

Higher Education Finance and Cost-Sharing in the Netherlands

(Updated June 2010)

I. A Brief Description of the Dutch Higher Education System

The Netherlands has a binary system of higher education, which includes research universities and universities of applied sciences (the higher professional hogescholen sector). In addition, the Open University (state establishment) offers open distance learning courses at the hogescholen and university levels. Most of the Open University students follow modules and single courses; only a small percentage attempts to add up various modules to a full degree.

The Netherlands has fourteen publicly funded research universities including the Open University, 41 government funded universities of applied sciences that offer profession oriented programs and a variety of privately funded universities and institutions of higher professional education (VSNU 2007). As of 2007, there were about 366,400 students in universities of applied sciences and 208,000 students in universities (OECD 2008).

Universities receive funding from the central government, the Dutch research councils, and third parties (students, companies, the European Union, etc.). The central government awards a lump sum to each university through the Ministry of Education, Culture and Science (except for the Agricultural University in Wageningen, which is funded by the Ministry of Agriculture, Nature Management and Fisheries). The lump sum includes a teaching allocation based on the number of diplomas awarded per year by the university and a research allocation. The two Dutch research councils award research project financing to universities on a competitive basis. Overall as of 2010 universities are estimated to have a budget of 5.7 billion Euros with 58 percent of that coming from government, 5 percent from the research councils, 7 percent from student fees and 30 percent from other sources (VSNU website 2010).

In 2010, a report on the future of higher education in the Netherlands (referred to as the Veeman report) was submitted to the Minister of Higher Education. One of its ten principal recommendations was to base public funding to universities less on enrollment numbers and more on university outputs in terms of graduates and educational quality (Myklebust 2010).

Access to universities is open for all with an appropriate secondary education diploma. Only access to medical studies, dentistry and veterinary sciences and some engineering subjects is limited. Admission to these courses depends upon secondary education examinations in particular subjects. Therefore, the intake of first-year students in the university sector is determined mainly by demographic trends: specifically, the number of school leavers qualifying for university education

Higher professional education in the universities of applied sciences is extremely diverse and courses lead to over 200 different qualifications for a wide range of occupations. There are large hogescholen institutions offering a wide variety of courses in many different sectors and medium-sized and small colleges offering a small assortment in one sector only. Mergers have reduced the number of hogescholen institutions from almost 350 in mid-1980s to 42 by 2009. Courses are divided into seven sectors: Education,

Agriculture, Engineering and Technology, Health Care, Economics, Behavior and Society, Language and Culture.

In the Netherlands, there are approximately 60 private higher education institutions that offer some 500 programs mainly in professional education and enroll approximately 35,000 students. These are divided into the government-funded and the non-government funded private higher education sectors. Three religious based private universities are funded directly by the government, while seven universities fall into the non-government funded private sector including five theological institutions, the University for Business Administration at Nijenrode and the Humanistic University at Utrecht.

Tuition Fees and Financial Assistance in the Netherlands

The Ministry of Education, Culture and Science sets a maximum tuition fee level for students younger than 30 years of age who are Dutch or from an European Union country and who are studying full time (Euro 1,672 in 2010/11). The institutions may set higher fee levels for students in special English-speaking study programs or master's study programs, for non-EU students, and for students over 30 years of age).

In principle, all full-time students in the Netherlands are entitled to a basic grant for the nominal duration of the program that is intended to cover both study costs and living expenses. This grant is, in fact, initially a loan that is converted into a non-repayable grant only if the student meets study progress requirements (passing, for example, 50 percent of his/her exams in the first year and graduating within 10 years). The amount that students receive depends on whether they live at home with their parents (€95 in 2010) or independently on their own (€266/month).

Depending on parental income, a student may also be entitled to a means-tested supplementary grant of up to €240/month. Students may also take out an interest-bearing loan up to a maximum ceiling of €288/month that is not means tested. Since 2007, students may take out a separate loan to cover up to one-twelfth of total fees per month (maximum of €139). These loans are not turned into grants and payment must begin after a grace period of two years. Payment is spread over 15 years. When a graduate has problems repaying his/her study debt, he/she can ask for an annual means test. This may reduce their repayment obligations (even to zero) for one year. All debt that remains after the 15 year repayment period is forgiven (Ministerie van Onderwijs, Cultuur en Wetenschap website 2010). Students may earn up to €13,215 (in 2009) per year without affecting their grant eligibility.

II. Estimated Costs of Higher Education

The Netherlands

Higher Education Expenses Borne by Parents and Students

First Degree, Academic Year 2009-2010

(Regular full time student, 10 months)

[Euro converted to \$US by World Bank ICP 2005 purchasing power parity of
\$1 = 0.90 Euro]

		Public			Private
		<i>Low Public</i>	<i>Moderate Public</i>	<i>High Public</i>	<i>Average Private</i>
	Special "One-Time" or "Up Front" Fees	0	0	0	0
<i>Instructional Expenses</i>	Tuition	€ 1,672 (\$1,858)	€1,672 (\$1,858)	€1,672 (\$1,858)	€2,000 (\$2,222)
	Other Fees	---	---	---	---
	Books & Other Educational Expenses	€800 (\$889)	€800 (\$889)	€1,000 (\$1,111)	€800 (\$889)
	Subtotal Expenses of Instruction	€2,472 (\$2,747)	€2,472 (\$2,747)	€2,672 (\$2,747)	€2,800 (\$3,111)
<i>Student Living Expenses</i>	Lodging	0	€3000 (\$3,333)	€5000 (\$5,556)	€7,000 (\$7,778)
	Food	€1,800 (\$2,000)	€3,000 (\$3,333)	€3,000 (\$3,333)	
	Transportation	€125 (\$139)	€200 (\$222)	€200 (\$222)	€700 (\$778)
	Other Personal Expenses	€3000 (\$3,333)	€3000 (\$3,333)	€3000 (\$3,333)	€3000 (\$3,333)
	Subtotal Expenses of Student Living	€4,925 (\$5,472)	€9,200 (\$10,222)	€11,200 (\$12,444)	€10,700 (\$11,889)
	Total Cost to Parent & Student	€7,397 (\$8,219)	€11,672 (\$12,969)	€13,872 (\$15,413)	€13,500 (\$15,000)

Low Public: Living at home with parents.

Moderate Public: Living in shared apartment.

High Public: Living "independent adult."

Private: Living on campus.

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Cost of living information collected from:

Deflt University of Technology home page: <http://www.studyindelft.tudelft.nl>

University of Amsterdam home page: <http://www.english.uva.nl>

University of Twente home page: <http://www.utwente.nl>

Tilburg University home page: <http://www.tilburguniversity.nl/>

University College Utrecht homepage: <http://www.ucu.uu.nl/17.phtml>

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http://www.ib-groep.nl/International_visitors/student_grant/student_grant.asp

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