

Decision

No.1509, dated 30/7/2008

On the approval of the National Strategy for Higher Education 2008-2013

Pursuant Article 100 of the Constitution, with a proposal of the Minister of Education and Science, the Council of Ministers

Decided:

The approval of the National Strategy for Higher Education, 2008-2013, as per the text attached to this decision

This decision will enter into force upon publication in the Official Gazette

Prime Minister

Sali Berisha

## NATIONAL STRATEGY FOR HIGHER EDUCATION (NSHE) (2008-2013)

### 1. GENERAL OVERVIEW AND CURRENT SITUATION

1. Higher Education (HE) and scientific research in Albania are still far removed from international standards and progress in this field in the past 14 years has been somewhat disappointing. The new law on Higher Education (2007) constituted an important step forwards for the improvement of the system; however, it is recognized that this is only the beginning. This strategy outlines long-term goals and objectives for the system as well as the policies needed for achieving the strategic priorities in the years to come, until 2013.

2. The strategy is in full compliance with the main development trends of Higher Education in Europe and the rest of the world, especially with the Bologna process; the main goal of the strategy is to improve HE in order to introduce Albania to the European Higher Education Area, to which it belongs.

3. The Strategy reflects the vision of the Government regarding mid-term and long-term policies in the sphere of HE. The strategy includes suggestions from the academic arena as well as other interest groups inside the country as well as from experts and higher officials of the Council of Europe. The strategy lays out the foundations for an action plan which including scheduled tasks to be implemented until 2013.

4. The following chapter highlights the main problems of the current situation and categorizes them into three major areas: the institutional framework; teaching and the curricula; the financial aspect.

### **The institutional framework**

5. The current HE institutional framework does not address modern developments. The HE Law (2007) constitutes a positive step towards the achievement of a modern system. The developments foreseen in the framework of this strategy may require additional improvements of specific aspects of the law. With regards to the institutional framework, the following shortcomings are highlighted.

6. Firstly, HE does not address still the needs of the future society and economy of the country. Many aspects of HE, especially the level of teaching and research in Higher Education Institutions (HEIs) do not respond to the dynamic changes and the European ambitions of the Albanian society.

7. Secondly, the current system is highly homogeneous and does not encourage HEIs to undertake any activities. The legislative basis needs to be more elastic in order to allow for a multi-dimensionality of activities.

8. Some of the HEIs outside Tirana still fail to play a significant role in the development of their respective region, and on the other hand, they lack the necessary incentives to orient their activities in this direction. Moreover, some of them do not have the necessary scope and size to be realistically effective as HEIs: every future expansion of the system will normally be carried out through the consolidation and growth of the capacities of the existing institutions and not through the creation of new institutions.

9. Thirdly, teaching (in HEIs) and research (in research institutions outside the Higher Education system, mainly under the Academy of Sciences) have been hitherto separated. The reform of the research system, which was initiated in 2006, is reaching its conclusion towards the fulfilment of its main objective: the integration of research into higher education. The legislative changes brought about the integration of the research institutes of the Academy of Sciences and the research network outside the university into the University of Tirana. The integration of scientific research with higher education is

expected to positively affect the quality of higher education at all cycles, mainly in the second and third cycles of university studies.

10. Fourthly, apart from the basic education of teachers, Higher Education is generally not oriented toward professional profiles in the field of education: there are few such programmes in the first cycle and especially, there are few non-university higher education programmes. This is the main reason behind the failure of regional HEIs in fulfilling their role in support of local economies.

11. Fifthly, the lack of abilities to address the needs and challenges is not entirely a responsibility of HEIs, since they have not enjoyed the necessary autonomy to effectively function as education institutions of the 21<sup>st</sup> century. Even though the HE Law (2007) constitutes an important step forward in this sense, it fails to grant full autonomy to HEIs, which would change their status from state-owned to public institutions. One of the main goals of the strategy is to change HEIs into truly public institutions. This transformation will require further improvement in the governance and management of these institutions as well as improvements in the mechanism of internal and external accountability.

12. Lastly, we admit that the Ministry of Education and Science still has limited capacities to develop strategic policies for higher education and scientific research.

### **Teaching and curricula**

13. Both teaching methodologies and the content of the curricula of the majority of university programmes do not meet the needs of the society and of the economy. With regards to the methodologies and the style of teaching, the general tendency is to provide students with ready-made information and only require repetition of the information without encouraging critical thinking. With regards to the content of the subjects, it is often narrow and traditional, without dividing subject materials into modules and credits, as required by the Bologna process. They need to provide students with alternative choices and flexibility of studies. These shortcomings constitute one of the main reasons why a considerable number of students choose to study abroad and very few of them come back to their country of origin.

14. The State Matura and its utilization as a mechanism through which students are able to earn their right to enrol in HEIs, has undergone some important developments in the recent years. This mechanism needs to enrich and further improve, through learning from the experience and advanced models of other countries. The further steps for the development of the State Matura are outlined in the action plan.

15. In order to provide quality teaching and rich information, the academic staff must engage in in-depth academic and pedagogical research which will allow students to be informed about the most recent research developments in the respective fields. This activity should be distinguished from the fundamental authentic "scientific research", which implies production of original results. In a small country like Albania, taking into consideration the current stage of development, fundamental scientific research may be

pursued only by a relatively limited number of academic employees. For this category of employees, financing of scientific research will be realized through a competitive process. In order to ensure the advancement of their academic career, it is imperative that the academic staff contribute sufficiently to scientific research, obtain "Master" and "Doctorate" degrees as well as a relevant teaching experience. The ratio of contribution to scientific research and contribution to teaching may be adapted in accordance to these criteria, which will not be uniform for all HEIs, but will reflect the different mission of each HEI. However the PhD degree will be compulsory for those lecturers who will be teaching in various subjects/modules in the second and third cycles.

16. Investments towards the improvement of the teaching process have been insufficient, especially investments towards to implementation of contemporary methodologies. Even though it is included in the 2007 HEI Law, there is still no management system for the performance of academic staff. The establishment of such system would assist in identifying that group of academic personnel that utilizes out-dated teaching methodologies and who need to update their qualifications in the area of teaching.

17. In terms of the qualification of teachers, curricula are often overloaded and do not focus on the necessary pedagogical specialities necessary for educating qualified and successful teachers. Supervised teaching internships are not sufficient. Little attention is paid to providing continuous training for teachers. Currently the policy document for this purpose was drafted and the Institute of Curricula and Training (ICT) will have the role of coordinator and will identify the needs in the field, in order to prepare a national training catalogue and to accredited programmes. The improvement of continuous training for teachers would not be useful if no attention is paid to the changing of the basic education that future teachers receive. In order to achieve this change, the strategy outlines relevant paths and stages of implementation.

18. Quality assurance, as a theoretical and practical concept, was introduced in 1999 upon the establishment of the Public Agency for the Accreditation of Higher Education (PAAHE), which played an important and ever increasing role in the improvement of quality assurance methods. However, the agency does not cover three cycles; especially it does not cover part-time studies, even though it is necessary since the number of enrolled students in part-time programmes has doubled in the last decade. Such situation is required to change.

### **Financial issues**

19. HEIs are mainly financed through the State Budget. Such funding has proved insufficient for supporting a qualitative and quantitative improvement of HEIs in the country. Moreover, the management of these resources has often been not up to par. The standards and capacities of some of the premises, equipment and libraries, as well as the quality of services offered does not meet regional or international standards. However, it is unrealistic to foresee that the situation be improved in a short period of time. In addition, the salaries of the personnel are lower than they should be, which forces the

academic staff to engage in other activities, often at the expense of the quality of work in HEIs.

20. The most immediate and most important needs for investments have to do with the improvement of the quality of teaching through the training of the academic staff in Albanian HEIs, which will help them address the ever-increasing demands of the students.

