

**Czech University of Life Sciences Prague**  
**Faculty of Economics and Management**  
**Department of Management**



**Bachelor's Thesis**

**Financial aid for students for  
graduate programmes in the EU**

**Kristína Bachová**

**Supervisor: Ing. Richard Selby**

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Czech University of Life Sciences Prague

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## **BACHELOR THESIS ASSIGNMENT**

**Kristína Bachová**

specialization of the study: Agricultural Economics and Management

In accordance with the Study and Examination Regulations of the Czech University of Life Sciences Prague, Article 16, the Head of the Department assigns the following bachelor thesis to

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1. Introduction
2. Objectives of thesis and methodology
3. Literature overview
4. Comparison of financial aid availability in three selected countries
5. Conclusions
6. Bibliography
7. Supplements

The proposed extent of the thesis: 30 - 40 pages

**Bibliography:**

Peterson's Study Abroad, Peterson's. Peterson's, 2005. ISBN 0768918944

Van Rooijen, Maurits - Universidades Compostela Grupo, Co-operative education in Europe. Compostela Group of Universities, 2002. ISBN 8460755142

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**Internet sites:**

The British Council, at  
[http://www.educationuk.org/pls/hot\\_bc/page\\_pls\\_user\\_advice?x=128835191610&y=0&a=0&d=4464](http://www.educationuk.org/pls/hot_bc/page_pls_user_advice?x=128835191610&y=0&a=0&d=4464)

The Bachelor Thesis Supervisor: **Richard Selby**

Deadline of the bachelor thesis submission: April 2010

  
.....  
Head of the Department



  
.....  
Dean

In Prague: 5th November 2009

### **Declaration**

I declare that I have worked on my bachelor's thesis titled "Financial aid for students for graduate programmes in the EU" by myself and I have only used sources mentioned at the end of the thesis.

In Prague on March 31<sup>st</sup> 2010

Kristína Bachová

## **Acknowledgement**

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**Financial aid for students for graduate  
programmes in the EU**

**Finanční pomoc pro studenty  
vysokoškolských programů v EU**

**Summary:**

The aim of this work is to provide an overview on recent situation concerning provided financial aid in Czech Republic, Denmark and Slovak Republic.

This thesis includes analysis of student loans and scholarships availability, provides information about the amounts of student costs in three EU countries and discovers the real situation.

Content and specialisation of this work might facilitate young students with understanding the actual situation in the field of higher education in terms of financial aid availability and help them to make a clear picture of what a student might be aware of while studying.

**Keywords:**

Financial aid, grant, living costs, living wage, scholarship, standard of living, stipend, student loan, university, university student, tuition fee

**Souhrn:**

Cílem práce je poskytnout přehled o současné situaci poskytované finanční pomoci v České republice, Dánsku a Slovenské republice.

Tato teze zahrnuje analýzu dostupnosti studentských půjček a stipendií, poskytuje informace o výši nákladů studentů na život ve třech krajinách EU a odhaluje skutečnou situaci.

Obsah a zaměření této práce můžou usnadnit mladým studentům pochopit současnou situaci dostupnosti finanční pomoci ve sféře vyššího vzdělávání a pomoci utvořit si jasný obraz o tom, čeho by si měl být mladý student vědom v průběhu studia.

**Klíčová slova:**

Finanční pomoc, grant, náklady na život, životní minimum, stipendium, životní úroveň, studentská půjčka, univerzita, student university, školné

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# 1 INTRODUCTION

“Education is the transmission of civilization.”

*Ariel and Will Durant*

“Education: a debt due from present to future generations.”

*George Peabody*

“Education is the most powerful weapon which you can use to change the world.”

*Nelson Mandela*

Obtaining a university diploma is a long way and hard work. To study properly is not an easy process but many people, especially young, follow the idea of Nelson Mandela, former president of The Republic of South Africa.

However, higher education is experiencing a new era within the European Union (EU). Thanks to the *Bologna Process*<sup>1</sup> higher education in EU is becoming unique and equal. Tendencies allowing each young person to study without struggle with bureaucracy and social inequalities between students are becoming true. Governments have already implemented packets of support helping students to access their dreams to obtain a university diploma. They provide young students with different kinds of student benefits. On one side there are non-financial benefits in a form of different kinds of discounts after legitimating a student's status (e.g. travelling discounts, cultural events discounts, book discounts, services discounts, etc.). On the other side there are different financial support schemes existing in different countries launched by local governments.

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<sup>1</sup> *Bologna process official website*  
<<http://www.ond.vlaanderen.be/hogeronderwijs/bologna/>>

Even though, still there is a basic problem that full-time students have to face. And it is finance. As far as the students have to follow the obligatory lectures and seminars almost every day, there is nearly no spare time for them to get a proper job that would ensure the coverage of all living costs while studying. It is also not in everyone's parents' powers to finance his or her child until they get a proper diploma. So what happens is, that a young person that might have a potential, can't prove it because he/she cannot afford to be sent to the university.

This bachelor's thesis is therefore focused on the participants of the higher education – the students. It provides a detailed overview of facilities in three different countries that are: Czech Republic, Denmark and Slovak Republic. One of the chapters includes analysis of the amount of living costs of students being covered by the financial support from the government as well as analysis of the amount that must be provided from their own sources.

This work offers a lot of practical information that could help any student to acquire a comprehensible overview in the sphere of graduate full-time courses financial aid availability. Not only data but also analyses are easily understandable and unique and therefore provide an actual overview on a particular situation.

## **2 OBJECTIVES AND METHODOLOGY**

### **2.1 Objectives**

Comparison of possible financial aid availability in three selected countries of EU according to the level of covering the living costs and verification of the hypothesis: *Denmark is the best place out of three countries (CZ, DK, SK) to cover costs of living by financial aid* are the main aims of this bachelor's thesis. Information and analyses regarding different systems of state support for graduate daily-programme students concerning scholarships and student loans in Czech Republic, Denmark and Slovak Republic are provided.

The whole thesis consists of two main parts. The first part covers legislation, facilities and conditions for obtaining financial aid. Detailed review of all conditions needed to obtain either a student loan or scholarships and stipends provide a fair background for the second part which is the researcher's own contribution in a form of specific analysis.

### **2.2 Methodology**

This bachelor's thesis is unique and produced by the author. All of the literature sources are provided in References section of the thesis and also a short reference to every paraphrased or quoted source is stated in the foot-note at a particular page.

All the data used for making the tables were obtained from real sources directly (by emails) from study departments of universities, institutions providing student loans and other institutions dealing with financial aids for students and indirectly from the official web pages of the pre-mentioned institutions.

Data in the Table 1 were obtained from universities that are mentioned in the references and final values were calculated as averages from the obtained data.

Table 2 was produced out of the Literature review chapter to summarize the main data concerning the topic.

Results from computations are finally presented in Table 3 which is the summary of previous two tables.

The main analysis of the thesis was constructed as a qualitative analysis combined with quantitative comparison to obtain an overview on recent situation.

### **2.3 Terms and definitions**

For better understanding list of basic terms and definitions are provided. They were selected out of the literature review and are providing explanation of the most important terminology that is used in this bachelor's thesis.

**Bologna process** is a system of higher education and its purpose is to create a European Higher Education Area by 2010, in which students can choose from a wide and transparent range of high quality courses and benefit from smooth recognition procedures<sup>2</sup>. That basically means introduction of European Credit Transfer System (ECTS) and setting a three degree system of education: first – bachelor (undergraduate), second – master (graduate) and third - doctoral facing exact condition of fulfilment equal in each country.

