



# Investing in Education: the case of Cyprus

Elpida Keravnou-Papailiou  
President of the Governing Board  
Cyprus University of Technology

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# Presentation

- Some facts and figures for Cyprus
- Educational reforms in Cyprus
- Higher education
- Research, innovation and growth
- Concluding remarks

# Some facts and figures for Cyprus: Economic Situation

- In 2009 growth has decelerated from very high levels the previous year
  - GDP has contracted by about 1.7% due to
    - Poor export performance
    - Falling investment, particularly in construction
    - A significant negative stock adjustment
  - The general government deficit is around 6% of GDP
  - Without corrective measures the deficit would widen further in 2010

# Some facts and figures for Cyprus: Stability Programme 2009-2013

- The current international economic crisis has primarily affected the construction, real estate and tourism sectors
- The Stability Programme envisages stabilization in 2010 with a modest growth of some 0.5% compared with 2009
- High priority areas:
  - Infrastructure
    - Transport
  - Education
  - Health

# Some facts and figures for Cyprus: Education Units

- 316 public and communal nursery schools
- 347 primary schools
- 9 schools for children with special needs
- 114 secondary schools
- 397 adult education centers
- 25 colleges of tertiary education
- 6 universities

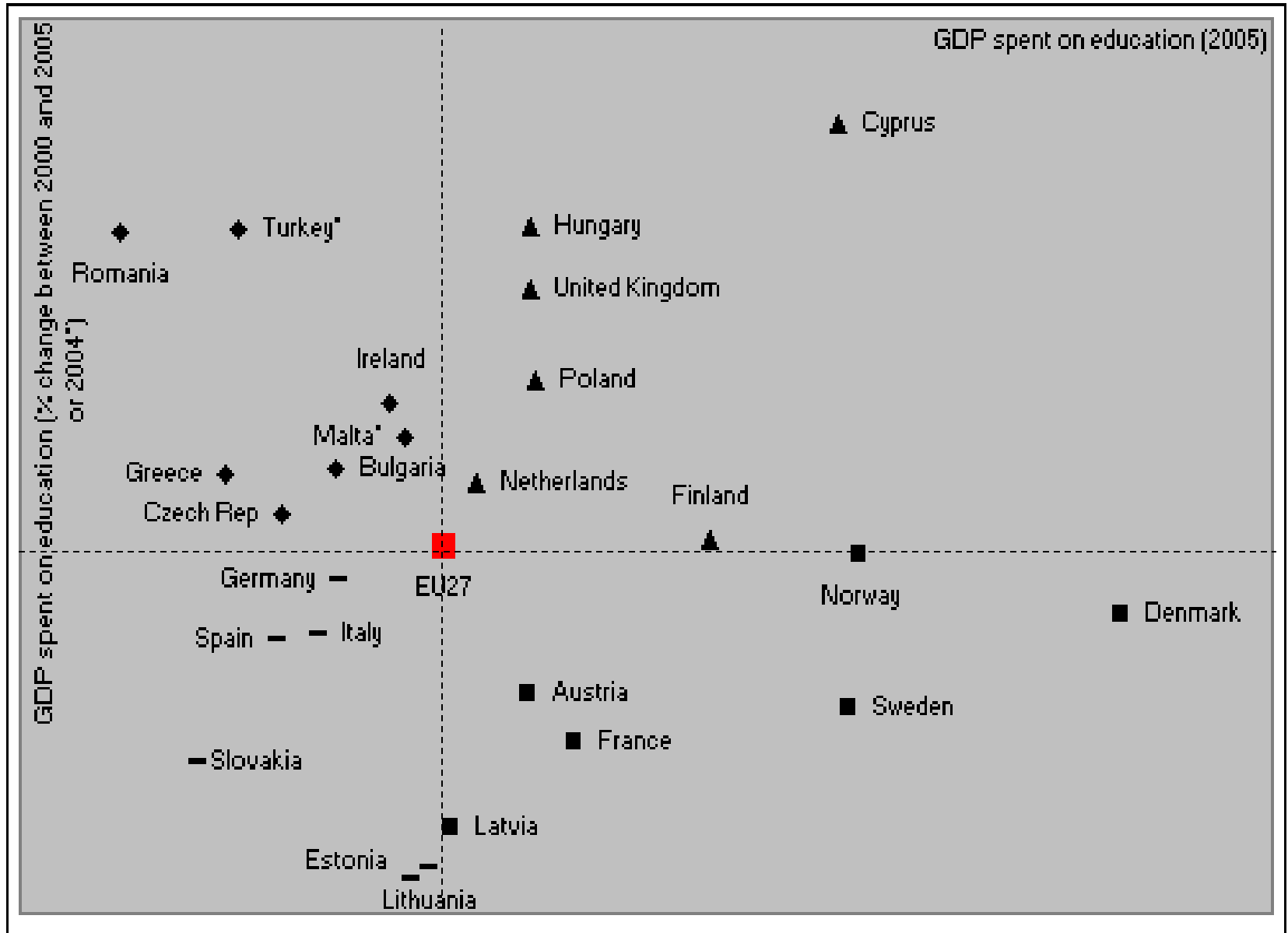
# Some facts and figures for Cyprus: Private Education Provision