21. HEIs never enjoyed sufficient autonomy in the handling of funds. Financial procedures have been such that they did not encourage HEIs to generate more income, despite the positive attempts which have been made in this sense. Only a small part of the public funds allocated to HEIs were calculated on an objective basis, except from salary funds. Moreover, the methods utilized to determine these funds did not take into consideration the results and the levels of different HEIs. After the entry into force of the HE Law (2007), HEIs were granted more leeway in terms of flexibly and effectively managing financial resources. Increased freedom in managing funds constitutes an important aspect for the development of institutional autonomy; however this should go hand in hand with strengthening management capacities and the increase of transparency and accountability with regards to the utilization of funds. This law also provides for the development of a new methodology of funds' allocation.

22. Tuition fees paid by students constitute another important source of income for HEIs; however, the structuring of different types of fees for students was not made in a rational way. In addition, little transparency was observed in the utilization of this income, which was especially a concern for those who paid the required sums. The mechanism of assistance for low-income students was not well structured and consequently, has not always been supporting those students who really were dealing with economic difficulties.

## 2. VISION, STRATEGIC PRIORITIES AND GOALS FOR HIGHER EDUCATION

23. Even though the current level of higher education and research has undergone improvements in comparison to the past, it is still unacceptable for the future. HE and scientific research need to evolve in order to enable Albania to take its place in the European Higher Education Area (EHHA). Albania needs well-educated citizens and a qualified workforce in order to establish a future-oriented, knowledge-based society. For these reasons, education will be a key priority in the next seven years.

24. The main objectives with regards to HE are based on the National Strategy for Development and Integration (NSDI). These objectives are summarized as follows:

- Development of society and promotion of democratic standards through the education of students, in order to enable a vigorous civic life.
- Economic development of the country in general and of the specific regions in particular through the education of a qualified work force.

- Fulfilment of development aspirations of younger generations.

- Development and consolidation of a wide and adequate knowledge base for the benefit of the country.

25. In order to achieve these objectives, and based on the needs of the society, the HE system will create, develop and transmit knowledge through teaching and scientific research. Apart from the economic and social development of the country, scientific research will especially be utilized with the aim of updating, refreshing and extending the theoretical and practice base of study curricula, teaching and services.

In order to achieve the aforementioned objects, we distinguish five strategic priorities, which need to be developed in the next seven years:

a) The expansion of the system in order to meet the needs of the country with a view to achieve adequate standards for EU integration (in terms of the tertiary education indicators for the population), and at the same time, in order to create higher education opportunities for all those who wish to pursue it.

b) Ensuring diversity in education offers, in line with the requirements of the future development of the country.

c) Improvement of the quality of teaching and learning in the HE system through continuous training of human resources and the fostering of a culture of quality.

d) Improvement of governance mechanisms through granting HEIs adequate autonomy conditional upon the achievement of an adequate quality of management, accountability and transparency, which will ensure their effective work as public institutions.

e) Development of methods and levels of financing, in order to encourage the entire system to achieve the general objectives.

26. Strategic objectives and priorities require important investments for HE and for scientific research. It is believed these expenditures will generate future investments.

27. The process of changing a complex system such as HE will require time and this is the reason why the strategy was extended to a period of seven years. Taking into consideration the latest developments, the 2007 HE Law might require some amendments.

28. The strategy is based on a rigorous analysis of the current situation of the country; it also takes into account international developments. The proposals set out in the strategy are in line with the main European and global trends in HE. As such this strategy aims to gain wide support from all actors involved in HE as well as policy makers in the country and abroad.

### **3. POLICIES FOR STRATEGIC PRIORITIES**

#### **3.1 The size of the system of Higher Education**

29. In order to achieve the aforementioned objectives, the development of the country will require an expansion of the full-time HE system. This expansion will be accompanied with the change of the current form of the system. Such expansion will bear financial costs and it will be valuable only if it is conducive to the transformation of HE in a modern and quality system. Upon reformation of the system, any type of expansion costs will be considered an investment for the future rather than simple expenses. The strategy involves the development of policies – for the system in its entirety as well as for every HEI. The action plan will include details on the reforms that need to be carried out as an integral part of any expansion process.

30. The level of HE expansion will be in line with the long-term objective of EU integration and in line with demand. We consider two aspects of demand: demands in line with the future needs of the job market and the demand for Higher Education from students themselves. While the majority of demands from graduates of HE in Albania are met, some specific demands are still unfulfilled. One example can be the current lack of IT specialists in the country and of teachers in remote areas. Being an economy in transition, the job market demands are far from stable and, consequently, the expansion of the system needs to be gradual and not immediate.

31. The National Development Plan has determined three priority sectors: Tourism, agriculture and food industry, and the development of exports in general. These priorities will be reflected in the ever-growing admission quotas in various HEIs. Between 2005 and 2006, only 13% of students were enrolled in courses such as mathematics, physics, informatics and engineering sciences in general. When compared to the 26% EU ratio, it seems there is a growing need for conducting an in-depth study in order to evaluate whether enrolment in these fields of studies should be encouraged more, in line with the development needs of the country and analogous experiences in other countries in the region and beyond.

32. The number of employees in the private sector is growing rapidly. A high number of graduates will be employed in the future in private sector activities which today are still inexistent – this means they will have to be prepared to re-align their professional qualifications with new market demands and will have to change employment several times during their life. The experience of other countries suggests two important considerations to be taken into account with regards to training that meets future market demands. The first involves the training of students with general transferable skills such as analysis, critical thinking, reasoning, presentation and communication. The job market in Albania is not able to fully realize the need for such an education; for this reason the government will need to take active measures in order to encourage employers to understand and address the challenges of the future. Current HE in Albania does not foster the development of these skills as it should, while it is expected that individuals having these skills will take on leading roles in a future knowledge-based economy and

society. For this reason, new education and training courses and programmes are necessary; most importantly, the curricula of first and second cycle university studies require fundamental changes.

33. The second consideration stems from the experience of other countries, especially those from Central and Eastern Europe, where post-secondary 2-year qualification courses will gain considerable importance. These courses are considered as non-university higher education and offer professional degrees as well as other qualification titles, and are strongly oriented towards market demands. They will be able to give an important boost to the developments of small businesses and young industries, especially at the local level. Several positive initiatives have been taken in this regard, but their scope is limited and their experience still scarce.

34. The development of post-secondary 2-year courses will be achieved through close cooperation with the private sector. The action plan envisions the establishment of a special working group which will assess the need for 2-year diplomas of professional qualification and their future organization. The involvement of HEIs in the development of these courses is expected to require financial incentives for HEIs. The action plan includes the allocation of special funds for this purpose, which HEIs will be able to obtain through a competition process. Non-university training will be considered as part of the National Framework of Qualifications and must be conceived in such a way as to allow successful students to pursue (if they wish) first cycle university studies through credit transfer.

35. The expansion of HE constitutes a priority which will be pursued in the future, but not at the expense of quality. Such expansion will not be faster than the time needed to develop an adequate contingent of higher education candidates and therefore is conditioned by the evolution of the pre-university system. Over 90% of students completing secondary education were enrolled in higher education in the academic year 2006-2007 (excluding education abroad), but the quality of a part of the students was not up to par. The objective regarding secondary education is to include about 80% of adolescents in some kind of secondary education; this system will undergo a deep reform aiming at the improvement of quality. The objective regarding HE will be to enrol more than 85% of post-secondary students in one of the branches and cycles of Higher Education. This means that the number of students in all tertiary study cycles (post-secondary, bachelor, master and PhD) and both schooling types (full-time, part-time and distance learning) in 2013 will be over 120 000. Currently the number of students enrolled in tertiary education is 91 000 (as of July 2008). This expansion of about 30 000 students over a 5 year period will develop as part of (i) the expected annual increase of students graduating from secondary education, which is about 2-3% per year; (ii) the opening of second cycle studies (master), and (iii) the expansion of private HE.

36. This expansion objective is ambitious and will be elaborated in more detail in the action plan. A minor part of this expansion will certainly affect first, second and third university study cycles and mainly those HEIs that will offer all of these cycles; the larger part of this process is expected to affect intermediary or non-university education

(generally 2-year programmes). The latter will not only provide qualifications that will have an immediate impact in the job market, utilizing curricula that will address local needs and demands, but they will also be low-cost in comparison with the costs of a full-time first cycle university course. Local HEIs are considered as the most adequate environment for the creation and development of such programmes which involve trainings and re-trainings that serve the needs of the private sector and the job market in each region. Other potential degree-granting institutions will only be allowed to operate if they meet accreditation requirements; these include private institutions requiring students (or employers) to pay various levels of tuition fees.