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<sup>2</sup> Definition source: Official websites of Bologna process  
<<http://www.ond.vlaanderen.be/hogeronderwijs/bologna/>> [viewed on 23<sup>th</sup> January 2010]

**Living costs** is a term basically referring to the amount of money spent on food, clothing, housing, and other basic necessities.<sup>3</sup>

In this work I will use this term following definition: the amount of money spent by a student for accommodation, transport and alimentation connected with studies.

**Living wage** is a real wage that is high enough for the worker and family to survive and remain healthy and comfortable, sometimes called meeting basic needs. Term is used in calling for higher wages in both developed and developing countries, where concepts of basic needs may be very different.

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**Maternity leave** is a paid or unpaid leave from work that a woman is entitled to take before, at, and after the time that she gives birth to or adopts a child (MSN Encarta).

**Scholarship** is a type of financial aid, in the form of a grant that does not have to be repaid by the recipient. Scholarships are most often given to students for one of two reasons: achievement in academics or other areas, or financial need.<sup>5</sup>

**Standard of living** is a financial health of a population, as measured by per capita income and consumption of goods and services by individuals or households.<sup>6</sup>

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<sup>3</sup> Definition source: MSN Encarta

<<http://encarta.msn.com/encnet/features/dictionary/DictionaryResults.aspx?lextype=3&search=cost%20of%20living>> [viewed on February 13<sup>th</sup> 2010]

<sup>4</sup> Definition source: <[www-personal.umich.edu/~alandear/glossary/l.html](http://www-personal.umich.edu/~alandear/glossary/l.html)> [viewed on 20<sup>th</sup> February 2010]

<sup>5</sup> Definition source: Investor

Words<[http://www.investorwords.com/6939/student\\_loan.html](http://www.investorwords.com/6939/student_loan.html)> [viewed on 21<sup>st</sup> February 2010]

<sup>6</sup> Definition source:<<http://www.businessdictionary.com/definition/standard-of-living.html>> [viewed on 20<sup>th</sup> February 2010]

**Stipend** a fixed amount of money paid at regular intervals as a salary or to cover living expenses (MSN Encarta).

**Student loan** is a loan offered to students which is used to pay off education-related expenses, such as college tuition, room and board at the university, or textbooks. Many of these loans are offered to students at a lower interest rate. In general, students are not required to pay back these loans until the end of a grace period, which usually begins after they have completed their education (Investor Words).

**Term of a loan** is a period for which a loan is advanced and during which it must be repaid (Investor Words).

**Tuition fee** is a sum charged for instruction at a school or university (MSN Encarta).

**University** is an institution that provides the highest level of education, in which students study for degrees and in which academic research is done (also referred to as a higher education institution)<sup>7</sup>.

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<sup>7</sup>Definition source: *Oxford wordpower dictionary* p.713

## **3 LITERATURE REVIEW**

### **3.1 CASE OF CZECH REPUBLIC**

#### **3.1.1 Tuition and fees**

Generally, students do not pay any tuition fees for studies in accredited study programs (at bachelor, master, doctoral level) provided in the Czech language in public higher education institutions. However, according to the Article 58, (3) – (5) of the Act no. 111/1998 Col. and its amendments – in special cases a tuition fee is required:

– If a student’s enrolment in a bachelor or a master study program exceeds the standard length of study by more than one year; the public higher education institution shall set a fee corresponding to at least 1.5 times of the base<sup>8</sup> for each 6 months of study.

– If a graduate of a bachelor or a master study program is enrolled in another study program, the public higher education institution shall set an annual study fee not exceeding the base. This provision is not applicable if one continues studies at a higher level study program. If the total length of additional studies exceeds the standard length of study, the public higher education institution shall set a study fee of at least 1/4 of the base.

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<sup>8</sup> According to the Act no. 111/1998 Col., Article 58, (2) the base for setting study-related fees is 5% of the average amount corresponding to one student from total non-capital expenditures provided by the Ministry from the State budget to public higher education institutions in the particular calendar year. The base will be announced by the Ministry at the beginning of a calendar year; the base applies to the academic year starting at this calendar year. Data pertaining to the past calendar year are used for calculation of the base. For illustration, in 2004, the base for setting study – related fees is 2 561 CZK (approx. 100 EUR).



– If study programs are provided in a foreign language, the institution shall set study fees in bachelor, master or doctoral study programs at its own discretion.

Public higher education institutions shall announce the amount of study related fees for the next academic year before the date of submitting applications for study. The Rector is at the liberty to reduce, waive or defer the due date of study related fees as per Article 58, subsections above, taking account of study results and social standing of a student as per provisions in the Statute of the public higher education institution.

### **3.1.2 Student financial support**

The Scholarship Rules are in self-governing competence of the respective Higher Education Institution (HEI) and the Scholarship Rules are a part of the Internal Regulations of the HEI. According to the Act 111/1998 Col. the scholarships are granted by the HEI or a faculty: for outstanding study results; for outstanding scholarly, research, developmental, artistic or other creative results contributing to the enhancement of knowledge; in case of student's strenuous social situation; in other cases worth special consideration.

Scholarships can also be granted for: support of Czech citizens studying abroad; support of foreign students in the Czech Republic; support of students of doctoral study programs. [4]

The scholarship fund is established by public the higher education institution. It is generated from the state grant, after-tax profit and supplemented by transferring study related fees charged according the regulations as explained in the above. The Ministry can also establish scholarship programs, and it uses this opportunity. The scholarship program makes no differences between students living with their parents and those living away from home. [4]

There is a stipend that is granted to students who apply for it and successfully fulfil conditions. It is called **accommodation stipend** and is granted to students at their first higher education (that means that they didn't switch between universities before). Even though the finance comes from the government, the stipend is granted according each university rules. The accommodation stipend is available for: students of Bc., Msc. or PhD. of full-time daily programme who didn't exceed standard period for higher education and have permanent residence not in rural district or Prague if a studied university is in rural district or Prague. It means that they are capable to obtain a stipend under condition that their permanent residence is not the same as the permanent residence of the university they study. The amount granted to university by government is calculated by a special formula that includes also a number of students of the university who were granted the stipend the previous year. Therefore the amount of accommodation stipend varies between universities. Students of Czech University of Life Sciences who were granted the accommodation stipend in the academic year 2008/2009 obtained in total: **7,141 CZK** (approx. **EUR 274** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). They were granted the stipend in three instalments – always after 3 months of the semester: **2,212 CZK, 2,352 CZK and 2,577 CZK** (approx. **EUR 85, EUR 90 and EUR 99** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). [23]

Another form how The Government of Czech Republic contributes to the students' support is a so called **social stipend**. It is a form of a financial aid that is again granted to a student from the financial sources of a HEI that are obtained from the state budget. This stipend is granted to a student that can claim that his/her income is lower than 1.1 times living wage. The amount stated by the legislature of Czech Republic is **1,620 CZK** per month

(approx. **EUR 62** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). The social stipend is granted to a student every month during a regular academic year (except for months July and August) and is paid out after every three months in three instalments. [23]

### **3.1.3 Student loans**

There are some loans possible for students. They are provided by most of the banks. The best student loans in Czech Republic concerning the amount of money available are provided by Unicredit Bank and Komerční Banka.