- The private education provision is increasing due to increasing demand
  - 7% of elementary students go to private schools
  - 17.5% of secondary school students go to private schools

# Some facts and figures for Cyprus: Investment in Education (1)

- Main messages under “Investment in education and training” of the official report on the progress of the Lisbon strategy:
  - Denmark, Sweden and Cyprus allocate nearly 7% of their GDP into public investment in education
    - These are the highest levels in the EU and among the highest in the world
    - The EU average on public investment is 5%
  - Private investment in education is increasing in the EU, but it is only significant in the UK, Germany, Cyprus and Slovakia, where it reaches up to 17%

# Public expenditure on education as a % of GDP in the EU (2005)





# Some facts and figures for Cyprus: Investment in Education (2)

- Total expenditure on education is budgeted to increase by approx. 3% in 2010 compared to 2009, reaching approx. 8% of GDP
- Expenditure is mainly focused on
  - ICT in all primary and secondary schools
  - Construction/extension of school buildings
  - Financing of agreement with HSPH
  - Upgrading research and academic institutions

# Some facts and figures for Cyprus: Quality in Education

- Progress in improving quality and extension of education in above areas in 2009 was considered satisfactory

# Commission's Key Messages for Reforms: to achieve high quality education and training systems that are both efficient and equitable

- Establish a culture of evaluation
- Invest in pre-primary education
- Autonomy and accountability systems for improving efficiency
- Private funding in ensuring equity in higher education
- Clear pathways to further learning and employment

# Some facts and figures for Cyprus: HE Qualifications

- According to the official report on the progress of the Lisbon strategy
  - Amongst the 27 member states, Cyprus has the highest percentage (29.7%) of population in the age group 25-64 with HE qualifications
  - Cyprus, Malta and Ireland are the three member states with the highest progress in the period 2000-2007, regarding the percentage of their population with HE qualifications
    - This is a central progress indicator

# Some facts and figures for Cyprus: Student Migration

- Cyprus has a high student migration
  - More than half of its approximately 35,000 students are studying at universities abroad
  - Government policy aims to reverse this situation and in addition to attract international students
    - Convert Cyprus to a regional centre for quality HE

# Some facts and figures for Cyprus: Research Expenditure (1)

- According to Eurostat in 2007 Cyprus was listed last amongst the EE countries regarding expenditure/investments in research, technology and innovation:
  - 0.45% GDP (public and private expenditure)
  - EE average: 1.85% GDP
  - Lisbon strategy target: 3% GDP

# Some facts and figures for Cyprus: Research Expenditure (2)

- In 2008 there was satisfactory progress in almost all research sector priorities
  - Increase of investment in R & D
  - Development of research infrastructure
  - Enhancement of human capital in research
  - Development of international cooperation
- The contribution of industry to R & D showed an increase in absolute terms, but remained at low percentage levels

# Some facts and figures for Cyprus: Main Research Progress

- Gross domestic expenditure on R & D increased from € 61,3 mln in 2006 to €70,1 mln in 2007
  - Increase of 14.2%
    - amongst the highest in EU27
  - % increase was only 0.02%, reaching 0.45%
- The number of human resources employed in research (FTE) increased by 1.5%
  - 1244 in 2007, compared to 1226 in 2006
  - The number of researchers increased by 7%
    - The % of women participating in research activities remained at 38% of the total number of researchers



