


Financing adult learning database

Name of the instrument - Local language	Linha de crédito para estudantes do ensino superior com garantia mútua
Name of the instrument - English translation	Credit line for higher education students with mutual guarantee
Scheme ID	181
Country	 Portugal
Reporting year	2015
Type of instrument	Loan
Type of entry	Single instrument

Short description	Loans for higher education students vary between EUR 1 000 and EUR 5 000 per academic year up to a maximum total amount of 25 000 (for 5 year university programme). The loans are repayable over a period of 6 to 10 years; the repayment starts one year after graduation. The loan is provided by retail banks. The State and provides loan guarantee and subsidises interest rate.
Short description of the related instruments	nap

Level of operation	National
Name of a part of the country	nap
Name of the region (for regional instruments)	nap
Name of the sector (for sectoral instruments)	nap
Relevance	Key scheme
Legal basis	Decree-Law n. 309-A/2007, from 7 September (Mutual guarantee schemes)
Objective(s) and target(s)	To promote increasing of Portuguese citizens' academic qualifications; to complement direct support from the State.
Year of implementation	2007

Operation/management	Commercial banks
Eligible group(s)	University students
Group(s) with preferential treatment	None
Education and training eligible	University programmes
Source of financing and collection mechanism	Banks (current financing - providing loans) State (loan guarantee, interest rate subsidy) Individual (repayment from future income)
Financing formula and allocation mechanisms	Loan amount: may vary between EUR 1 000 and 5 000 per year with the maximum amount of EUR 25 000 (for 5-year university programme). The interest rate: fixed; subsidised by the State; set at 1.801% (compared to , for example, 5.2% in the Caixa Geral de Depositos); can be further reduced if the student has good results. Repayment : starts 1 year after the prospective graduation; the loans are repayable over a period 6 to 10 years.
Eligible costs	Specific arrangement
Volumes of funding	Between 2007 and 2011, EUR 2 884 790 was reported in default (EUR 576 958 per year on average); default rate of 1,43%.
Beneficiaries/take up	Between 2007 and 2011, 17 750 loan takers were reported (3 550 per year on average).
Organisation responsible for monitoring/evaluation	Portuguese Society of Mutual Guarantee.
Monitoring/evaluation reports available	From 2010 (it covers 4 years): http://www.crup.pt/images/documentos/Financiamento/Relatorio_-_Emprstimo... Synthesis document covering until 2011/2012: http://www.crup.pt/images/Emprstimos_12.01.2013.pdf
Most relevant webpage - in English	http://www.unic.pt/images/stories/mctes/Jose_Barros.pdf
Most relevant webpage - local language	http://www.crup.pt/pt/estudantes/sistema-de-emprestimos-com-garantia-mu...
Sources	http://www.crup.pt/pt/estudantes/sistema-de-emprestimos-com-garantia-mu... http://www.crup.pt/images/documentos/legislacao/Decreto-Lei_n._309-A.20...