Unicredit Bank provides a student loan to make students financially independent; loan applicant does not need to have his or her own income and this bank presents an option to defer repayments of loan principal until after completing studies. Student can lend money at the amount of 50.000 up to 150.000 CZK having the term of a loan from 1 to 10 years. The loan is approved and granted after a guarantor declaration by a third person and a right of lien to a term deposit. There is a deferred repayment option of regular monthly payments of interest only during time of study and the loan is obtained by a student by one-time transfer of cash to client's account. The interest rate under which the student loan is repaid depends on the borrowed amount of money and the term of a loan. In case of **150,000 CZK** loan (approx. **EUR 5,748** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010) with term of a loan of 9 years, the interest rate is **11.22 %** with the monthly principal of **2,237 CZK** (approx. **EUR 212** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). [24]

Komerční banka provides a student loan product called Gaudeamus Loan and it is designed for any Czech citizen studying at university or higher

technical or secondary school in the Czech Republic or abroad, exclusively for personal, non-business purposes (school fees, computer, teaching aids, etc.). This is a for-purpose or not-for-purpose loan from CZK 20,000 to CZK 500,000. If the loan applicant is a university student or college student, they can use the loan for anything; others can only use it for payment of school fees. Students can decide whether to obtain the whole amount at once or to withdraw the money gradually, in individual study years. The maximum term of a loan is 10 years, and payments are always made from a current account held at KB (for example a Gaudeamus account, which can be opened for this purpose). Paying off the principal can be deferred for selected types of study until the time after it has finished - during studies then only interest from the drawn on loan is paid. If the student wishes to utilise deferment of instalments during studies, then the upper limit of loan is a maximum of CZK 150,000. KB only offers deferment of instalments during studies to university students and college students. If the loan applicant does not have his/her own regular income then the loan has to be secured (for example by guarantee by a third party, deposit at KB or savings at the Modrá pyramida building society). The interest rate which this bank is using reflects the amount of money borrowed and the term of a loan. For example if a student wants to be granted a loan in the amount of **500,000 CZK** (approx. **EUR 19,161** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010)<sup>9</sup> and chooses a term of a loan of 10 years, he/she is repaying the loan with the interest rate of **9.65%** with monthly instalments in the amount of **6,383 CZK** (approx. **EUR 245** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). In case of loan in the amount of **150,000 CZK** (approx. **EUR 5,748** recalculated with the

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<sup>9</sup> This is the case when paying off the principal can be deferred for selected types of study until the time after it has finished - during studies then only interest from the drawn on loan is paid.

EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010)<sup>10</sup> and the term of a loan is 10 years again, then the student is repaying the loan with the interest rate of **10.11%** and monthly instalments in the amount of **1,915 CZK** (approx. **EUR 73** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). [20]

### **3.1.4 Other kinds of support**

There are different forms of support in kind available to students. De facto all students have some reductions for public traffic and depending on the internal regulations of the respective institution students may benefit from subsidised accommodation in student dormitories and meals in student cafeterias that are available to all students. [4]

With regard to support in kind, it must be stressed that parents have a duty to support their children according to their possibilities for the period of their studies (given by the “Law on Family”). Family allowances are available to families with low income. There are also allowances in accordance with the State Social Subsidy Act No. 117/1997, e.g. living and housing allowances, travel allowances, and a special allowance for personal financial hardship. There are also tax benefits (deductions) for parents of students till the age of 26 or, in case of doctoral students, 28 years. The student’s parents, as taxpayers, may subtract a certain amount of money from their total income before tax is calculated. This amount is stipulated every year and is slightly growing. In 2003 it was **1,960 CZK** (approx. **EUR 75** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010) every month and in 2004 it was **2,130 CZK** (approx. **EUR 82** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010). In 2010 it is **967**

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<sup>10</sup> This is the case when paying off the principal can be deferred for selected types of study until the time after it has finished - during studies then only interest from the drawn on loan is paid.

**CZK** (approx. **EUR 37** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010) per month. Some parents can also obtain a child benefit from the state budget under condition that the child is 26 and fewer years old and the maximum family income is at most 2.5 multiple of minimum living wage. Students themselves are liable to tax benefits if they are having a job. They may subtract a certain amount of money from their income from only one job per month in the amount of **335 CZK** (approx. **EUR 13** recalculated with the EUR exchange rate of 26.095 CZK per EUR of Czech National Bank on 9<sup>th</sup> February 2010) in year 2010. [23]

## **3.2 CASE OF DENMARK**

Students in Danish higher education institutions do not pay any tuition fees and this applies to Danish students as well as to all foreign students (EU and non-EU).

### **3.2.1 Student financial support**

There is no indirect support for students in higher education. That means that the parents of Danish students do not receive any child allowances or tax relief. However, student support is calculated as taxable income and interest payments can be calculated as tax deductibles. Further on, all student support is available through direct grants and loans to students. Every Dane over the age of 18 is entitled to public support for his or her further education - regardless of social standing. Tuition at Danish public and most private educational institutions is free for Danish students and for all EU/EEA students as well as for students participating in an exchange programme. From 2006 all other students have to pay a tuition fee. Society lends students a helping hand in covering living costs for a great variety of courses and studies. Support for students' living costs is awarded by the State Educational Grant and Loan Scheme (Danish acronym: SU), a system managed by the Danish Educational Support Agency (Styrelsen for Statens

Uddannelsesstøtte)<sup>11</sup> in collaboration with the educational institutions and under the auspices of the Danish Ministry of Education. [17]

There are two main support programmes:

1. For people over 18 following a youth education program i.e. a general upper secondary, vocational upper secondary or vocational education and training program. Students must attend classes, sit examinations and in other ways demonstrate that they are active in their educational programmes. No time limits are placed on this type of support. Students are eligible for support for any number of courses, with the exception of certain upper secondary programmes. Until students are 20, their grants depend upon their parents' income. When that exceeds a certain amount the grants are reduced on a sliding scale, ending in a minimum grant.
2. For students over 18 enrolled in higher education courses. Every student enrolled in a higher education course is entitled to a number of monthly grants corresponding to the prescribed duration of the chosen study, plus 12 months. Inside a maximum of 70 grants students can change from one course to another. [17]

All students (1 and 2) living with their parents are supported with a lower grant in the amount of **DKK 2,574** per month (approx. **EUR 346** recalculated with the EUR exchange rate of DKK 7.44 per EUR of Danish National Bank on 9<sup>th</sup> February 2010) than students living on their own **DKK 5,177** (approx. **EUR 696** recalculated with the EUR exchange rate of DKK 7.44 per EUR of Danish National Bank on 9<sup>th</sup> February 2010). Students under 20 enrolled in a youth education program are supported as if they

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<sup>11</sup> *Danish Educational Support Agency*  
<[http://www.sustystyrelsen.dk/index.html?/in\\_english/default.html](http://www.sustystyrelsen.dk/index.html?/in_english/default.html)> [viewed on 13<sup>th</sup> February 2010]

are living with their parents whether they do so or not, but may apply for an exemption. [17]

Students who accept support in a year in which their private earnings exceed a set amount have to repay some of the grants and loans received that year plus 7%. However they have the option of not accepting support for a period of time thus enlarging the set amount. [17]

Students in higher education (under a time limitation) have the choice of using these grants later, either to prolong their studies (for instance, to prepare for re-examination after a failed exam) or under certain circumstances to obtain double grants for a period of time at the end of their studies. [17]

In particular situations - mainly sickness and childbirth - students can apply for extra monthly grants. New mothers are eligible for 12 and new fathers for 6 extra monthly grants, with certain stipulations. [17]

Altogether the rules make for a flexible system. Students have the option of organising their studies according to their personal preferences and earning possibilities. At the same time, however, they incur a measure of personal accountability for managing their financial situation. [17]

### **3.2.2 Student loans**

In combination with both types (1 and 2) of grants, students are offered supplementary state loans. Both categories of students can obtain *State loans* of **DKK 2.649** per month (approx. **EUR 356** recalculated with the EUR exchange rate of DKK 7.44 per EUR of Danish National Bank on 9<sup>th</sup> February 2010). [17]

If a student is taking a higher education programme and has used up all his/her study grant portions, he/she could be granted a *completion loan*. They could receive a completion loan in the last year of their studies.