# Educational reforms in Cyprus (1)

- Modernizing the structure and content of education
  - The formation of new curricula at primary and secondary level is considered the pedestal on which to build the reforms
- A proposed new system for teacher evaluation
- The incremental reconstruction of the Ministry of Education and Culture
- The specification of policy regarding English speaking students
- Infrastructure upgrading
- The subsidization of labtops to all students in the second class of Gymnasium
- Various measures to improve the daily running of schools

# Educational reforms in Cyprus (2)

- Decentralization of school units
- Continuous training and professional development of teachers
  - The teacher profession is highly prestigious and well paid
- Incrementally introducing the all day school
  - Many new jobs will be generated
  - The economic crisis has deferred its implementation to the future
- ICT and e-learning

# Educational reforms in Cyprus (3)

- Higher Education Reforms
  - Student care package
    - Enhance social cohesion
    - €12 mln
  - Legislation for controlling the tuition fees of private universities is under way
  - Introducing new programmes of study, departments and faculties
    - Faculty of Medicine
    - Department of Rehabilitation Sciences
    - etc

# Higher education in Cyprus

- Relatively short history
- Three state universities
  - University of Cyprus (1989, 1992)
  - Open University of Cyprus (2003, 2006)
  - Cyprus University of Technology (2003, 2007)
- Three private universities (2005, 2007)
  - Currently operating under probationary license
- Cyprus signed the Bologna Declaration in 2001