37. The increase in the number of students will go hand in hand with the improvement of the system's capacities and the provision of adequate teaching standards. For this purpose, it is imperative that these institutions employ a sufficient number of adequately qualified academic staff. The current student/academic staff ratio (about 26 at the end of 2007) is still far removed from the EU average (20), where research personnel is not taken into consideration and which mainly include doctorate candidates, whom, even though they might not have teaching duties, are still expected to support professors in lectures, exercises, laboratory work and seminars. This ratio needs to be improved while at the same time allowing for the increase of the number of students in the HE system. As a result, the increase of about 30.000 students over the course of 5 years will require an annual increase of the academic staff in public and private HEIs of about 2000 individuals; this does not take into account the need for substitutes or new additions after current personnel has retired. Only in 2008 the public HE system opened employment opportunities for 583 new academic and research staff. In addition 400 more researchers and professors were added to the HE system as a result of the implementation of the reform for the integration of research institutes of the Academy of Sciences and line ministries into the HE system. The main path towards the solution to the personnel issue is considered to be the employment of young professors, mainly aiming at quality academics educated abroad, upon provision of adequate incentives. Recognizing this need, since 2006, the Albanian government has established the Brain Gain programme, which involves the provision of an incentive package to facilitate the permanent or temporary return of candidates who have obtained masters or PhD diplomas abroad.

38. The majority of the new academic personnel which is required from the expansion of the system (the additional personnel) will focus on teaching mainly in first cycle university studies as well as intermediate non-university programmes. These positions will require candidates to have earned a Master or PhD diploma. The action plan involves the establishment of a monitoring process which will:

- determine the need for new personnel;

- evaluate to what degree this need will be met by the reform for the integration of research institutes in HE;

- verify whether new Master programmes which could potentially be a source of additional academic personnel, ensure the necessary flexibility to address the needs at the moment they may arise.

39. The improvement of the teaching quality in HEIs is not only a matter of numbers; it is firstly conditioned by the fact that very few professors strive to foster in students skills and competences which they will truly be able to utilize in the future. The change in teaching style and methodology requires a major investment in the development of current academic staff, especially of older professors; however, training of young academics is also necessary. For the training of much of the current personnel, a large investment will be necessary; however, considering the development of human resources as a high priority, these investments will be adequately supported.

In order to support the fast development of human resources in HE, the government has started to implement a special programme, "The Excellence Fund" since 2007. This programme offers scholarships to new academic staff that wish to pursue a part of their studies, or their entire PhD studies and Post-Doctorate studies in renowned foreign universities. This programme also supports Albanian students that pursue Master level studies in one of the 10 best universities in the world.

40. The second aspect, related to the expansion of the system, relates to the physical resources in terms of premises and equipment. Currently, HEI premises are utilized in a non-effective way during the entire year; the utilization of these premises and equipment during the afternoon hours would increase the chances of expanding the system. Some faculties within one HEI do not have adequate space while others have too much space. From this perspective, it is imperative that all faculties accept that the premises and equipment they utilize belong to the entire HEI, and not to specific faculties, despite the source for their funding. A more rational utilization and organization of the premises would allow for the increase in the number of students without requiring parallel expansion of HEIs in terms of physical space. Currently there are no detailed figures accounting for this argument. Therefore, the action plan includes an urgent study regarding the utilization of the premises and the conditions of the infrastructure in HEIs.

41. The same problem is posed with regard to the utilization of equipment, even though we admit that there is a lack of adequate equipment necessary for up-to-date teaching in most of the faculties. Again, no reliable figures have been produced to assess the degree of utilization or need for equipment. The aforementioned study will review and map the most effective ways to increase the efficiency of utilization of equipment and will also chart the needs in equipment; the aim is to achieve adequate standards over a period of 10 years. This study will refer to the situation and experiences in similar European countries with an economic situation similar to that of Albania. The improvement of the quality of equipment will aim to allow for the modernization of teaching methods and the improvement of the quality of the learning process in general; moreover, this equipment will also serve for scientific research, when applicable.

42. The third, and most crucial aspect relates to the provision of adequate financial support in the future. The government is committed to double funds in public education over the next five years. HE is envisioned to preserve the current percentage of budget allocated to it; however these will mainly consist in derivative costs and not capital investments. Financial support from other sources will also include private contributions and assistance from bilateral and multi-lateral agencies. The action plan will coordinate the various potential sources of financial support.

43. Despite limitations, the objective of expanding higher education is believed to be achievable without hinging upon the quality of the system.

44. The expansion of the system will not be carried out through the establishment of new public HEIs; rather through the expansion of the current ones, especially regional institutions. The majority of this expansion will involve non-university higher education and first cycle university studies, contingent upon the results and progress of the working group with regards to diplomas. At the same time, it is aimed to increase the variety of subjects in higher education, which is currently very limited. Thus, on the one hand we will ensure a comprehensive education for students and, on the other hand, we will be able to offer students more choice in combining various subjects.

45. The future of part-time students is still unclear. Currently many of those finishing secondary education pursue part-time university studies because their GPA is not up to par with the requirement for admission in full-time university study programmes. Even though this fulfills part of the demand, it is still not the main goal that we aim to achieve through this form of schooling; indeed, part-time studies is intended for those students who have no real possibility to pursue full-time studies (e.g., they are employed). There are other concerns regarding the organisation of part-time studies. Firstly, admission criteria for part-time students need to be equal to those for full-time students and if not HE in the country will have lower standards than what we expect. If high school students will be sufficiently educated to pursue higher studies, the system should be able to admit them in full-time studies; if they fail to fulfil these standards, they should not be admitted under any circumstances. Secondly, the value of part-time studies is equal to that of full-time studies but this should be changed because the number of hours of studies is only two thirds of full-time studies. Thirdly, the tuition fees from part-time students ensure a considerable income for the academic personnel and this can pose a serious risk because university professors might neglect full-time students.

46. The system of part-time studies is highly valuable for those who continue this type of schooling, e.g., because of job or family commitments. Such students will continue to be a considerable portion of the system especially when life-long learning will become a normal part of a growing economy. The main goal of the part-time system is to serve the needs of these students and their employers. Many of these students will be adults; therefore part-time studies need to adapt to the need of this age-group, e.g., short courses for life-long learning. The part-time study system should not be an alternative to senior students who fail to meet the admission criteria for full-time studies. The effect of this change will be a significant reduction in the number of part-time students, which will

lead to a decrease of income for HEIs and for the academic staff. The policy for this form of study should be part of a wider strategy “of life-long learning”, including “open opportunities”. These are complex issues and the action plan involves the establishment of a working group for part-time studies and life-long learning, which will analyse the situation and draft adequate recommendations.

47. In the framework of the expansion of this system, there will be an increase of the number of students in private institutions compared to the total current number of about 10.000 (as of July 2008). They will have an ever-increasing role in fulfilling the needs of the society for higher education. PAAHE will continue to apply a rigorous system of quality assurance for private HEIs, to protect the interests of their students and to guarantee that they operate in a clear framework and with high standards. Moreover, in order to protect the interests of students in public HEIs, the current requirement for academic personnel to teach in private HEIs will be strengthened, within the rules for public institutions. The strategy involves the idea that despite the growth of the number of students in private HEIs, the demand for higher education will be mainly covered by public HEIs even in the future. Higher Education will remain a public responsibility.

48. The palpable expansion of the system is in line with the continuous development of the State Matura, as a tool to ensure entry in HEI. The action plan will contain all the steps and procedures for the State Matura, and involves cooperation with the Agency for the Evaluation of Achievements (AEA). The main goal of development of the State Matura consists in establishing a centrally administered and drafted examination, at least for basic subjects. The State Matura will include one core of compulsory subjects at two levels. For elective subjects, we aim to expand the variety of subjects allowed to be examined, and these tests will also be organized in two levels.