Interest is paid on the completion loan and it is paid back on the same terms as the regular State Loan. They can receive a *completion loan* for a maximum of 12 months. The completion loan is **DKK 6.832** per month (approx. **EUR 918** recalculated with the EUR exchange rate of DKK 7.44 per EUR of Danish National Bank on 9<sup>th</sup> February 2010). [17]

Both, the study grant and the loan are paid to a NemKonto in monthly instalments. A NemKonto is an ordinary bank account which the student already has and which the public authorities use when they pay out money. [17]

On completion of their studies, students must start paying back the State loans. The repayment must begin one year after the end of the year, in which they have completed their studies. The duration of the period of repayment must not exceed 15 years. [17]

During the period of study, the State loans will carry a 4% annual interest. On completion of the studies, the annual interest rate is the discount rate of the Danish Central Bank plus an adjustment which can be negative or positive, but at most plus 1 percent point. [17]

### **3.3 CASE OF SLOVAK REPUBLIC**

#### **3.3.1 Tuition and fees**

Pursuant to Act No. 131/2002 Coll. on universities and on amending and supplementing certain laws, as amended by later legislation, studies at universities in the Slovak Republic are free of charge within the standard length of the first bachelor and the first master study. When studying longer than the standard length the student has to pay fee set up by the institution up to the 50 % of average expenditures per student from the state budget.

There is no difference between full-time and part-time study. But under Article 92, paragraph 6 of the Act quoted above, universities set their own levels of tuition fees within all study programs payable by foreign students. Under Article 92, paragraph 4 of the Act, students extending without serious reasons their studies beyond the standard duration must pay a fee to the university for each additional year of tuition. The amount of the fee is set by the university.

Universities may request: a fee from applicants for tuition, covering the material costs of the proceedings of acceptance, a fee for acts related to the doctoral proceedings, to the thesis examination and to issuance of the doctoral diploma, fees for issuance of study documentation (student ID, students' record book, excerpts of study results) and copies thereof, fees for issuance of graduation documents in a foreign language, fees for the issuance of copies of graduation documents. The amount of the fees is set by the university. The same obligations apply to foreign students. [4]

### **3.3.2 Student financial support**

Students in Slovak Republic receive social support in direct and indirect forms. Direct forms of social support include stipends or scholarships. These financial aids depend on the social situation of the student – social stipends - or on her/his study results – motivation scholarship (this scholarship is granted under specific rules that are stated by each university). Universities also provide, within their sourcing possibilities, special support to students with a health handicap. [4]

**Social stipend** is a kind of financial aid that is granted to students of their first higher education (that means that they didn't switch between universities before) in a daily form at one of the universities in Slovak Republic. The student must have a permanent residence in Slovak Republic and cannot exceed a regular length of studies (it means three years on

bachelor's level and two years on master – total five years; students of doctoral studies are not entitled for social stipend) and monthly income of his/her family is not higher than 1.2 multiple of living wage. The amount granted to a student *studying in the area of his/her permanent residence* is maximum **EUR 215** per month and to a student who *studies 30 km and more away from his/her permanent residence* is maximum **EUR 260** per month. Minimum amount granted is stated to **EUR 10** per month. [8]

### 3.3.3 Student loan fund [22]

Student loans in Slovak Republic are governed by a special organisation called Student Loan Fund (SLF). This is a non-governmental purpose fund granting loans to students of higher education in Slovak Republic. It is a legal entity with residency in Bratislava and has the following authorities: board of the fund, chief executive officer and advisory board.

This fund cooperates with the Ministry of Education in Slovak Republic. It provides student loans to all students of their first<sup>12</sup> higher education including first and second cycle (bachelor and master).<sup>13</sup> Since 1995 Student Loan Fund has started to grant student loans to both full-time and part-time students with no age limit. Student loan is granted only to students studying at university in Slovak Republic or at university abroad, with permanent residency in Slovak Republic or to students studying at university in Slovak Republic with Slovak Expatriate Status<sup>14</sup>.

Financial sources of fund come, according to the §7, Act No. 200/1997 Col. from 26<sup>th</sup> June 1997, from: National Property Fund of Slovak Republic, loan

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<sup>12</sup> If a student studies more than one university or at more than one faculties of the university, they could be granted only one loan. (author note)

<sup>13</sup> According to three degree system developed in *Bologna Process*; see: <<http://www.ond.vlaanderen.be/hogeronderwijs/bologna/about/>>

<sup>14</sup> Slovak Expatriate Status = '*status zahraničného Slováka*' can be recognized to an individual without Slovak citizenship, if he/she has Slovak nationality or Slovak ethnic origin and Slovak cultural and language awareness. *Act No.70/1997 from 14. February 1997 on Expatriate Slovaks and changing and complementing some laws.*

instalments granted by a fund, gifts and contributions from domestic and abroad legal and natural persons, interests in banks on fund resources, interests from granted loans, sanctions for violating the terms and conditions of a contract, fees and premiums according to the terms of trade, state budget donations and other sources.

Loan could be only granted to a student who fulfils at least one of the following conditions: excellent study results at the university (up to average of 1.5), handicapped citizens, seriously handicapped citizens, recipients of social stipend, average monthly per-capita income of the household below the minimum wage level.

Student Loan Fund grants a loan of **1,327.76 EUR** (40,000 SKK) per academic year. The loan is transferred to a student's account in two instalments. The first half is transferred 14 days after delivering the loan contract to the residence of SLF. The second half is transferred in February the following year of loan contract. Term of a loan is ten years after making a contract. There are some exceptions that don't count into this period: first time of higher education (record from study department needed to claim that a student is actively studying), maternity leave period up to third year of a child but at most 5 years after the end of education, and a period for student of theology during their pastoral employment that they have to do if, until the day of ordination, they don't reach the age of 25 years.

The interest rate is **3%** p.a., but only during the term of a loan. That means that during the first higher education there is no interest paid on the loan and a student is not paying the instalments and it is neither any interest nor instalments paid during the statutory postponement (maternity leave, being on parental relief, pastoral activity of student of theology). So if, for example, a student is studying 3 years of bachelor programme (plus 2 years of education above standard – repeating a previous year), 2 years of

master programme (plus 2 years of education above standard) and uses the statutory postponement of loan instalments at most up to 5 years after finishing the last education the term of a loan increases to 24 years. However, the interest to be paid is calculated only from the period of 10 years from the term of a loan and the whole term of a loan for monthly instalments is 10 years.

#### **3.3.4 Other financial aid**

Universities may also provide loans to students, using resources from the stipend fund. Details are laid down in the Rules of Stipends of the applicable university. [8]

Students can also benefit from support in kind, which become visible through subsidised boarding and accommodation, financial and organizational support of sports activities and cultural activities of students. The state provides to all university students travel fares at a discount in local as well as intercity mass transport. With regard to indirect support, Slovak Republic provides financial support for each child preparing for a future vocation in the amount **21.25 EUR** per child per month. Those parents who receive child support may simultaneously claim a tax relief in the amount **20 EUR** per child per month. Students may, during their study courses, apply for temporary/vacation jobs pursuant to Articles 227, 228 of the Labour Code, as well as for employment with reduced working hours. [8]

## **4 COMPARISON OF FINANCIAL AID AVAILABILITY IN THREE SELECTED COUNTRIES**

### **4.1 Students' costs of living in Czech Republic, Denmark and Slovak Republic**

Secured future is usually what is wanted. Many young people therefore undergo a decision to live a not easy life of a student. Why it is not easy to be a student if it is said that it is golden times of one's life? Basically money is the problem. Even though students have a lot of free time, deal with interesting problems and ideas and have no real responsibility when compared to the life of a regular worker who works at least eight hours a day, students usually don't get paid for the studying. Therefore from the perspective of a student it is sometimes not an easy issue to deal with life if there are not enough resources to cover costs of living. Students of public universities in Czech Republic, Denmark and Slovak Republic are not obliged to pay tuition fees for education. In other words there are 'only' costs for alimentionation, accommodation, transportation, study materials and some other needs that must be paid for while studying. Different countries open different opportunities, uncover possibilities but also reveal potential difficulties. When talking about life of student, this might be described by standard of living which is basically reflected in students' costs of living. It is really simple to deal with costs if there is a proper equilibrium in terms of cost coverage.