# Bologna Process Stocktaking 2009- scorecard for Cyprus

## DEGREE SYSTEM

1. Stage of implementation of the first and second cycle

2. Access to the next cycle

3. Implementation of national qualifications framework

## QUALITY ASSURANCE, ESG

4. Stage of development of external QA system

5. Level of student participation in quality assurance

6. Level of international participation in QA

## RECOGNITION

7. Stage of implementation of diploma supplement

8. National implementation of the principles of the LRC

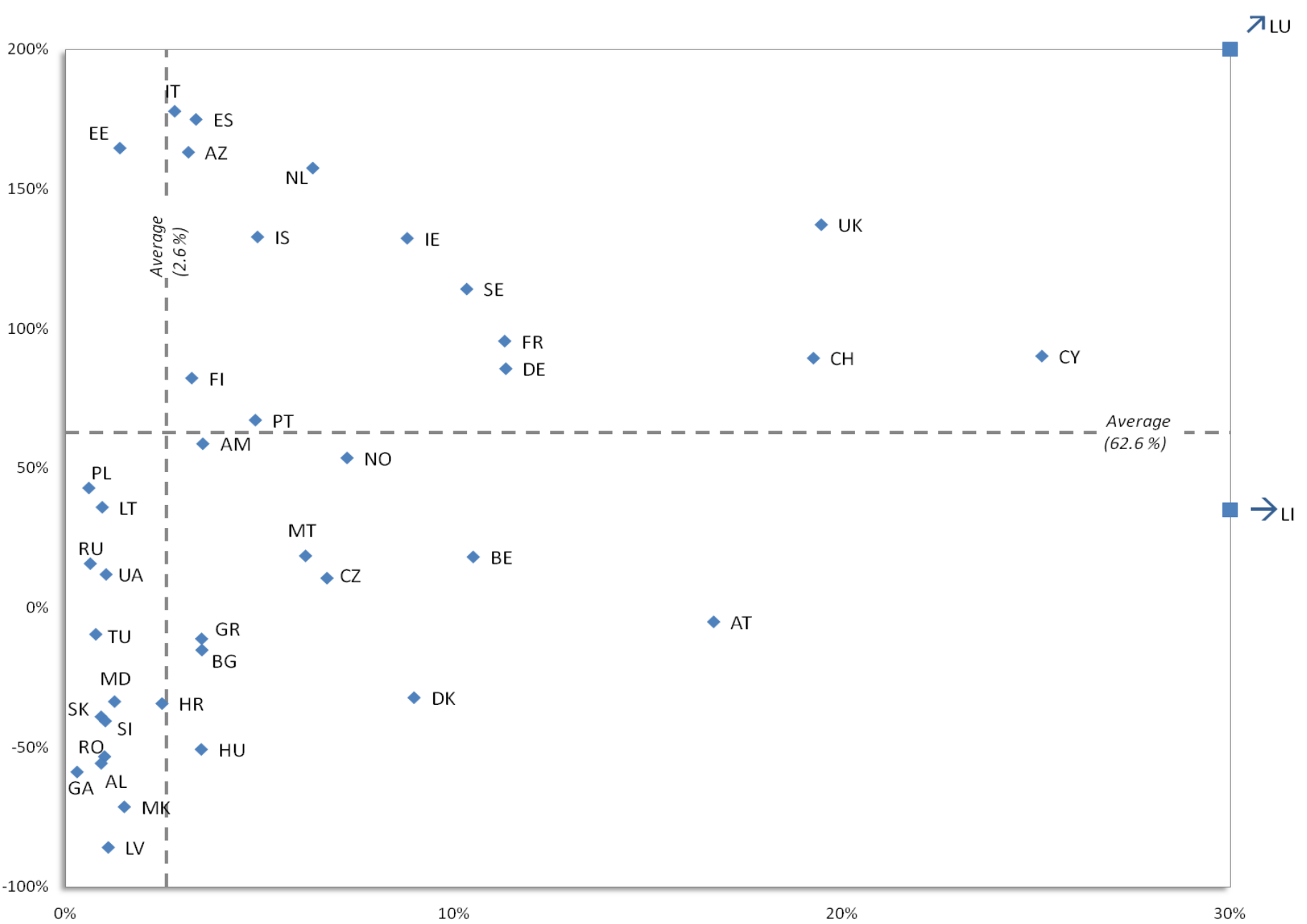
9. Stage of implementation of ECTS

10. Recognition of prior learning

# External QA and Recognition

- External QA and Recognition Bodies
  - Evaluation Committee for Private Universities
  - Council for Educational Evaluation-Accreditation
  - Cyprus Council for the Recognition of HE Qualifications
- New legislation under way for the establishment of a Cyprus QA and Accreditation Agency, encompassing the above bodies

Growth of the proportion of foreign (non-EHEA) students between 1999 and 2007



Foreign (non-EHEA) students as a percentage of the total student population (2007)

# Cuts in Higher Education

- There are substantial cuts in this year's budgets for the public universities and analogous cuts are planned for the next two years
  - The cuts are primarily aimed at operational costs and not developmental expenditure
  - A number of new positions for academic and administrative staff have been approved

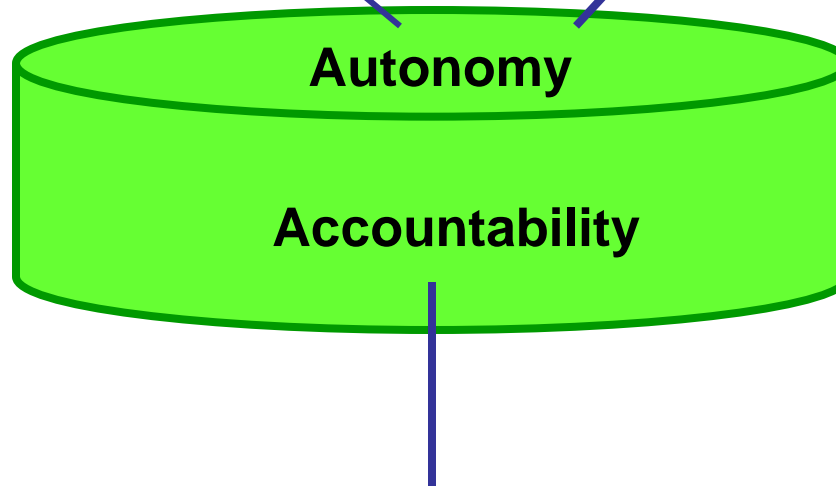


# Financially Sustainable Universities: Towards full costing in European universities

- EUA Report (2008) – [www.eua.be](http://www.eua.be)
- Universities to identify the real costs of their activities
- E-university
  - The quality of database and information systems influences the time, effort and investment needed for the implementation of full costing
- Funding, autonomy and accountability

**one of the conditions that underpin the implementation of full costing**

**more autonomous universities are better able to attract funds from different sources and more international funding**



**full costing is one of the key pillars of accountability: universities can prove to funders, students, taxpayers and society at large what their money is spent on**

