

Financing adult learning database

Name of the instrument - Local language	Diákhitel
Name of the instrument - English translation	Student loan
Scheme ID	105
Country	 Hungary
Reporting year	2020
Type of instrument	Loan
Sub-type of instrument	Loan for HE expanded to adults
Type of entry	Single instrument

Short description	The Student Loan Centre operates the system relying on the involvement of a tested and proven network of multiple partners. Raising the funds from the money and capital market, the student lending system has always operated with the State as the owner and according to the non-profit principle - in order to lend loans at the lowest possible cost. All higher education studies/degrees leading to a formal qualification are eligible. Eligible costs include either living costs (Student loan 1) or tuition fees (Student loan 2). Student loan 1 may be spent on anything freely (such as living costs). Student loan 2 is transferred directly from the Student loan centre to the higher education institution covering 100% of the tuition fees.
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Level of operation	National
Name of a part of the country	Not applicable
Name of the region (for regional instruments)	Not applicable
Name of the sector (for sectoral instruments)	Not applicable
Relevance	Key instrument
Legal basis	Government Decree 1 of 2012 on the Student Loan Scheme and Act CCIV of 2011 on National Higher

	Education
Objective(s) and target(s)	To create the opportunity for students admitted to universities and colleges to study and pursue their studies regardless of their financial situation.
Year of implementation	2001
Operation/management	The Student Loan Centre operates the system relying on the involvement of a tested and proven network of multiple partners.
Eligible group(s)	Students enrolled in a higher education study/degrees leading to a formal qualification.
Group(s) with preferential treatment	No preferential treatment
Education and training eligible	All higher education studies/degrees leading to a formal qualification are eligible.
Source of financing and collection mechanism	The Student Loan Centre operates the system relying on the involvement of a tested and proven network of multiple partners. Raising the funds from the money and capital market, the student lending system has always operated with the State as the owner and according to the non-profit principle, in order to lend loans at the lowest possible cost. Financing actors: Hungarian State, European Investment Bank, Hungarian Development Bank, Budapest Stock Exchange, Bond distributors, and other partners (eg. banks, stockholders etc.).
Financing formula and allocation mechanisms	Student loan 1 may be spent on anything freely (such as living costs). Student loan 2 is transferred directly from the Student loan centre to the higher education institution covering 100% of the tuition fees.
Eligible costs	Eligible costs include either living costs (Student loan 1) or tuition fees (Student loan 2).
Volumes of funding	The maximum amount of Student loan 1: HUF 150 000 (approx. EUR 415) /month; (HUF 750 000 (EUR 2 077)/semester). Student loan 2: no upper limit, the amount depends on the cost of education (tuition fee)
Beneficiaries/take up	2019: student loan 1 for the age group >25 years: approx EUR 11 012 000. Student loan 2 for the age group >25 years: approx. EUR 11 906 000.
Organisation responsible for monitoring/evaluation	Not available
Most relevant webpage - in English	Not available
Most relevant webpage - local language	http://www.diakhitel.hu/
Recent changes	To help students who may have lost their job or have difficulties in paying their studies.

Sources	<p>Webpage of Student Loan Centre http://www.diakhitel.hu/en/</p>
	<p>Annual reports of Student Loan Centre https://www.diakhitel.hu/diakhitel-kozpont/sajtoszoba/kiadvanyok.html</p>
	<p>Cedefop (2012): Loans for vocational education and training in Europe. www.cedefop.europa.eu/files/5520_en.pdf</p>