Table 1, produced by the author, presents records of students' most frequent costs they have to cover while studying. All the data provided in the Table 1 present representative sample to describe real situation.

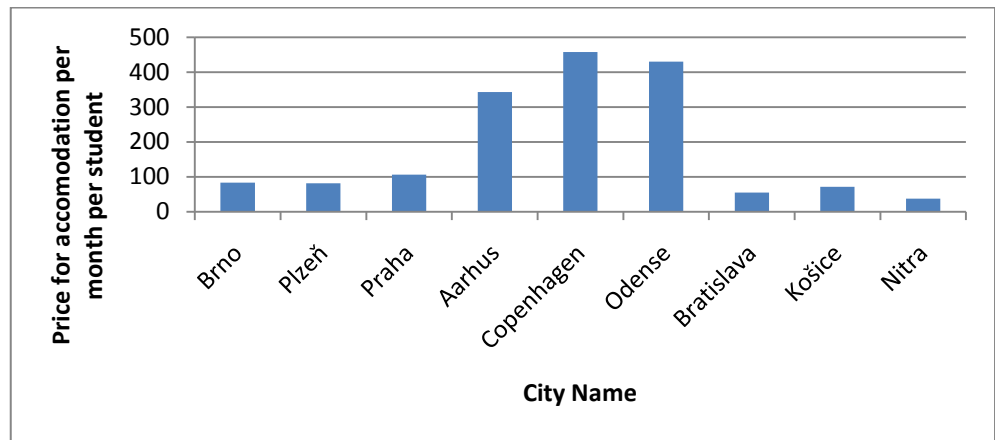
**Table 1: Costs per student per month in Czech Republic, Denmark and Slovak Republic (in EUR)**

COUNTRY	CITY	AVERAGE EXPENSES ON ACCOMMODATION PER MONTH (EUR)	TRAVEL EXPENSES WITHIN TOWN PER MONTH (EUR)	AVERAGE EXPENSES FOR ALIMENTATION IN STUDENTS' CANTEENS (EUR)	TOTAL EXPENSES (EUR)	COUNTRY AVERAGE (EUR)
Czech Republic	Brno	83	10	75.4	168.4	
	Plzeň	81.3	7.7	55.2	144.2	
	<b>Praha</b>	106	10	74	190	<b>167.5</b>
Denmark	Aarhus	343	44.4	215	602.4	
	<b>Copenhagen</b>	457	43	300	800	
	Odense	430.1	35	280	745.1	<b>715.8</b>
Slovak Republic	<b>Bratislava</b>	55	10	135	200	
	Košice	71	9.1	153	233.1	
	Nitra	37	8	82.35	127.35	<b>187</b>

#### 4.1.1 Accommodation costs

It should be obvious that the costs are the highest in the capital, but in case of Slovak Republic, Košice (which is not the capital) it is not in case of costs for accommodation per student per month. This is probably caused by small supply of student house accommodation that could lead to higher prices. When comparing the expenses for accommodation per student per month Denmark reflects the most expensive alternative (see Graph 1). In capital of Denmark, Copenhagen, the amount spent by a student for accommodation per month equals cca EUR 450 (Table 1). Considering the information provided by Danish universities, majority students live in a room on their own. Czech and Slovak students usually share rooms with at least one student and that cuts prices for accommodation down. Living on their own however provides a higher standard of living and supplies a student with more comfort on one side, but higher price on the other side.

Graph 1: Average expenses on accommodation per month in EUR (towns of CZ, DK and SK)



#### 4.1.2 Transport costs

There usually exists an integrated public transport within each city. It means that all types of public transport in the area are interconnected and it is possible to dispose of just one ticket for different types of public transport (buses, trains, trams, undergrounds). This is seen also in cities included in this research with two exceptions: Plzeň in Czech Republic and Nitra in Slovak Republic. Monthly rates in these two regions were calculated as a sum of two single way tickets per day (one way to school and one way back) multiplied by thirty, which reflects the number of days in one month.

Table 1 reflects prices per monthly ticket for public transport. It is again visible, that the monthly amount in Czech Republic and Slovak Republic doesn't exceed EUR 10 while in Denmark monthly prices reach the amount of more than EUR 40 which is four times higher than in post-soviet union countries.

#### 4.1.3 Alimentation costs

In general expenses connected with alimentation are also one of the basics that a person must pay for as humankind cannot survive without it. Students have limited budget and therefore they try to eat at the most possible economical way. University canteens usually provide subsidised



meals and therefore it is possible for the students to meet their nutritious needs in attainable levels. Prices of foods vary in different countries. Even in this category, Denmark is classified with the most expensive position. According to Table 1 meals in students' canteens are the most expensive right in Denmark.

## 4.2 Analysis of financial aid availability in three selected countries

Theoretical background including legislation concerning financial aid availability has already been provided in chapter Literature review. This chapter analyses the practical use, availability and comparison between particular countries. As was announced in the Introduction financial aid is the most important issue for a full-time student and the amount varies within countries of EU. Czech Republic, Denmark and Slovak Republic represent countries with different systems.

In general there are two main sources of financial aid presented to students: scholarships or stipends and student loans. Table 2, produced by the author, provides an overview of the amounts available to students in three different countries. It reviews figures in a tabular form so the reader can receive a quick and clear idea about the variables.

All the records are explained with all the details in a chapter Literature review.

**Table 2: Overview of financial aid availability in CZ, DK and SK**

	Czech Republic	Denmark	Slovak Republic
Accommodation stipend per month (EUR)	27.4 <sup>15</sup>	-	-
Social stipend per month (EUR)	62	-	215/260 <sup>16</sup>

<sup>15</sup> This amount was obtained by students of CULS in Prague in academic year 2008/2009.

Educational Grant per month (EUR)	-	346/696 <sup>17</sup>	-
State student loan per month (EUR)	-	356	132.776 <sup>18</sup>
State student loan max. For the whole period of study (EUR) <sup>19</sup>	-	17,800	6,638.8
Completion state student loan max. (EUR)	-	918	-
State student loan interest rate (%)	-	4 <sup>20</sup>	3
Bank student loan max. (EUR)	19,161 <sup>21</sup>	-	-
Bank student loan interest rate (%)	10.11 <sup>22</sup>	-	-

#### 4.2.1 Scholarships and stipends

The main difference between scholarship and stipend is that a stipend is paid in regular instalments while scholarship is granted all at once or split into halves. In Denmark there is another form of financial support that is called grant but it is described like a stipend. It is paid to a grantee in regular monthly instalments and its aim is to support a student while studying.

According to the Table 2 above it is visible that the highest amount of money that is available to obtain in Denmark. As was already mentioned in the Literature review chapter Denmark is also the only country from all of three selected that provides financial aid to any Danish citizen over 18 years of age who decides to study university and fills in an application form. There is no distinction between social statuses of students. The

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<sup>16</sup> EUR 215 when student is studying in the area of his/her permanent residence and EUR 260 when a student studies 30 km and more away from his/her permanent residence.