# Research, innovation and growth (1)

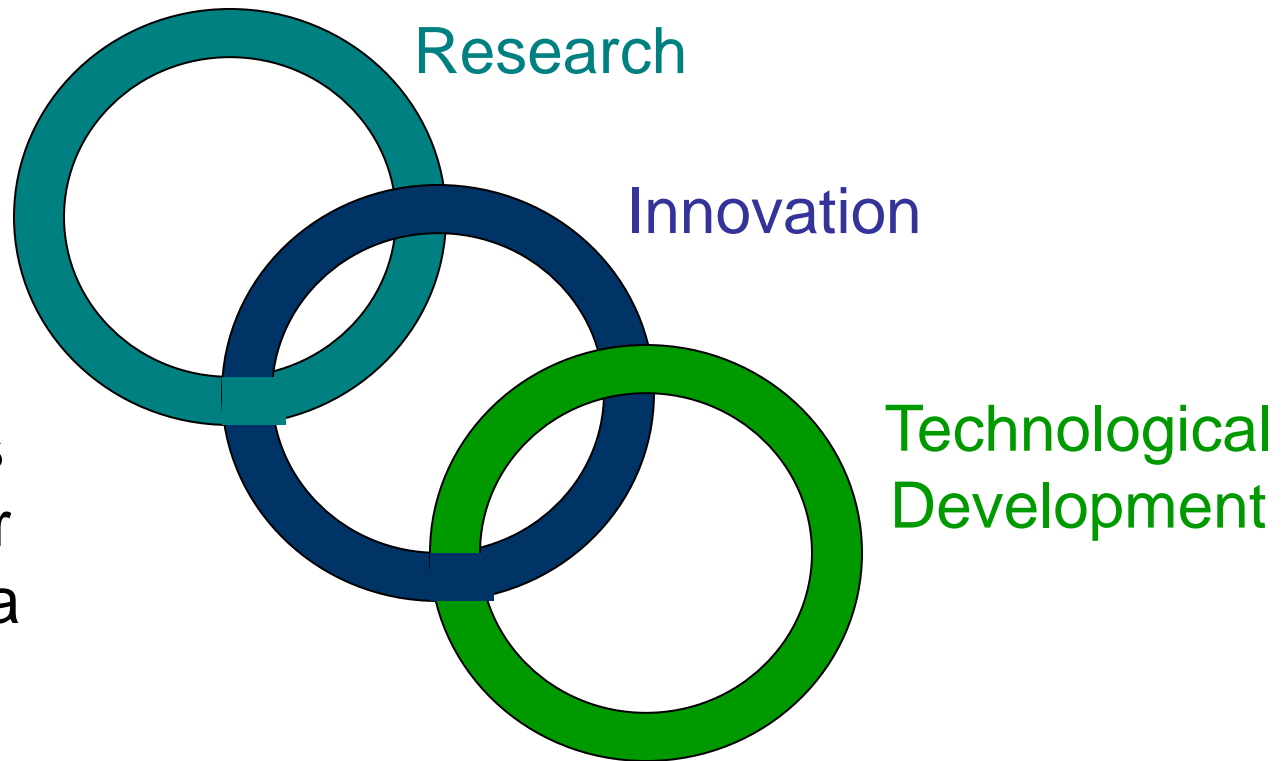
- In the field of innovation, according to the European Innovation Scoreboard 2008 (Strengths and Weaknesses Report) Cyprus improved considerably its position since 2008, moving from 24<sup>th</sup> to 13<sup>th</sup>
- The two measures
  - Research and Technology Mediation System
  - Thematic and Innovation Networksare expected to significantly improve cooperation links between research organizations and enterprises

## Research, innovation and growth (2)

- Liaison offices between all six universities and industry have been recently established utilizing EU structural funds
- Science and Technology Park
  - Feasibility study completed
  - Necessary land for its housing has been expropriated
  - Access road to Park has been constructed

# Research, innovation and growth (3)

- Restructuring of the Cyprus Foundation for the Promotion of Research
  - Governing Board
  - Scientific Academic Board
  - National Research Policy
    - Priority Areas for Research



This chain has significance for countries with a vision to become **knowledge economies**

Technologically developed countries undoubtedly **have a competitive advantage**

# Concluding Remarks

- In spite of the economic crisis facing Cyprus the education budgets for 2009 and 2010, show increase
- The government continues with the planned, major educational reforms, albeit with reduced speed in the case of some reforms
- Regarding research and innovation, there is progress but there is still substantial ground to be covered

# In times of economic hardship

Financial sustainability can be  
obtained by promoting long  
term growth –

Education and research are  
the two pillars to build on