

## Financing adult learning database

<b>Name of the instrument - Local language</b>	Valstybės remiama paskola studentams
<b>Name of the instrument - English translation</b>	State supported loans for students of higher education
<b>Scheme ID</b>	135
<b>Country</b>	 Lithuania
<b>Reporting year</b>	2020
<b>Type of instrument</b>	Loan
<b>Sub-type of instrument</b>	Loan for HE expanded to adults
<b>Type of entry</b>	Single instrument

<b>Short description</b>	<p>State loans and State-supported loans to students were introduced to support students in initial education to cover tuition fees in higher education and living costs during full-time education. The state covers administration costs (loans provided by the State), provides a loan guarantee (in case of default) and pays interest rates for specific target groups. The total amount of loans received by the borrower, excluding interest, may not exceed 385 basic social benefit amounts. The loan repayment term is 15 years. Loans are provided at variable interest rates: EURIBOR (euro interbank market interest rate calculated by the European Banking Federation) + bank margin set by the credit agreement. No preferential treatment is applied.</p>
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<b>Level of operation</b>	National
<b>Name of a part of the country</b>	Not applicable
<b>Name of the region (for regional instruments)</b>	Not applicable
<b>Name of the sector (for sectoral instruments)</b>	Not applicable
<b>Relevance</b>	Key instrument
<b>Legal basis</b>	Decree of the Government of Lithuania on the approval of

	descriptor of the order of provision, administering and repayment of the state loans and state supported loans for students No. 480, 27-05-2009
<b>Objective(s) and target(s)</b>	Not available
<b>Year of implementation</b>	2009
<b>Operation/management</b>	A student studying at a higher education institution can apply for a state-subsidised loan each academic year. The State Studies Foundation, after assessing the eligibility of candidates for state support for the loan, provides a state guarantee to the bank for each student applying for a state-supported loan. After receiving a state guarantee, a student applies to a bank providing state-supported loans for signing a credit agreement. If the borrower fails to repay the state-supported loan and/or pay interest, the State Studies Fund, having fulfilled the guarantee obligations to the credit institution, acquires the right of recourse to the amount of the borrower's money paid to the credit institution on behalf of the borrower. In this case, the borrower must repay the state-subsidized loan and/or interest to the Fund.
<b>Eligible group(s)</b>	- First cycle students (bachelor studs); - Students of integrated studies; - Postgraduate students (master's studies); - Postgraduate students (doctoral studies); - Students of non-degree study programs (residency, studies for the qualification of a teacher).
<b>Group(s) with preferential treatment</b>	No preferential treatment
<b>Education and training eligible</b>	- Programmes leading to a formal qualification (formal education) of ISCED 6-8 level - Non-degree study programs (residency, studies for the qualification of a teacher)
<b>Source of financing and collection mechanism</b>	State loans and state-supported loans are administered by the State Studies Fund. The state provides loans, sets rules, finances general subsidy provides targeted support, finances administration costs, provides loan guarantee, and monitors/ evaluates the implementation of loan mechanism. The source of the loan consists of both: the state and the individual (her/his future incomes).
<b>Financing formula and allocation mechanisms</b>	Types of loans: - A loan to pay tuition fee: the amount of the loan during one academic year may not exceed the tuition fee paid by the student for the current year or a part thereof; - Living expenses: this loan (up to 1 950 per year) is paid in equal instalments every month before July 1 (for final year students - until the end of studies); - Loan for partial studies under international (interdepartmental) agreements: this loan (up to 2 340 per year) is paid into the borrower's personal account in one go. The total amount of loans received by the borrower, excluding interest, may not exceed 385 basic social benefit amounts. Loan repayment: the loan repayment term is 15 years. Loans are provided at variable interest rates: EURIBOR (euro interbank market interest rate calculated by the European Banking Federation) + bank margin set

	by the credit agreement. The bank's margin is 1.5%. The default interest for each day of delay is 0.05%. There are no additional fees or penalties for early repayment. At the beginning of the loan repayment period, it is allowed to defer the loan repayment. The borrower must first consult with the bank.
<b>Eligible costs</b>	Tuition fee, living expenses
<b>Volumes of funding</b>	Overall volume of loans granted:2017: EUR 10 550 7302018: EUR 10 480 3412019: EUR 10 704 091
<b>Beneficiaries/take up</b>	Total number of beneficiaries:2017: 5 724 2018: 5 657 2019: 5 339
<b>Organisation responsible for monitoring/evaluation</b>	State Studies Foundation
<b>Monitoring/evaluation reports available</b>	Not available
<b>Most relevant webpage - in English</b>	Not available
<b>Most relevant webpage - local language</b>	<a href="https://www.vsf.lt/en">https://www.vsf.lt/en</a>
<b>Recent changes</b>	<p>No recent amendment</p> <p>Recent changes in response to COVID-19</p> <p>16-04-2020 Due to quarantine, the terms for granting, administering, and repaying State loans and state-supported student loans does not apply (instead of 20 working days period). For recipients of loans granted with state funds and administered by the State Studies Fund, whose income due to quarantine decreased by at least one third, the loan repayment term may be extended by postponing the state loan for up to 6 months. 14 - 10 - 2020 Students or their authorized persons apply to state credit institutions for signing state-sponsored loan agreements within 31 (instead of no specified term condition applied in April) working days since the publication of the list of students offered state-sponsored loan agreements on the Foundation's website for the day. Also, the requirements to have an identity document when applying to the institution are not in force in cases of applicant contact institution employees remotely (the identity of the person shall be established in a manner determined by the institutional authority).</p>
<b>Sources</b>	<p>State Study Foundation <a href="https://www.vsf.lt/en">https://www.vsf.lt/en</a></p> <p><a href="https://vsf.lrv.lt/lt/studentams/vrpaskolos">https://vsf.lrv.lt/lt/studentams/vrpaskolos</a></p> <p><a href="https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.344890?jfwid=3d5v20...">https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.344890?jfwid=3d5v20...</a></p>