<sup>17</sup> EUR 346 to a student living with parents and EUR 696 to a student living on his/her own.

<sup>18</sup> The total amount is recalculated to 10 months of academic year.

<sup>19</sup> We consider a student studying regular length of study in total 5 years (not considering PhD. Studies)

<sup>20</sup> Stated by Danish parliament each year; this rate accounts for the year 2009.

<sup>21</sup> Applies to "Komerční Banka". This bank provides the highest amount of money in the Czech market in 2009.

<sup>22</sup> The interest rate varies; a client – student can choose the term of a loan and the amount of monthly instalments.

amount of EUR 346 (student living with his/her parents) or EUR 696 (student living on his/her own) per month is available for students in Denmark.

Czech citizens are entitled to the amount of approximately EUR 27.4 (the amount varies according to a university student attends; explained in Literature review) as an accommodation stipend – special conditions must be fulfilled – plus some of Czech students are granted a social stipend according to their social status (see Literature review) in a total amount of EUR 62 per month. So in total Czech student with a low social status could be granted approximately EUR 89.4 per month.

Students in Slovakia are provided only with social stipend and it is only granted to lower social status students (see Literature review). The total amount varies from EUR 10 to EUR 215 (see Table 2 footnote) or EUR 260 (see Table 2 footnote) per month.

#### **4.2.2 Student loans**

Basically there are two main types of student loans: one that is subsidised by the government and the other one that is provided by private financial institutions, usually banks. The one that is subsidised by the government is usually preferable if choices are possible because the subsidy comprises of subsidised interest rate. Therefore a student is provided a particular amount of money and compared to a bank student loan eventually pays less on interest.

Denmark and Slovak Republic supply students with subsidised governmental student loans providing relatively low interest rate of 4% in Denmark and 3% in Slovak Republic. Both countries' governments support students in terms of student loans. Students in Czech Republic have a possibility to be granted unsubsidised student loans and the interest rate differs according to the term of a loan and the amount of monthly

instalments. It usually significantly surpasses subsidised level of interest rate (see Table 2 for illustration). The amount of money that might be obtained from a student loan varies within each country, but in general there is a loan ceiling that cannot be exceeded. The greatest total amount of money for a regular study period of five years can be obtained in Czech Republic (EUR 19,161), than in Denmark (EUR 17,800 regular + EUR 918 completion; see Table 2) and the least amount in Slovak Republic (EUR 6,638.8).

#### **4.2.3 Advantages and disadvantages of student loans**

When a student loan is considered as a source of financial support to a student it is just one end how to look at it. These kinds of financial supports present extra money usually (if subsidised by the government) provided with a favourable interest rate. Student loans are considered as a very helpful injection in the right time. Another advantage is that it doesn't necessarily have to be documented what the money were spent on.

On the other side there are a few disadvantages that discourage lots of students from taking out a loan. The most significant one is debt. Even there is always a term of a loan at least ten years, sometimes it is still not enough for a young person to repay it on time. Another very discouraging fact is that in some cases (bank student loans) there must be a guarantor declaration of a third person to ensure borrowed amount of money.

### **4.3 How much the financial aid covers students' costs of living**

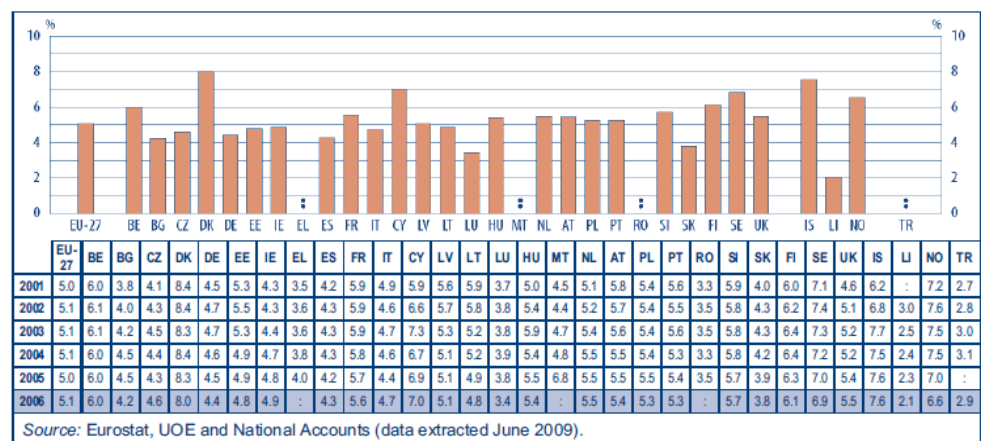
Governments in different countries contribute to the higher education sphere with different amounts from state budget. According to a Figure 1<sup>23</sup> the total public-sector expenditure on education as a percentage of gross domestic product (GDP) in 2006 was 8.0% in Denmark, 4.6% in Czech

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<sup>23</sup> Figure source: *Key Data on Education in Europe 2009*, p. 121

Republic and 3.8% in Slovak Republic. Concerning 5% to be an EU average it is visible that Denmark being on the top position supplies the education sphere with a huge amount of money trying to secure Denmark's future. Young educated people might help Denmark to continue with its stable and prosperous economy development.

Figure 1: Total public-sector expenditure on education as a percentage of GDP, 2006



As was already stated in previous chapters, the amounts of students' costs of living and financial aids vary between countries. Table 3, produced by the author, reflects the real situation in terms of cost coverage by financial aid.

Table 3: Students' costs of living covered by financial aid.

	Czech Republic <sup>24</sup>	Czech Republic	Denmark	Slovak Republic <sup>25</sup>	Slovak Republic
Students' costs – country average per month (in EUR)	167.5	167.5	715.8	187	187
Scholarships, stipends and grants in total per month (in EUR)	89.4	0	346/696 <sup>26</sup>	215/260	0
Uncovered costs in total per month – before loan (in EUR)	78.1	167.5	369/19	0	187

<sup>24</sup> Assuming a situation that student has proven his low social status and therefore is entitled to social stipend and his permanent residence is in compliance with rules for obtaining an accommodation stipend.

<sup>25</sup> Assuming a situation that student has proven his low social status and therefore is entitled to social stipend.

<sup>26</sup> See Table 2.

Uncovered costs in total per month – before loan (in %)	46.6	100	51.6/2.7	0	100
Student loan max. per month (in EUR)	_ <sup>27</sup>	_ <sup>28</sup>	356	132.776	132.776
Uncovered costs in total per month – with loan (in EUR)	0	0	0	0	54.22
Uncovered costs in total per month – with loan (in %)	0	0	0	0	29

At first sight it is obvious that financial support in all three countries is sufficient and students have no problems with finance even when they are living on their own. It seems that scholarships, stipends, grants and loans provide enough financial resources to cover students' costs of living.

#### 4.3.1 Slovak Republic

Students in Slovak Republic are provided with social stipend (given that a student is eligible for it) sufficient to cover students' costs of living in total amount without the need of taking out a student loan. In case of a student not being entitled to obtain a social stipend the situation is a bit different. In this case student has to ask his/her parents to support them or take out a loan which is in Slovak Republic limited to the amount of EUR 1,327.76 per year it means EUR 132.776 per month assuming loan being used only ten months in a year (regular time of an academic year). What happens (in case of student takes out a loan) is that a student is still not secured with money enough to cover all his/her students' costs of living and has to find a solution to this as there is still 29% of students' costs of living per month not being covered. As the amounts presented in the tables, produced by the author, are just averages, they vary between regions and it might happen in some cases that uncovered amounts are even higher. Providing

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<sup>27</sup> According to chosen bank and contract conditions; maximum on Czech market: EUR 19,161 (Komerční Banka).

