutch students. There is no threat of Dutch students being 'crowded out' at present. Should this effect nevertheless occur at a certain point in the future, it will mostly be a localised phenomenon at first. The expected steady growth in student numbers together with the increase in the number of study programmes imposing enrolment restrictions may squeeze access to places in higher education. We are observing a trend of a growing number of international students entering study programmes subject to enrolment restrictions. However, these developments require further study.

The EU is an important factor in this regard. As set down in agreements, the EU allows the free movement of goods, services and people within the European internal market with the goal of raising prosperity in Europe. Given this context and the principle of non-discrimination, Dutch students and students from other EU countries must be granted access to higher education under the same conditions. Consequently, there is little scope for either the government or institutions to depart from EU-wide agreements.

Both educational and student quality and not quantity should drive the recruitment of international students as well as the formulation of internationalisation policy at institutions. As we have read above, in general international students are among the more capable of students. Yet given the growth in international student numbers expected in the years ahead, due in part to the developments in Germany (the phased reduction of the length of secondary education, which will result in a capacity shortage in German higher education) as well as those in the United Kingdom (a substantial increase in tuition fees), the quality of inbound foreign students may no longer be so stable in the future.

An additional risk concerns student grant portability. In order to prevent students from other EU countries who otherwise have no connection with the Netherlands from accessing Dutch student financing for studying in their own country (or another country), the so-called 'three out of six' requirement was made law when portable student financing was introduced in 2007. This requirement determines that, in order for students to be eligible for student financing for a study programme outside the Netherlands, they must have been legally resident in the Netherlands for at least three of the six years prior to enrolling in the foreign study programme concerned.

This 'three out of six' requirement is currently the subject of a dispute brought before the European Court of Justice between the European Commission and the Netherlands. The European Commission argues that the place of residence requirement (i.e., the 'three out of six' requirement) contravenes Community law regarding the free movement of workers if applied to migrating workers and their families. The Commission maintains that the connection with the Netherlands is established on account of the work that the migrating worker performs in the Netherlands. The Dutch government, on the other hand, maintains that the disputed place of residency requirement is not in contravention with Community law as long as it is applied without prejudice to students of all EU nationalities. The Netherlands is supported in its position by Germany, Belgium, Denmark and Sweden. A ruling against the Netherlands may have far-reaching consequences on the portable student grants arrangement in its current form. The European Court of Justice is expected to issue a ruling in the spring of 2012.

## **5. Areas for policy adjustment**

Inquiries at a number of higher education institutions reveal that many of them are continuing to improve the quality of internationalisation at their organisations, particularly with regard to the international classroom. This is also reflected in their recruitment policies. However, there are differences between institutions and the available scope for tightening policy in a number of areas.

This ties in with the recommendation presented by the Education Council in its report 'The well-considered use of English in higher education' (October 2011) that institutions would do well to formulate a well-founded internationalisation strategy and policy and an ensuing language policy. In the report, the Education Council identifies a certain tension between, on the one hand, the internationalisation in higher education and the resulting Anglicisation of education and, on the other, the role that higher education has in protecting Dutch language and culture. Your House has also referred to this matter on a number of occasions, such as during the recent discussion of the Ministry of Education, Culture and Science budget. In its recommendation, the Education Council argues for a balanced language policy at the institutional level that sets out the reasons for using a particular language or languages. Furthermore, the Council argues for raising the quality of English-language education, promoting the command of English among students and better acquaintance of international students with the Dutch language and culture.

The core of my higher education policy is the quality of education and research. The promotion of internationalisation and international mobility is spurred by the positive effect of internationalisation on that quality. The governance observed in promoting internationalisation is based on the idea that institutions, students and researchers are fully free to make their own choices.

Although these basic points of departure are not under discussion as such, the present analysis and the developments outlined in the previous sections warrant follow-up measures. Based on this analysis, I conclude that:

- inbound and outbound mobility of students in Dutch higher education are not in balance; inbound mobility is significantly higher than outbound mobility;
- inbound mobility is expected to rise even further;
- consequently, this may represent risks to the quality of education;
- institutions are not always clear regarding the relationship between the recruitment of international students and quality policy (as a result of which it sometimes seems as though quantity takes precedence over quality);
- the number of international students that remain in the Netherlands to work (the benefits of which employment remain in the Netherlands) could still be raised.