49. Having a core group of compulsory subjects in the State Matura will allow for the development of a computerized system of student distribution in HEIs (similar to practices in the European Union countries). This system will focus on the entry threshold, based on the subjects determined by the faculties themselves and will take into consideration the preferences of the students and the results of their exams. The Action Plan provides for the establishment of a new body: The Agency for Admissions in Higher Education Institutions (AAHEI). The completed State Matura, together with the new admissions system in HEIs is envisioned to be achieved by the end of 2010.

50. In order to assist students make adequate choices of their courses of study in higher education, each HEI will be required to produce a Prospectus addressing prospective students. However, such Prospectus will not be able to provide sufficient information and ensure that students make the right choice for their future. For this reason the Action Plan involves the establishment of a career team, which will help future candidates to clarify their future career prospects. This team will give suggestions on the content of the Prospectus prepared by each HEI. The members of the career team will take into consideration the interests of the University, of HE in general as well as the interests of employers.

### **3.2 The differentiated missions of HEIs: Teaching, services and scientific research**

51. Currently the higher education system operates as if all Higher Education Institutions (HEIs) were the same, but in fact there are and there have to be important differences between them. The differentiation of the missions of HEIs is a necessity. It should be in such a way that every HEI serves the country's needs more efficiently. This differentiation will have its implications in their structure and functions.

#### **Differentiation of missions**

52. Teaching in the regional HEIs will continue being oriented towards a priority to vocational training education, especially for teachers in the compulsory education system, IT specialists as well as nurses, social workers, managers, legal assistants etc. These trainings will be carried out with first-cycle university courses, with possible exceptions only for teaching. The Bologna Framework does not prevent regional HEIs from offering only the first-cycle in the absence of conditions or needs to hold the three cycles.

Meanwhile, they will have an important role in the establishment and consolidation of 2-year postsecondary studies. All three university cycles will be offered by only those HEIs, in Tirana or districts, fulfilling the standards.

53. The strategy does not aim at only limiting regional HEIs in only offering the first-cycle. This position is not rigid, both for students as well as for these institutions. For students of the regional HEIs, through cooperation with HEIs offering the three cycles (currently, the three main universities in Tirana), entry into the second and third cycle programs will be made possible, on condition, that they (students) meet the criteria set for this purpose. In fact, this transferability is one of the main objectives of the Bologna Process. The Higher Education Law (2007) makes it clear, that regional HEIs will have the opportunity to offer the second or third cycle or even the third one in a certain field or direction, in case they prove they have fulfilled the national criteria for that field or direction. The criteria are determined by the Council on Higher Education and Science (CHES), based on recommendations by the Public Accreditation Agency for Higher Education in Albania (PAAHE) and are verified by the latter.

54. It is expectable that regional HEIs (without excluding private ones) should be in the forefront of the development of two-year post-secondary programs and be the main providers of their diplomas. Regional HEIs will in this way become the main beneficiaries of development funds, which will be awarded by the government, exactly for this purpose. They will also benefit from education fees in these programs, thus increasing their revenues. PAAHE will develop special criteria to ensure the quality of the two-year study programs.

55. The orientation of regional HEIs towards vocational education training will strengthen their contribution to the social and economical development of the respective region. The strategy aims to identify these HEIs more and more as "Regional Development Centres," with strong connections to the local community and special attention to the needs of this community. Undertaking such a role by regional HEIs will

strengthen their identity; they will be much more specific and much more recognized than they currently are.

56. The role of HEIs to help the economical and social development implies that they, apart from teaching, will also offer consultancy, applied scientific research and other services, thus benefitting extra revenues. The potential "customers" of these services will be the local communities and businesses, the local and central government bodies, and different donor organizations; all of these, especially the Ministries and donors, will be encouraged to use services offered by HEIs. Special financing will be determined in the action plan - promotion funds - to help regional HEIs develop this role. Each HEI will be asked to present a detailed plan accompanied by costs, to demonstrate which services it aims to develop. This plan will be examined by the CHES, and in case of approval, at least part of the cost of starting respective operations will be covered by the promotion fund.

57. In the same way and with a similar strategy, the three main universities in Tirana will help in the development of the local community and businesses. They will be able to offer a wider variety of services through the integration of research institutes into them, from where considerable extra revenues are expected to be generated for these universities. They should be able to develop such services without the need of promotion funds, which will be destined for regional HEIs.

58. Procedures, allowing HEIs to sign contracts for the services they offer have undergone changes and become more simplified. But these changes have not been appropriated and exploited as much as needed by the HEIs. The action plan will also foresee measures to enable and encourage HEIs in making use of all legal opportunities for generation of revenues. In the framework of this plan, the working group on finances will study the possibility of other facilitations for those procedures which still require approval by the central bodies, such as those for the establishment of enterprises or the way of using revenues.

59. The high cost of scientific research imposes focusing selectively on some fields or priority directions; only in this way can its impact maximized - such a practice is followed even in rich countries. The selection of fields and priority directions will be made by a special body under the authority of CHES, the Group on the Strategy of Scientific Research. A duty of this group will also be the monitoring of the implementation of the strategy on scientific research, as well as the review and its update, to continually respond to the domestic and foreign developments.

60. The scientific research strategy will serve as a platform for the decision-making related to the fields where the scientific research programs will be oriented. The academic scientific research will be financed on project basis, through a transparent competition procedure, in which the selection of winners will be made on merit. The development of this procedure will be another duty of the Group on Higher Education Strategy. To do this, it will be supported by several panels of experts, based on the division of scientific research in some broad fields, for example, three. Each panel will be composed of field

personalities and one of them could also be a foreign expert. The action plan will determine in detail the way of the constitution of the Group on Scientific Research Strategy, the duties and competences it will have and especially, the procedure on allocation of funds.

61. It is expected that the Group on Scientific Research Strategy will include the panel directors, members of the CHES, a representative of the Ministry of Education and Science (MES), representatives of the industrial or production sectors, as well as renowned personalities from the main fields of scientific research (who could also be members of the respective panels). The composition of the Group on Scientific Research Strategy will be more concretely examined in the action plan.

62. For objective reasons, at least in this stage of the country's development, the volume of scientific research will be relatively modest, and the bulk of it will be carried out in the main universities of Tirana, already empowered by the integration of Research Institutes. This integration will create the opportunity of rationalizing research capacities at a national level, in accordance with the priorities of the Scientific Research Strategy; this is also the reason for the emergency in drafting this strategy. In order to help the integration process of Research Institutes and the rationalization of research which comes as a result, the action plan foresees the possibility of allocating funds based on cases and needs argued by the interested universities. These funds will be ensured to a greater extent from the savings made from the increase in the efficiency of the administration of human and material resources with the integration into universities of the former Research Institutes. Hence, stems another important duty of the Group on Scientific Research Strategy that has to do with the drafting of a plan on the rationalization of the research capacities on a nationwide scale, and the distribution of funds in function of this rationalization.

63. The regional HEIs will undertake different practical activities serving their local communities, but they, naturally, will have the right, as all HEIs, to compete with academic projects on scientific research - if they really possess the capacities needed for their undertaking. In order to help regional HEIs to specialize in one or several directions of scientific research, for example, in the education area, they will have funds allocated, which they will judge themselves on how to use them, based on their strategy on the development of research capacities.

### **Consequences Related to the Report on Workload for the Academic Staff**

64. The differentiation of HEIs missions will have its consequences even in the report on the workload for the academic staff. Despite this differentiation, teaching will be the main task of all this staff and continuous improvement and qualification will be expected from every one to raise and update the level of teaching they hold, both in the pedagogic and content aspects.

65. Applied research, consultancy and development activities (whose nature is not to be covered in scientific publications), must be services which all HEIs offer to local communities and businesses, in Tirana and districts as well. Therefore, each member of

the academic staff (without excluding the support staff), is expected to contribute to these kinds of activities. Likewise, the whole staff should be available to carry out administrative duties required by HEIs.

66. The real scientific research, different from the above-mentioned, will be carried out by a limited part of the academic staff; it is not thought that the whole staff should be necessarily involved in this kind of research. This does not include the process of acquiring and updating knowledge, which helps in the teaching process and is a primary duty of every member of the academic staff. The real scientific research will be undertaken by that part of the academic staff which has been successful in the competition to win financing on research projects, or by that part of the staff which works on a field determined by HEIs for the development of capacities on real scientific research. In this case, the HEI, covers the expenses with its internal funds. For the remaining part of the academic staff, the whole working time should be put at the disposal of teaching, services offered by the HEI, administrative duties and applied scientific research.