<sup>28</sup> According to chosen bank and contract conditions; maximum on Czech market: EUR 19,161 (Komerční Banka).

this inconclusive situation it is visible that there still exist gaps in the legislation in Slovak Republic that are causing that some students have to face a handicap and cannot be educated equally.

#### **4.3.2 Denmark**

Students in Denmark seem to be secured enough by the grants obtained from the government. There is no real need for them to take out a loan. For example in case of a student living on his own there is a financial aid available in total amount of EUR 696 per month. That means that only EUR 19 is not covered by the grant. In this case it is still possible for a student either to get a part time job and acquire this amount very easily or save this amount during summer holiday, put it on a savings account and withdraw it during an academic year. The other possible solution for a student like this is to try to cut the students' costs of living. The amounts presented in the tables are just averages and vary between regions, study courses and students' needs. Therefore in some cases grants are sufficient and a student doesn't have to take care about the finance anymore.

#### **4.3.3 Czech Republic**

Students of Czech Republic are likely to face three options. Either they are entitled to the social and accommodation stipend and therefore get in total EUR 89.4 (see table 3) or are eligible just for the accommodation stipend and that means support in total sum of EUR 27.4 (see Table 2) or in the worst case no financial aid is provided. As was analysed in previous chapters, Czech Republic is the only country out of three being analysed whose government does not subsidize student loans from the state budget. Therefore in the last case students' only choice is to take out a loan in a private financial institution, in a bank. Good thing about it is that these institutions usually provide sufficient amount of money to support a student during his/her studies, however, bad thing is, that these student loans are granted with the unsubsidised interest rate. This means doubled

subsidised interest rate. So in general students in Czech Republic have possibilities to be supported while studying but it very much depends on their social status.

## **4.4 Discussion**

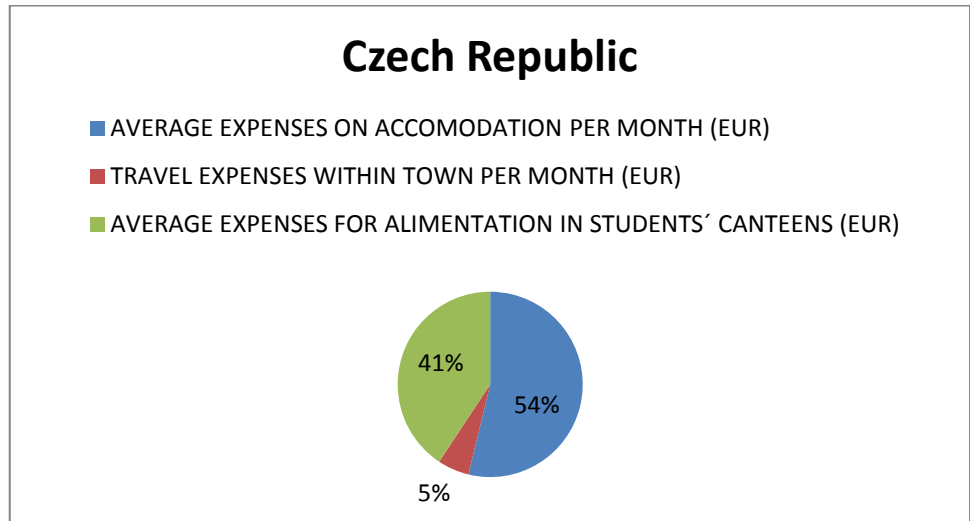
### **4.4.1 Students' costs of living in Czech Republic, Denmark and Slovak Republic**

Czech Republic (CZ) and Slovak Republic (SK), situated in Central Europe, were part of former Soviet Union. Denmark (DK) with its different history is a part of Northern Europe. Therefore Denmark's economic development was influenced by much different factors than the economics of the post-soviet union countries. Recently Denmark belongs to European countries with the highest standard of living.

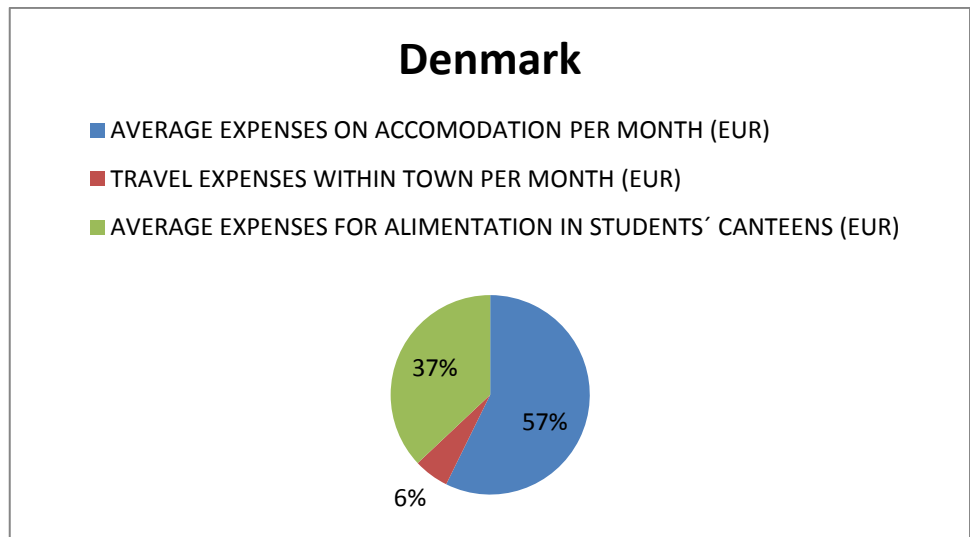
Average costs per country demonstrate that Denmark is 3.8 times more expensive than Slovak Republic and 4.2 times more expensive than Czech Republic. Graphs 2, 3 and 4 display percentage differences in students' costs in Czech Republic, Denmark and Slovak Republic. Costs connected with travelling represent almost the same percentage in all three countries, but there is a different percentage composition in students' expenditure on accommodation and alimentation. Slovak Republic seems to be the country having either the cheapest accommodation or the most expensive alimentation.



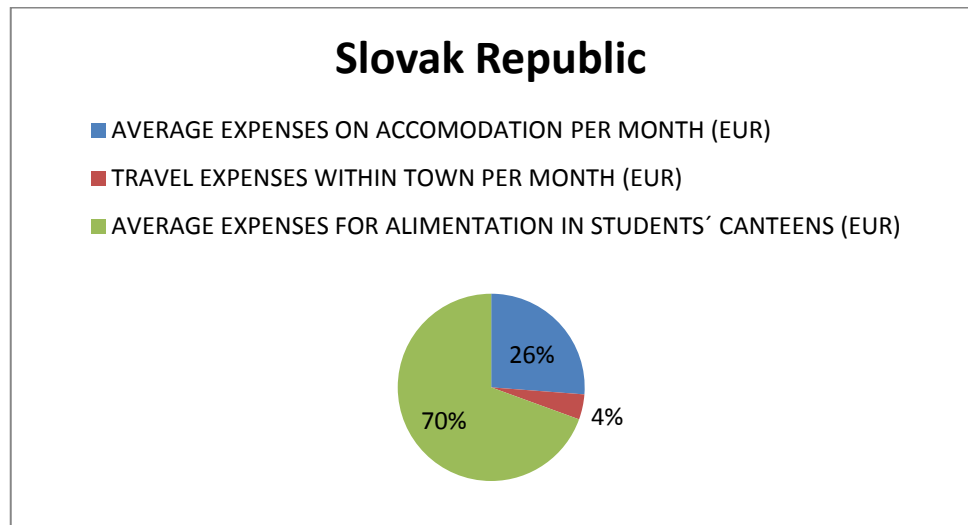
**Graph 2: Average students' living costs in Czech Republic per student per month in %**



**Graph 3: Average students' living costs in Denmark per student per month in %**



Graph 4: Average students' living costs in Slovak Republic per student per month in %



#### 4.4.2 Scholarships, stipends and student loans

Analysing the financial aids available from the non-loan side it is visible that the only country providing financial sources automatically without looking at the social status of a student is Denmark. The only requirement for a financial aid is a successful enrolment in any course at Danish university or university abroad<sup>29</sup>. Comparing this fact to the other countries it is obvious that Denmark's government is the only one providing financial support without specific conditions for acquiring it.