I will see to it that the skewed balance between outbound and inbound mobility and, in particular, the imbalance in the attendant funding are placed on the EU agenda. The financing of mobility flows within the European Higher Education Area is fundamentally poorly arranged. This has resulted in a number of countries offering a high level of education, including the Netherlands, being confronted with a larger degree of inbound mobility than outbound mobility and with the attendant higher costs, while other countries are being confronted with an exodus of students (brain drain). With the increasing flow of international students and displacements between countries, the need to strike a more even balance of costs is growing. This is a process that will require time, however, given the political sensitivity and complexity of the issue. Nevertheless, the Netherlands will continue to actively raise this issue with the European Commission and with its fellow signatories to the Bologna Accords as well as continue to seek active support from other countries (including Austria and Denmark).

Furthermore, given the overrepresentation of German students in the Netherlands and the expected increased influx as a result of the reforms in German secondary education and the abolition of military service, I will continue to explore the possibilities for a future compensation system with Germany and/or the German federal states that border the Netherlands (including North Rhine-Westphalia) via the government's regular channels of communication with Germany. A similar compensation system has been in existence between Denmark and Sweden since 1996.

In addition, I will enter discussions with the institutions regarding the following policy adjustments:

- 1) In view of the importance of ensuring that Dutch students are well-prepared for the international labour market, higher education institutions should increase their focus on outbound student mobility.
- 2) Institutions must be critical about the quality of inbound student mobility. They will acquire more opportunities for selecting students 'at the gate'.
- 3) Institutions should increasingly pursue a balanced mix of nationalities in the international classroom. The overrepresentation of specific groups of international students will compromise quality and should, in principle, be discouraged.
- 4) Institutions should clearly position internationalisation within their quality assurance policy, for example by working more with the distinctive features specified by the NVAO.
- 5) Institutions must pursue a more active policy aimed at strengthening ties with the Netherlands.

#### *Re 1: Stimulating outbound mobility*

Greater mobility of Dutch students is desirable in preparing them for the international job market and may also contribute to the desired balance between inbound and outbound mobility. Institutions are already making considerable efforts to promote mobility because they understand the importance of preparing Dutch students for the international job market. An increasing number of institutions are building 'mobility windows' and incorporating joint degrees into their curricula, based on structural high-value partnerships with institutions abroad and the principle of reciprocity (with a permanent balance between inbound and outbound mobility). In particular, we need to examine why mobility to Germany lags so far behind mobility from Germany. Given the huge trading potential with Germany, business could perhaps play a more active and prominent role in stimulating mobility to Germany through the provision of internships, research assignments, scholarships, etc.

#### *Re 2: Selecting the best students*

As indicated earlier, we expect the influx of foreign students to continue to grow, in part as a result of the developments in Germany and the United Kingdom, resulting in the quality of the influx becoming more mixed than is currently the case. An important instrument in avoiding the risk of large groups of less capable students

opting to study in the Netherlands is selection 'at the gate'. The point of departure in this regard is that we should apply selection criteria if we believe the level of a study programme is 'at risk'.

*Re 3: Seeking a balanced mix of nationalities*

As indicated earlier, the presence of capable and bright foreign students can have a positive peer effect on those around them. However, this is only possible if there is a good mix of nationalities and no particular nationality is overrepresented. Institutions should therefore, in accordance with EU principles of equal admission for both Dutch and EU students, endeavour to achieve the best possible balanced mix of nationalities and cultures in the international classroom. With respect to the overrepresentation of German students, institutions should themselves cease actively recruiting German students and focus more on other, less well-represented, nationalities. Incidentally, a number of institutions aim at a minimum percentage (30%-50%) of Dutch students in their international classrooms.

As regards study programmes taught in English or German, it should be agreed with the institutions concerned that such programmes should in principle be offered within the context of an international classroom, rather than in classrooms dominated by Dutch students or students of another specific nationality. This applies in particular to several study programmes taught in German and offered in the German border region, which in some cases are populated almost entirely by German students and do not immediately seem to meet any strong demand from the Dutch labour market. These study programmes should either be phased out or based on reciprocal partnerships with German institutions (which could for example offer programmes aimed at the Dutch labour market in border regions). In the last instance, I reserve the right to intervene in accordance with Section 6.5 of the Netherlands Higher Education and Research Act. Pursuant to that Section, study programmes may disqualify themselves and be discontinued if they cannot be deemed to be effective.

*Re 4: A clear internationalisation and quality policy at the institutions concerned*

In response to the recommendations made by the Education Council concerning a more focused internationalisation and language policy, institutions should be more transparent regarding the relationship between their recruitment, mobility and internationalisation policies (including language policies). How do those policies relate to the institutions' education and quality goals? At many institutions, this connection is far less evident and convincing than might be desired. The proposal is to include this information in the institutions' internal quality care systems. To further support this objective, institutions could be invited or (if they have substantial numbers of international students) obliged to use the *special NVAO hallmark for internationalisation*. This hallmark specifically assesses the institution's vision on internationalisation, learning outcomes, lecturer quality and the composition of the student population.