67. As far as the academic workload is concerned, there could be different conceptions for different HEIs, even for different faculties within one HEI. Nevertheless, the academic workload includes four kinds of activities:

- teaching (along with continuous professional qualification),
- scientific research, development and transfer of technology and knowledge,
- support to the institution

68. The structures of HEIs will institutionally approve the academic workload for every member of their staff and will assess the performance in each item of the above-mentioned activities (for the teaching process the report of the internal assessment of quality as well as the opinion of students will be taken into consideration). The action plan will include indications addressed to HEIs on the conception and development of rules regarding the assessment of performance.

69. The different conceptions of workload will have important impacts on the criteria of employing academic staff and career progress. Currently, the correspondence of scientific grades and academic titles has not been regulated with the job places. The academic title "Professor" does not imply a job for the professor, as happens in foreign schools. This has led to the criteria of applying for academic titles becoming the same for all HEIs.

70. CHES will recommend the employment and academic career criteria, accepting the principle that they will be flexible based on the mission of HEIs. After setting the clear criteria for every HEI, each of them should be responsible to operate with them in a fully transparent way. After the consolidation of this standard, the role of the Commission on Assessment of Academic Titles (CAAT) should be reconsidered. For the newly employed

staff, the HEIs will not sign long-term contracts, as long as it has been proved that the candidates deserve it through their evidenced performance in teaching.

71. The action plan includes the conception and development of different samples on the workload of the academic staff, whose principles could be included in its employment terms. These employment terms will also include references related to the improvement of teaching methods. As part of the agreement with the staff which will make these improvements, even forms of financial stimuli will be predicted. Thus, wages will include a component related to the performance.

### **3.3 The improvement of teaching quality and learning**

72. The needs of the country's future require that all three cycles of the academic offer should fulfill the Standards and Guidelines for Quality Assurance in the European Higher Education. For the moment, the standards of the Albanian academic offer in general do not fulfill this level yet. To improve the quality of the academic offer, its development and update at a national level is required. In this context, the role of the PAAHE will be strengthened, so that it operates under these standards, and, furthermore, guarantee that every initiative on the opening of new programs and cycles meets the determined criteria and standards.

73. It is also important to cultivate a healthier culture in the quality of HEIs. The creation of the appropriate environment to fight formalization and fictitiousness is as important, noticed until now in this material. Formally, this implies the determination of standards and the increase in institutional responsibilities for their implementation at HEI level, especially as far as internal assessment is concerned.

74. As far as teaching is concerned, there are two categories of standards of quality: standards on the teaching methods and standards on the content of teaching. A methodology studied to develop them at a national level is required.

#### **Teaching methods**

75. Albania in the 21st century, as elsewhere in Europe, will need people who have flexible and adaptable skills of thinking, analysis, creativity and solution of problems, both in the economy and wider for the society. The provision of these skills is the most important change needed for the whole Higher Education (HE) system. Surely, there will be continuous need for specific professional knowledge, but the general skills will become more and more important, and for many graduates, will be more valuable than knowledge in specific directions.

76. The current teaching method in HEIs does not develop such skills. It has more the tendency of "introducing facts," than using an interactive teaching method focused on the student. The nature of teaching between the academic staff and students needs to change, so that it becomes more interactive and based on discussions, thinking and development of ideas. This is one of the most serious shortcomings in the HE system - and has to do

with the three cycles of study, as well as pre-university trainings. To improve the quality of teaching, the biggest change that must be undertaken has to do with the methods. This change is important for the future of education and even investments for the development of human resources will be concentrated in this direction in the future.

77. The change in teaching methods will be a real challenge for a big part of the academic staff. This change will probably be difficult - but even more necessary for old professors, who have used the same teaching method for years and maybe do not understand the need for change. It is the duty of HEIs to find the ways of developing human resources and the action plan will require proposals by HEIs on how to fulfill this. HEIs will plan the development of human resources in these directions:

- Qualifications abroad: Short-term exchanges of the academic staff could be an efficient way to develop teaching skills.

- The staff returning from abroad: The staff which carries out the period of pedagogic and scientific training abroad should spread the gained experience and exchange it with their colleagues.

- The short-term courses on the teaching methods: HEIs should continuously pay attention to the teaching methods and systematically organize short-term courses and activities to exchange experience at HEI, regional and national levels.

- Reaction from students: Students are in general good judges of teaching, although they need to be trained on specific aspects of its assessment and the way of structuring the formulation of their opinions. It is important to avoid the phenomenon of students giving positive assessments about less demanding professors.

- The management of the performance of academic staff: Under the Higher Education Law (2007), HEIs should establish their systems of the development of performance for the academic staff, an important part of which will also be the assessment of teaching methods. HEIs will require suitable mechanisms, so that the good performance is financially rewarded.

- Promotion Criteria: For all HEIs, the promotion criteria must include the teaching performance, although the importance it shall be given will be different in accordance with the HEI mission. This importance should be maximal for those HEIs whose main mission is teaching.

78. The action plan will include special investment funds for the HEIs to develop one of the above-mentioned teaching methods (including even the one of taking opinions from students) to improve teaching. PAAHE will pay greater attention to the assessment of methods and teaching style in the process of ensuring quality.

The results of this assessment would influence on the distribution of the number of students in faculties and in the financing for them.

### **The Content of Teaching**

79. The content of teaching, apart from teaching methods, needs to be updated with the latest developments of the 21st century - and within the National Framework of Qualifications, so that it complies with the general framework of the European Higher Education Area. HEIs have begun adopting a modular approach and system of transferring credits for courses of study, which is one of the priorities of the Bologna Process. But in this direction, HEIs have not gone further than a repackaging of the existing programs and have not moved towards the "results of learning" approach as predicted by the Bergen Agreement. HEIs should understand that the modular and credit transfer system is not made for administrative purposes, but for students to benefit from it. This system aims at increasing chances for students, both within the institution and between HEIs. In order to be beneficial to students and in the framework of fulfilling the requirement of the Bologna Declaration, the action plan foresees that HEIs should develop the modularization of a system of transferring credits. This should be perceived in such way that it allows students to attend courses within their HEI, or even in other HEIs.

The Action Plan foresees that PAAHE will report on the progress in this direction.

80. The programs of interdisciplinary studies, such as "Managing Engineering" or "Environmental engineering" will become important in the future. The compilation of such programs is much easier with a modular system of transferring credits. They do not require structures or new branches, but will be created as joint activities between two faculties or even between HEIs. The academic staff is expected to work in both faculties for such programmes, as a normal part their teaching duty. In order to draft such courses a forum will be needed within the HEIs to discuss and develop ideas; this will be part of the preparation of HEI plans. It will be worthy for HEIs to address foreign universities for help to hold interdisciplinary courses. The decision-making institutions will actively support the development of such programs. The action plan will determine if this can be carried out through the financing methodology and/or through a special initial fund.

81. Familiarity with the knowledge and skills on information and communication technology and the English language will be important for the future students. HEIs are expected to make preparations in these aspects, and some regional HEIs could need to "buy" from outside the institution (for ex. from other universities or private institutions). The action plan foresees the inclusion of promotion funds to ensure these conditions.

82. In some subjects, the teaching curricula are outdated, especially in science; sometimes this is a result of outdated equipment and/or because of the academic staff which is not updated with current developments. There is a tendency to improve the situation, starting from the equipment, especially that of the computer nature. But,

objective and detailed information is needed on their current condition before identifying needs in general. The action plan predicts that each HEI, as part of the process of assessment of academic staff, as foreseen by law, to evidence the outdated content of teaching and on this basis program and carry out the necessary training of the staff.

83. Along with the development of the country, even the needs of the labour market will change with faster rhythms than earlier. This means that more people will need to turn to learning in certain moments of their lives, for ex. with short summer courses or evening courses. The opportunities to "lifelong learning" are currently limited, in part because of the low demand, but even because of the reason that no promoting mechanisms exist for the HEIs to offer such services. It is predicted that this demand will increase and the creation of conditions for its implementation will be supported. The Group on part time studies and "lifelong learning" will determine in detail progress and the implementation steps of these courses.