When analysing financial aid in terms of loan availability, there are only two countries' governments out of three who support students in terms of subsidised student loans: Denmark and Slovak Republic. Students in Czech Republic might only obtain student loan in banks usually with much higher interest rate and more strict conditions for obtaining are applied which is not usually very favourable to most of the students.

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<sup>29</sup> This bachelor's thesis only considers higher education within country, but similar conditions are applicable when studying abroad. For more information see the official website of The Danish students' Grants and Loans Scheme <<http://www.su.dk/English/Sider/default.aspx>>.

#### **4.4.3 Students' costs of living – how much they are covered**

When talking about the real mechanism of money in terms of aids and costs, Denmark seems to be the most favourable country to secure this cycle with no disturbance. Taking into account all the options a student has and all the requirements he/she has to undergo and fulfil Denmark presents as a country pleased to support its students in terms of financial aid. That therefore must also reflect in the study results as students do not need to care about the finance to cover their costs of living as they obtain it from the government.

## 5 CONCLUSIONS

Higher education is important and the journey to obtain it is made of choices and priorities a young person has to decide. Financial aid provided in three analysed countries shows different perspectives of how to look at the availabilities and possibilities.

In general it is obvious from the literature review that there are no tuition fees in Czech Republic, Denmark and Slovak Republic that a student has to pay when studying at university. Therefore the main obligations students have to satisfy are the costs of living. The students' costs of living consist of accommodation, alimentation and travelling expenses. When talking about a full-time student it is impossible for him/her to get a proper job to assure full cost coverage.

In cases like this governments introduce national higher education students' support. Financial aid is provided in different ways and it should be on a student to choose which one matches his/her expectations the best. But reality is a bit different and in some cases no financial aid is provided.

According to the analysis, the most favourable country for a citizen of a particular country to study a university is **Denmark**. Even though the costs of living are the highest, financial aid from the government is provided automatically to any student who applies for it. Also it is sufficient to cover student's costs of living and that means that a student doesn't have to worry much about his/her social status when considering higher education options. Danish government not only supports Danish students with grants but also with student loans with the interest rate subsidised by government.

**Slovak Republic** seems to be the second favourable country for a full-time student in terms of provided financial aid. But there is a significant

variability depending on social status of a student. If a student is not eligible to social stipend, zero financial aid is provided and his/hers only option is to take out a loan and thereby create a debt on his own head before he/she is able to pay for it. Good thing is that in this country student loans are granted by a special organisation that intervenes with the government and therefore the interest rate is subsidised.

**Czech Republic** is the only country that doesn't support students with student loans subsidised by the government. Students in this country obtain the least amount, in some cases zero amounts, of money. Social status and permanent residence are the main indicators of how much money from the government will be obtained by a student.

When looking at the analyses it is visible that the **hypothesis** was proved except for one case: it was already mentioned in the analysis that in Slovak Republic it is possible for a Slovak student to obtain a social stipend if he/she is eligible for it. In this case the obtained amount of financial aid exceeds the student's costs of living by 39%. That means that comparing to Denmark when the grant provided to each student above 18 years of age doesn't cover 5% of the student's costs of living, students who obtain social stipend in Slovakia are better off.

### **5.1 Recommendations and suggestions**

It is not simple to satisfy needs of all, but sometimes even basic needs are not satisfied. According to analysis of financial aid system for students of higher education institutions it must be said, that there still is a gap in legislation that might be solved in Czech and Slovak Republic. There still exist a particular group of students who don't belong either to students of lower social status or to a group of students eligible for accommodation stipend and therefore their only solution is a student loan. When talking about Czech Republic it is even worse as there is not a governmental

student loan but just a bank student loan which doesn't provide students with subsidised interest rate.

Highly developed support system from Denmark would be very welcome in both Czech and Slovak Republic. That would make all the students equal in terms of financing student's costs of living and ensure studying with no worries about the finance.

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## 7 SUPPLEMENTS

Picture 1: Map of EU – CZ, DK, SK

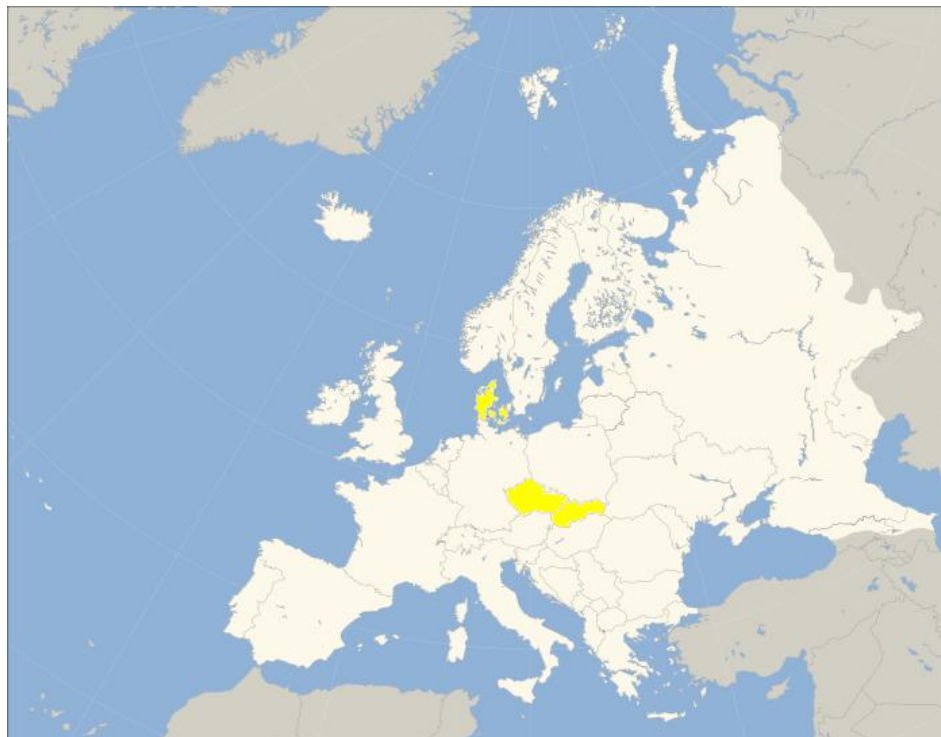


Table 4: List of names of the universities used in the thesis

<b>Name of university</b>	<b>Country</b>
Aarhus University	Denmark
Comenius University	Slovak Republic
Czech University of Life Sciences	Czech Republic
Mendel University	Czech Republic
Pavel Jozef Šafárik University	Slovak Republic
Slovak University of Agriculture	Slovak Republic
University of Copenhagen	Denmark
University of Southern Denmark in Odense	Denmark
West Bohemian University	Czech Republic