

The Swedish student financial support

The Swedish student financial support is a vital part of the Swedish educational policy. It is designed to promote high participation in education. It is also intended to help realize the objectives of education policy by making studies possible regardless of social, financial and geographical background.

The system shall also be sustainable; loans shall for example be repaid in full. The object of the Swedish student financial support is also to have good effect on the national economy over time.

In Sweden the student financial support system is completely administered by the state, through the Swedish Board for Study Support (CSN).

The Swedish student financial support is financed in two ways: through allocations from the state budget and through loans by The Swedish National Debt Office, which is the central government financial manager. CSN administers the payments to students with assistance of Swedish banks. The repayment of student loan is also administered by CSN. The repayments are transferred to CSN, which transfers the money back to The Swedish National Debt Office.

Guiding principles

The Swedish student financial support is direct. There are no indirect support arrangements in Sweden. The study support system is universal. There are no economic, budgetary restraints – that means that everyone with a right to financial support will receive support.

Cost sharing is also a leading principle – both society and the individual gain from studies, therefore both parts shall contribute. Society contributes with free education (no tuition fees for Swedish students or students from EU-countries) and grants to cover some of the living costs. The student contributes by financing most of the living costs, either through their own income or via student loans provided by CSN.

In Sweden the students are regarded as financially independent from their families. This means that support is granted independently of parents' or the family's financial situation.

Student support is meant to cover normal living costs. Extra costs (for example for children, special housing etc.) shall in principle be covered by the individual or with the help from other social security systems.

Internationalization is seen as positive. Therefore the support offered since 1989 is fully portable and can be used for studies abroad as well as in Sweden.

Since student support – grants and loans – is seen as an important tool in a variety of situations in life, it is not only available for students in higher education. Student financial support is available for students in:

- basic adult education (mostly for immigrants),
- adult education (for all adults who need additional education at upper secondary level),
- folk high schools (different types of education, adult education, art schools etc.),
- higher vocational education, and
- university colleges and universities.

The History of Swedish student financial support

Swedish student financial support has a long history and goes back to the early twentieth century. A few points of time to remember are:

1919 – The first student support: Means tested loans.

1946 – Means tested scholarships.

1965 – The modern and general study support system was adopted.

(The modern and general study support system was introduced at a time when Olof Palme was minister of education. Even though Olof Palme was a social-democrat it is important to emphasize that there has been a consensus in Swedish politics on the main features of the financial study support ever since. Of course there is disagreement in details, but all political parties see the study support as an important part of the educational policies.)

1973 – Introduction of financial support for adult education in primary and secondary levels.

1989 – The student support scheme was reformed – higher grants, a new type of income contingent loan and portable student support for studies abroad.

2001 – The support scheme was reformed once more – higher grants and a new, traditional type of loan.

2006 – Introduction of child allowance for parents receiving student support.

2015 – Large increase of the loan proportion and the total amount of student financial support.

Rules and regulations

- The support is flexible and is available for both full-time and part-time studies.
- There is no means testing against family income. There is means testing against the students own income, but students themselves have the option of choosing to engage in a certain amount of work alongside their studies without the level of support being reduced. About half of the students work alongside studies.
- The upper age limit for receiving study support is 56 years. It is thus available also for older students.
- There are of course time limits. There is a 6 years maximum for higher education. For adult education the time limit ranges from 1 to 3 years.
- The student grant is 1/3 of the total amount of study support.
- The student loan is 2/3 of the total amount of study support. The loan is of course voluntary. About two thirds of all students choose to take out the student loan as well.
- Student support for full-time studies in 2015 amounts to approximately SEK 10 777 per month of studies (\$ 1 300).
- Students with study support must pass 75 percent of examinations. But there is no merit-based support for “first-timers”.
- The support is portable for studies abroad. Schools and education programs must be approved by the Swedish Council for Higher Education. To be able to receive Swedish support abroad you must have been living in Sweden two consecutive years out of the last five years.

A few experiences from study support in Sweden

- Most students are satisfied with their financial situation during studies. Older students and students with children are a little less satisfied.

- About half of the students say they wouldn't study if they didn't receive study support from CSN. In Sweden there is a culture of taking up loans during studies – debt aversion is not so strong. Therefore a large loan proportion is possible. However a long-lasting and well-functioning study support system is not enough to obtain a perfectly socially diversified student body. We still have a distinct social selection to higher education. Good financial study support is a very important help, but no quick fix for the “social dimension”.

Facts and figures

In 2015 CSN paid out study support to 476 000 students (in Sweden or abroad). 443 000 studied in Sweden, 33 000 studied abroad. CSN paid out SEK 10 billion in grants and SEK 17 billion in loans (total \$ 3 billion).

The Swedish Board for Study Support (CSN)

The Swedish Board for Study Support (CSN) is the central management authority for student welfare matters in Sweden. With regards to these matters, CSN operates in the area of Financial Aid for Studies, reporting to the Ministry of Education and Research.

The organization has approximately 900 employees. CSN's headquarters is in Sundsvall in the north of Sweden and we have branch offices in ten other cities in Sweden from Kiruna in the north to Lund in the south.

CSN's duties include

- providing information on financial aid for studies, schools and relevant organisations.
- providing information on student welfare matters
- administration of cases relating to financial aid for studies and reclaiming financial aid for studies.
- administration of cases relating to repayment of student loans, for example payment plans and reductions
- endeavouring to achieve correct, uniform application of the provisions for financial aid for studies.
- devising activities in such a way as to ensure efficiency and satisfactory service.

Granting and payment of Study Support

When a person decides to apply for student aid from CSN to study in Sweden, they submit an application to CSN. The application is generally made via CSN's website or with CSN's mobile application. An electronic signature is used.

The application includes the applicant's personal details (name, address and their unique personal identity number), which school they will be studying at, the scope of their studies and whether they are applying for a grant only, or for a grant and a loan.

The applicant signs the form and solemnly declares that the information given in the application is complete and true. A person can apply for student aid for a maximum of 52 weeks per

application. If the person plans to study over a period of several years, a new application must be submitted to CSN each year.

After this, CSN investigates whether the person is entitled to study support. CSN checks to see that the person is not too young or too old, that their prospective studies entitle them to student aid and that the percentage of their time spent studying is sufficient to entitle them to student aid.

If the person meets these requirements they are granted student aid. CSN issues a decision to the applicant which states that they will be granted study aid. In order for the student to receive the first payment they need to submit a study assurance which is provided by CSN electronically. The study assurance is a document in which the student assures that they have actually started studying.

On the first day of study, the student registers with their school and this information is sent to CSN. At the same time, the student submits their signed study assurance to CSN. When the school's registration and the student's study assurance have been received by CSN, and they match, CSN makes a payment to the student.

CSN also provides funding for Swedish students studying abroad. CSN provides funding for about 30 000 students abroad. In this case CSN can't rely on digital support in the administration process. Instead students need to provide documentation of admission, grades etc. in order for CSN to determine the students eligibility for funding.