### **The Training of teachers at Schools**

84. The quality of training services for teachers is crucial for the future of the country. The above issues on the need to change the style and teaching methods are implemented much better in the training of teachers than in any other training in HEI. It is much more important that the new teaching methods are used by the staff of the teaching faculties, because their students will be the future teachers at schools, where they will need to adopt the same teaching methods, in order to develop high level teaching skills among their students.

85. With regard to the initial training of compulsory education teachers, the current approach with "core" curricula has led to work overload for students. Students in this study program are taught subjects they will not need in their future as teachers, and, as a result, they are overloaded with many teaching classes and little practice. It is predicted that this will change with the aim that the initial training of primary education teachers is carried out in the first cycle of studies. During this cycle of studies, the content of subjects and the necessary pedagogy for the training of compulsory education teachers will be developed. This model has been successfully implemented in other European countries and is in accordance with the Bologna Process. Furthermore, government as the main employer of qualified teachers, it is reasonable to determine the requests for teachers as well as specify the basic curriculum for their training.

86. The action plan will include the establishment of a Group on the Initial Training of Teachers to draft the clear indications regarding a core curriculum. It will have reduced content of subjects, leaving aside unnecessary issues and will give importance to the pedagogic training, stressing more on the basic skills, the Informational and Communication Technology (ITC) and the English language. This Group will draft recommendations even on the minimum ratio of time students must spend for their teaching practice in classrooms, which should be higher than the current levels. In the meantime, recommendations on the direct supervision of students at school will be prepared by their tutors of the HEI, which should be better assessed than currently.

87. The initial training of high school teachers will be carried out based on a 3+N model, in which the first three years will be the first cycle on a special subject, but with the modular flexibility to study more than one subject. The '+N' part will be especially on pedagogy of teaching at high schools; it will be compulsory for those who want to teach in these schools.

The '+N' part will be a special "branch" in the Education Faculty which will be newly established. The value of 'N' will be one or two years. This group will prepare suggestions even to the minimum quantity of teaching practice that students must carry out at schools.

88. The University of Tirana seems to currently have the biggest capacities to offer the pedagogic '+N' part. Other HEIs, wishing to establish their education faculties to hold the '+N' part will be able to do it, if they fulfill the national criteria determined by CHES, based on recommendations by PAAHE.

The graduated students of every HEI who wish to become high school teachers, can apply to enroll in every Education Faculty that +N offers. The action plan will suggest ways for the Education Faculty of the University of Tirana to provide pedagogic assistance for regional HEIs which offer training of teachers for compulsory education 3+0.

89. There are some initiatives to improve and coordinate in-service training, which aim at improving the teaching activity of teachers at school. In this framework, it is predicted to establish an assessment system on the teaching activity of teachers, under which their training needs will be determined. The action plan will give the same priority to development of the initial training and the service training.

90. Currently, none of the HEIs does not ensure the conditions for the in-service training of teachers. This is a missed opportunity, both for the nation and the HEIs. The action plan also foresees the increase in the level of financing for the in-service training and that the way of financing this training should change. The new method will be closer to the labour market, where public funds are made available to the beneficiaries of training and not to the providers of this service. Initially, the public funds will be given to the region which will operate as "customers" on behalf of their schools. Later, when the schools are ready for this responsibility, the funds will be given directly to those who can "buy" from each accredited provider the training they need. This new financing procedure will be a strong financial motivation for the HEIs entering the "market" by offering such services.

### **3.4. Contemporary Governance**

#### **Autonomy, accountability and management**

91. In order to respond to the challenges of the rapid changes in society and economy, the contemporary High Educational Institutions need a reasonable autonomy by the Government. The Law on Higher Education (2007) marks an important step towards the enhancement of the HEIs, although it does not transform completely them from state institutions into public ones. The Action Plan determines tasks for drawing up the key orientations for HEIs about their action in order to be in compliance with the Law on Higher Education (2007). Each HEI will prepare its own strategic 5-years plan, based upon the goals and orientations of this Strategy.

92. The long- term goal is that each HEI should become completely autonomous and function as public institution. The HEIs' autonomy will be mounted on four pillars namely on:

- academic autonomy – implying the academic freedoms of the individuals and the freedom of the institution, in order the last can draw up innovative curricula, new syllabi, and, in the framework of Quality Assurance and financial margins, can make decisions on establishment or closure of branches and disciplines. This will affect the determination of the number of students according to faculties for any HEI;

- structural autonomy – implying that HEIs will determine their own internal structures (faculties, departments, etc.) and adapt them in conformity with the changes of circumstances and needs.

- administrative autonomy – implying that HEIs will determine how they will be self-managed in conformity with their mission – anyhow within the framework of the national orientations and in conformity with the advanced practices;

- financial autonomy – implying that HEIs will be given chances to take up funds, in addition to the grant from the state budget, from private or public entities and to have full autonomy in the distribution of internal resources on basis of the plans and budget as well as in their breakdown, approved by the Administration Council of the university. The HEIs' public status needs reform in the HEIs' funding model as well in Albania.

93. Any of such aspects of the autonomy is important for the future HEIs. Two issues condition a wider autonomy: the development of the internal management capacities and the strengthening of the accountability and transparency. These will ensure that the autonomy don't come to neither anarchy nor command-based governance nor governance without cooperation with representative bodies and authorities of the HEI.

94. The first condition for the state HEIs to profit a higher autonomy is they could have internal management and rigorous and transparent decision-making, with a better accountability. This requires that HEIs should have proper structures and should practice clear management processes.

95. The modern management concept is relatively new for the HEIs (not in Albania only) and relates to the:

- definition of the priorities and realization of planning and budget drafting on realistic and objective bases;
- respect of budget limitations which are related to legislative policies on budget;
- methods for defining the utilization of internal financial resources through competitive priorities;
- financial monitoring and HEI & faculty/department- based control according as the budgetary unit;
- decisions on the financial deputation levels.
- strong professional support for the management as well as mainly for the financial aspects and the strengthening of the role of Chancellor (under the implementation of the requirements of the Law on Higher Education (2007));
- development of policies for improvement in teaching and other academic activities;
- application and development of the Quality Assurance process by HEIs themselves;
- development of the hiring criteria and the incumbents' further career, selection and personnel's career promotion on basis of objective criteria;
- management of personnel performance indicators as well as determination of the workload;
- management structure and job description for persons involved in management activities.

96. Law on HE ask HEIs to develop each of these processes. The Action Plan provides that HEI conceive and propose governing processes and decision-making structures. To this aim, they will be provided with external technical assistance.

97. In order to take managing decisions, every HEI needs an internal management group chaired by the Rector and will also comprise the senior heading authorities (normally the Deputy Rectors and the Decans) as well as the Chancellor; the law on Higher Education (2007) refers to this body as Rectorate. This is an internal managing group which is not

the same to the external Council which will be needed for the accountability when HEIs become public. The Rectorate should have clear terms of reference and operate with a documentation which, if there is no reason for secret, should be available for the HEIs community. When the governing process achieve its maturity, then the Rectorate's responsibilities should focus on management and finance issues; whilst those of the Senate on academic issues.

98. In order to fulfil the long-term goal that every HEI enjoys full autonomy as public institution, the Action Plan determines the further steps as well, in addition to the preconditions for more efficient governance with regard to the internal management and external transparency. After the fulfilment of preconditions, their principal components will be incorporated in the HEIs Statute and the last will gain the status of public HEI.

99. The second condition relates to the external accountability. The law on HE (2007) provides the establishment of the "Administrative Council" (AC) for each HEI with a minority of associated members. This is a positive development towards a clear international trend that public HEIs should have "Boards" where the majority of members represent the interest groups. The internal members of the AC are elected by the academic staff, the non academic staff and the students.