*Re 5: Active policy to foster stronger ties with the Netherlands*

In order to promote the integration of international students, institutions could more effectively support their introduction to the Dutch language and culture, preferably in the earliest possible stage. In fact this is one of the recommendations issued by the Education Council. This could be achieved by, for example, encouraging international students to learn Dutch (as an optional or possibly compulsory part of the study programme), by introducing them to Dutch culture and by binding them to local businesses. Institutions could also use their own alumni networks to greater effect in order to engender future commercial contacts and trade relations. Although more and more initiatives in this area are being launched, their scope could be further widened.

The steps outlined above indicate the direction into which I have steered my policy. Supplementary to self-regulation within the sector, I intend to enter into agreements with the institutions on the best way to implement these policy adjustments. In addition, I will enter into further agreements with institutions with a markedly international profile in the country's border regions.

## **6. Follow-up steps**

During the period to come I will use the quality approach outlined above as a basis for consultations with the institutions regarding the question of how they can adjust their institutional policies so as to maximise the quality-related yield of their internationalisation efforts. The period ahead will also see the abovementioned supplementary wider study into the costs and benefits of inbound and outbound mobility, the results of which are scheduled to become available in the spring of 2012.

In May 2012 I will provide the House of Representatives with further details, in writing, on the outcome of my consultations with the institutions, the wider study and the definitive conclusions to be drawn from it.

State Secretary for Education, Culture and Science  
H. Zijlstra

## **Appendix 1**                      **Explanatory notes on «Stimulating Student Mobility»**

### *a. Full study programme abroad with student grant portability*

The introduction of student grant portability in 2007 has considerably expanded the options available to students in higher education. Nuffic keeps a list of institutions worldwide that are covered by the portable financing system. In 2009, approximately 7,000 students benefited from this system. Since then, this number has risen steadily to around 9,000 students today. This means there is scope for further growth.

### *b. Incorporating a period of study abroad into the curriculum ('mobility window')*

Several study programmes include a compulsory period of study abroad. In such cases, the structure of the curriculum provides for the students spending three to six months of their programmes at a foreign institution. In fact, many Dutch institutions now also include such 'mobility windows' as an optional part of the curriculum. Many have entered into long-term partnerships with foreign institutions with a view to streamlining their student exchange programmes. These partners know each other and have confidence in the quality of each other's teaching systems and assessments. Credits obtained at the partner institution count towards the student's study programme at home. This enables students to study abroad without losing any valuable study time.

### *c. Programmes subsidised by the European Commission*

Students seeking additional funding for a period of study abroad can use facilities such as the Erasmus and Erasmus Mundus programmes administered by the national Lifelong Learning Agency, a collaboration between Nuffic, CINOP and the European Platform. The Ministry of Education, Culture and Science funds half the administration costs incurred by this agency (approximately € 1.7 million per year).

The Erasmus programme for credit mobility within the European Union has an annual budget of approximately € 14 million for the Netherlands. The Tempus programme aims to promote the modernisation of higher education in partner countries surrounding the EU. This programme offers limited options to promote student mobility within projects, and the funds are earmarked for partner countries (not for Member States). The average subsidy per project is € 1 million. The Netherlands currently participates in around 20 projects, three of which are coordinated by a Dutch institution. The EU budget for the current call for proposals amounts to € 78 million. In the 2010/2011 academic year, the Erasmus and Tempus programmes combined funded 7,678 outbound students and 8,081 inbound students (source: IMON 2010).

Erasmus Mundus is a programme that promotes the provision of excellent joint cross-border programmes. The focus and criteria of this programme tend to shift slightly from year to year. The annual call for proposals is

accompanied by a selection process based on quality criteria. Competition among applicants is fierce, with only just over 15% of applications being honoured. Currently there are 38 Erasmus Mundus joint Master's programmes and 16 Erasmus Mundus joint PhD programmes in the Netherlands, of which 30 Master's and 10 PhD programmes were selected in 2011. The Netherlands serves as project coordinator in four of those projects (all of which are Master's programmes). The available budget is approximately € 260 million per year. In 2011 an average of 19% of all project applications were honoured; of all applications by Dutch institutions, 21% were honoured. Dutch institutions have been given the legal opportunity to offer joint programmes also in view of the Erasmus Mundus programme.

*d. National scholarship programmes.*

In addition, there are various national scholarship programmes aimed at stimulating mobility. For further details, go to <http://www.nuffic.nl/nederlandsestudenten/financiering/beursopener>.