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Judgment in Case C-523/11 Laurence Prinz v Region Hannover Philipp Seeberger v Studentenwerk Heidelberg

## Germany cannot make the receipt of a grant for an entire course of studies in another Member State, of more than one year, subject to the sole condition of uninterrupted residence of three years in Germany.

Such a condition is likely to exclude students sufficiently connected to German society by other social and economic ties

In Germany, students may obtain a grant for their studies in another Member State for a period of one year. In order to benefit from such a grant for more than one year, they must show that they have permanently resided in Germany for at least three years prior to commencing their studies.

As two German courts have made requests for a preliminary ruling, the Court of Justice has been led to clarify whether that condition of three years uninterrupted residence is contrary to the freedom of movement for citizens of the European Union.

The disputes before those courts concern two German students, who were refused financing for their entire course of studies abroad. Ms Laurence Prinz was born in Germany and lived for several years in Tunisia with her parents, before finishing her secondary education in Germany. She was domiciled for two years and eight months in Germany before commencing her studies at the Erasmus Rotterdam university in autumn 2009. Since she did not fulfill the residence condition of three years she received a grant only for the first year of her studies. Mr Philipp Seeberger was also born in Germany, where he lived until 11years old before spending several years in Spain with his parents. He maintains that he has been back in Germany since 2006. He commenced his studies at the University of the Balearics in Palma de Mallorca in autumn 2009 and, since he was unable to demonstrate that he had resided in Germany for three years before commencing his studies, he was also refused a grant.

By its judgment today, the Court answers that European citizenship and the freedom of movement of citizens of the European Union preclude nation legislation which makes the award of an education grant for studies in another Member State for a period of more than one year subject to a single condition – such as that laid down in Germany – which requires the applicant to have had permanent residence on national territory for a period of at least three years before commencing his studies.

The Court recalls that, if a Member State provides for a system of education or training grants which enables students to receive such grants if they pursue studies in another Member State, it must ensure that the detailed rules for the award of those grants do not create an unjustified restriction of the right to move and reside within the territory of the Member States. A single condition, such as that laid down in Germany, is likely to dissuade home country nationals, such as the applicants in the main proceedings from exercising their right to freedom of movement and residence in another Member State, given impact that exercising that freedom is likely to have on the right to the education or training grant.

The German Government argued in the present case that the condition of three years' uninterrupted residence was justified because it guarantees that an education grant for a full course of studies abroad is paid only to students able to demonstrate a sufficient degree of integration into German society. The requirement of a minimum level of integration thus preserves

the national scheme for education grants for studies abroad by protecting the State paying the grant from an unreasonable financial burden.

However, the Court considers that, while it may be legitimate for a Member State to grant assistance only to students who have demonstrated a sufficient degree of integration into German society, the condition at issue is too general and exclusive, and accordingly goes beyond what is necessary to achieve the objective pursued.

The condition in question risks excluding from funding students who, despite not having resided in Germany for an uninterrupted period of three years immediately prior to commencing their studies abroad, are nevertheless sufficiently connected to German society. That may be the case where the student is a national of the Member State concerned and was educated there for a significant period or on account of other factors – such as, in particular, his family, employment, language skills or the existence of other social and economic factors.

**NOTE:** A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of European Union law or the validity of a European Union act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

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The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery.

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