100. In the course of time, ACs accumulate experience and the HEIs will be convinced about the ACs value. Thus, they would be transformed step by step into "External Boards" (EBs) comprised of a majority of members who are not employed in the HEI's structures. As such, they (EBs) will have the final responsibility for approving the plans and budget of the HEIs', for the general financial control and the appointment the HEI's authorities. The external Boards will not deal with the daily matters of the HEI management (that will be the duty of the Rectorate) neither the Senate's duties for academic issues. The transformation of Administrative Councils into External Boards will be reflected to the change of the status of institutions from state into public ones; this change would not occur at the same time in all HEIs.

101. The external members of the EB will be selected by personalities not only from economic field and local businesses but also the civil society, the HEI's graduates, the public sector institutions, including the high schools for those HEIs which have the professors forming as duty. Any external member will be selected on competence basis. The Albanian University Rectors Conference shall be asked to give its suggestions for the election mode and the background of the EB's external members.

102. The external accountability requires that HEIs publish an annual report, which will comprise the achievements of given institution, which are related to specified performance indicators and the results derived by the exterior process of the Quality Assurance. The Report will also comprise the annual balance-sheet of the HEI's, monitored and controlled independently. The Rector should set out the annual report to an open meeting of the Senate where students and educational staff and the auxiliary one could participate. The action plan will produce proposals on the monitoring mode as well

as the financial and performance indicators of the HEIs. This monitoring, together with the independent external control will make up guarantees against misuse of funds.

103. Finally, as regards the accountability, three independent institutional control levels of the HEIs will be carried out by the:

- State Audit;
- Internal Control of the Council of Ministers;
- Control Directorate in the Ministry of Education and Science.

This would be waste of time, since there are overlaps of controls. The action plan will comprise an evaluation, to observe how the control burden would be reduced.

104. The full autonomy of the public HEIs will ask for a lot of preparations. The changes in the management culture will be substantial and may take much more time in some HEIs in comparison with some other ones. Based on the similar experiences the entire process in country level; will last up to 10 years.

### **3.5. Funding and finances**

105. HEIs need to have a sound and clear prospect; the state budget will remain the major source for their funding. However, despite it is aimed to double the budget for the education in the next five years, the HE has high cost and its ratio in the total budget of education won't change. The planned increase in the number of full-time students by around 30.000 ones in 5 years, will demand an increase in the annual cost by 15-20 million US dollars. The developed countries perceive the burden of the financial support to HE from the public costs, therefore other incomes to complement the HEIs' budget.

106. Firstly, it is expected that HEIs develop their own capacities as collective entities and realize their own incomes providing services to help the local, regional and widely development, or providing trainings to the public according to the new funding scheme. In 2006, the administrative procedures concerning the contracts concluded by HEIs (for the provided service), which has facilitate the generation of income. Ministries will be encouraged to develop contractual relations with the HEIs and pay the total cost for the services they receive.

107. Law on HE (2007) gives even more support to HEIs which to provide such services by ensuring that they can manage their income. However, these incomes will be spent according to an integrated policy against a central planning, capacitating that the HEI's unit (Faculty, Department or researching/teaching Grup), which has been their source, access the major part of those incomes.

108. Second potential source of income will be tuition fees. Currently these fees for the full-time students amount about 20-23 million US dollars a year or 22-25% of total cost.

Students are the main beneficiaries of the education provided at the HEIs, so it is a matter of social rectitude justice that they contribute as well to meet the cost of their higher education; otherwise, this completeness of the cost would be covered by individuals as well who were not seated and will not ever sit on the banks of HEIs.

109. The action plan will re-evaluate the possibility of a rational combination of objective factors and viewpoints of certain policies, to determine differences in fee levels of education between different branches and cycles (including the higher non-university forming), as well as between full-time and part-time forming. With regard to objective factors, the fee levels for the first cycle will take into account the costs and fees of students, who profit from this academic offer. The fee levels will fit in such a way that they reflect the policies of encouragement for students, in order they graduate in certain branches (e.g. reduced fee rates for 2-year diplomas) or attend professor-forming programmes in the regional HEIs.

110. The current system for supporting the students in need, (about 7-8 million US dollars a year subvention by means of scholarships for students from social classes) as well as subvention for the anonymous societies of the “Students Treatment” with regard to the hotelery services towards students) has not been focused where necessary and is administratively clumsy. In the framework of the action plan a survey on improvement in destination and efficiency of this system has been contemplated. The new system is conceived to apply at country level, without regional separation, based on needs and to establish more parity.

111. Students accommodation is another important issue. Currently, in most cases it is provided in centralized manner and is not in contemporary standards yet. There are two main models to assist students for accommodation purpose:

- Directly offering subsidized fee rates (current situation);
- By giving subsidies to students and they find by themselves the accommodation.

In other countries often apply a combination of the two models. The action plan will consider also this issue with priority to find the appropriate solution for Albania.

112. For parity reason the system based on full fee for students with secondary quotas has been suspended. This issue remains open for part-time students as well. Incomes from part-time students' fees are significant for many HEIs (4-5- fold higher than those from full-time students). A large portion of these incomes is spent on remuneration of academic staff and little remains for the development of HEIs. The number of part-time students is expected to be diminished and consequently the incomes from these fees will decrease. Such an eventuality would decrease the HEIs' income, thus they will have to find out other sources of income.

113. Regarding the public funds distribution method of HEIs, policies on the general funding and the stimulation of specific initiatives will be provided for in the action plan.

The overall funding level for each HEI from the State Budget will be based on the national development policies and must reflect their performance. The funding manner must encourage the efficiency, so the total HEIs' fund may be divided into one or two blocks in order to cover all the major activities and then be asked to plan the budgets within the total. This block-based funding will give contribution to the enhancement of the autonomy, for as much as HEIs will prepare ing their own plans and budgets within this ceiling. On the other side, this funding manner will induce motivation for efficiency in the integration process of the Research Institutes at the HEIs.

114. Regarding the teaching, the most direct indications on the HEIs' performance of IAL-s are the number of admitted students and graduated ones. So, the starting point for determining the formula of funding from the State Budget for teaching will be, in a way, a combination of these two figures. Number of students admitted into the public-HEIs will be determined for a medium-term period, in a centralised manner, based on the HESC's recommendations for every study level (sub-division and each of the three cycles) and forming direction, based on such factors as:

- National priorities for specific formation direction.
- Student Requirements.
- Labour market demands.
- HEIs proposals
- Relevance between the HEIs performance and the labour market
- Quality of the HEIs' academic offer estimated by APAAL
- HEI's physical capacities (buildings, labs, furniture and equipments, etc.).

115. The public funds allocation for for teaching to each HEI will be effected through a formula that ponderates the number of students by means of two factor clusters: objective factors and policy-based factors. For the first, the ponderation will be effected mainly depending on the variable costs of the different branches or disciplines, the different study levels, the part or full time studies etc. The costs will be total and include the salaries of academic and non academic staff, operational costs as well as general costs. For some HEIs, the cost figures used in the formula may result lower against the current level- which would encourage them to increase efficiency in resources utilisation. Regarding the policy-based factors the ponderation may be utilized to give an incetive to HEIs to recruit students in a given program or course, according to national needs and priorities for education development.

116. This method of financial resources allocation is similar in philosophy to what is being used for operational costs allocation, but the policy-based factors are more clearly formulated therein. The incorporation of the staff salary within a single formula,

constitutes a significant change against the existing practice of funds allocation, this a change that will get full value only when the HEIs really function as public institutions with a full financial autonomy including as regards the decision-making on the staff number. Until then, the possibility to use a separate formula for salaries might be considered. The realization of the full financial autonomy of HEIs may also require amendments in the financial legal framework.

117. Allocation of public funds of HEIs as in-block budget will bring a radical change also in manner of budget preparation by HEIs themselves. Currently the preparation of a HEI is made in a form of application for funding submitted to MES, which, after considering, refer it to the Ministry of Finance. An in-block budget allocation may pass through this proceeding. It necessitates the prior determination of the total HEI's budget via the formula which defines the ceiling of state funding for HEI. Afterward, HEI will have to detail its own budget under this ceiling.

118. The HEIs will operate with the total budget allocated to them on formula basis and will not be entitled to profit additional state fundings. They have to plan the breakdown of this budget determining priorities for funding competitive projects within the framework of HEI. In case this funding is not made properly or the keeping of costs under control is not ensured (at faculty level or below) there is real possibility that HEI result without funds – and technically fail. Thus, the new manner for planning and budgeting will ask for a mentality very different from that of nowadays and all the future of the HEI will depend on this. Planning and budgeting will be essential elements of the HEIs development; these will constitute some of the most important and difficult tasks for the Rectorate

119. Most of the specific political initiatives (in the understanding of the educational policies) will require that HEIs be given specific fundings generally on competitive demands basis. The action plan will identify the funding levels needed to stimulate any specific initiatives, like e.g. for enabling the academic staff in using the new teaching methods, developing priority university curricula, etc.

120. To create the conditions for applied research and services in the regional HEIs, the Action Plan will provide for particular stimulating funds. In this way these institutions will be assisted to become Regional Development Centres and to gradually develop their services on market bases. After an initial period, such services will be conducted against fees (which will cover, at least, the full cost of service), that will bring income to the HEI. The stimulating funds will be provided under a plan associated with the cost, prepared by the concerned HEIs

121. Regarding academic research it remains to be examined in more detail the problem of managing the resources that previously belonged to Research Institutes, already integrated with the HEIs. But, despite these resources, for funding the research in general, the funds allocation of funds will be effected in accordance with the national priorities to be provided for by the Research Strategy Group. The main performance indicator in the research is expressed through the introduction of a research project; this is the very

reason that the research will continue to be funded on project basis. The HEIs (including the structures created by the Integration of the Research Institutes), will compete for funding with their own projects, according to the priority fields defined in the National Research Strategy. The action plan will include a detailed analysis of the funds allocation method for research and cost items to be covered by these funds.

122. The action plan will also provide for the granting of a limited amount of funds for projects that are excellent (higher level), but not in line with the priorities of the National Research Strategy of Scientific Research; even in this case, the evaluation of the projects and decision on funding them or not will be made by the Research Strategy Group. There will be another fund, relatively small, to help the regional HEIs in order they develop researching capacities (if they want), in one or several specific areas and be prepared to be able to compete on national research projects in these fields. These two additional aspects of funding the research will be included in the analysis of the funds allocation method, mentioned above.

123. The major part of the current investment funds will be provided by the incomes gained by the HEIs themselves. The Law on HE (2007) gives HEIs the right to hold "for itself" all incomes that may be generated (except for the national taxes). But, in addition to them, other funding will be needed either for improving the system or expanding it.

124. Investment funds to improve the existing system will not be distributed according to a formula, but on project basis, starting from the objective assessment of the HEIs' needs. Every HEI will make proposals associated by costs for investment projects, arguing the need for these investments and their priority; to this aim, they will have to develop the existing capital assessment process. The information base to judge the competing investment projects will be provided by the evaluation of the HEI's status in terms of their infrastructure (buildings and furniture/equipment). The performance of this evaluation is one of the tasks provided for and detailed in the action plan.

125. The major part of the demand for new investments will consist of the necessary funds for expanding the system. The increase in the number of students will demand substantial capital costs which will be extended over a 7-years period. In order to ensure this investment level a careful planning of public funds will be needed. The need for ensuring the support from outside, that will be surveyed in the action plan, will not be excluded.

126. Determination of the total public funds level for HEIs will be the responsibility of MES and the Ministry of Finance and the HEI funding system in general. Significant changes are foreseen to be made in the system in question which are related to the education fee policies, the fundings for students accommodation, the support for students in need, etc.. All these ask for in-depth surveys and analysis. The action plan provides the establishment, for this purpose, of a Joint Group: MES- MoF in order to observe on how these changes will be achieved.

127. In accordance with the general funding principles for HE determined jointly by MES and MoF, the distribution of public funds designed for HEIs will be effected. MES retain the accountability on policies to be followed up with regard to the funds distribution principles, as like, for example, the principle according to which the funding levels should reflect the HEI's performance. But MES will not interfere in the details of the funding formulas and methods. These will be scope of the HESC's work, which in its role as intermediary body, will provide appropriate recommendations. Final budget allocation, with consultation by HESC, will however remain the responsibility of MES.

128. The final aspect of finances associated with control over breakdown of public funds. The Law on HE (2007) and this Strategy aim to increase the financial autonomy level of HEIs. A positive change in this regard, that can be implemented soon, is the reduction of items under which the HEIs are compelled to detail their draft-budgets which are also, consequently, subject to centralized control. Even in the future, every HEI will need to prepare in details its own current budget, but this detailing will be serving the internal financial distribution and control. When an HEI will have got the status of a public institution with full financial autonomy, the central control by Government will focus on the budget in entirety, comprised of only two items: the operational costs and the salaries, even the lasts under further development, will merge into one block. Another change materialised by the Law on HE (2007) is that HEI are entitled to carry forward unrealized funds (from their incomes) to the successive year which enhance their potential to accumulate savings and reserves. In actualities of the full autonomy, the right of carrying forward will apply to funds from the State Budget as well.

129. Along the way towards the full autonomy, important steps will be undertaken to amend the budget control on salaries. The first step will be that the central control exercised on the total budget for salaries and not on the staff number. This means that the HEIs decide by themselves on their staff (academic or not) number, within their allocated budget on salaries. The second step will be merging the salaries item with operational costs item into a unique block under central control designed only for this unique block. Note: this should be the first step because the current stage has been passed since the draft-budget was has been sent to the Parliament. The final step will be that HEIs will decide by themselves on the salary levels of their staff – this is expected to be realized in the final stage of the transition, or after it.

130. The Finance Group will determine the deadlines for the design of these changes and their implementation.

#### **4. CONSEQUENCES OF RESOURCES**

131. This Strategy will be implemented in the rest years within the period it covers, i.e. until 2013 - and for some aspects, even beyond this period. Its implementation will require different types of resources, where the financial ones is only one item of them. In this context, the contribution of any certain structures, bodies, or agencies, will be as important as the funding resources provision.

132. Three of main structures already exist for several years: MES itself, the Public Agency of Higher Education Accreditation (PAHEA) and the Institute of Curricula and Training (ICT). The fourth has just been established- the HESC. The Strategy also provides the establishment of two new structures: Agency for Admissions to the HEI (AAHEI) and the Research Strategy Group. These six structures or agencies will have very important specific roles in implementing the Strategy on Higher Education.

## **AS-RESOURCES IMPLEMENTING AGENCIES**

### **Ministry of Education and Science**

133. MES, of course, is the “central hub” for the implementation of the strategy. For a long period, this ministry has operated as an administrative body with limited analytical and executive capacities. The Strategy aims to enhance the analytical capacity of MES, so that it can continuously develop the key educational policies at country level, discuss and argue in Government the necessary HE funding levels and in particular, to provide analytical support to HESC for the execution of its own functions as an independent advisory body.

134. Strategy does not aim to strengthen MES’s executive powers MEST, but the Minister of Education and Science will remain the proposal-maker in the Government on the establishment, closure, or merger of HEIs and would have to approve their statutes. Minister will also be the ultimate decision-maker on a lot of the issues consulted by other implementing structures, or "intermediate" ones, except for those which require the adoption by the Council of Ministers.

135. For each of the intermediate structures, it is the responsibility of the Minister to determine terms of reference, the reporting & monitoring manner, as well as the composition criteria. The Strategy provides the role of the structures in question become increasingly strengthened, which will result in backstop to increase the capacity of the MES itself for policy-makings.

### **Public Agency of Higher Education Accreditation**

136. PAHEA exists since 1999 and its functions have come to being consolidated. PAHEA-will continue to play its role for developing the quality assurance standards & procedures, monitoring the quality assurance internal systems of each HEI and their accreditation. The process of external quality evaluation is currently compulsory for each HEI (public or private) in Albania and, in the period covered by this Strategy, this process will be carried out rigorously for all-HEIs. For the accomplishment of more objective and professional evaluations, particularly on curricula and teaching methods the systematic engagement of the foreign experts as well is aimed. Under the Action Plan, PAHEA shall be asked to make concrete and realistic proposals for achieving this aim.

137. PAHEA will continue to assist the HEIs for the establishment of their own quality assurance internal systems. After HEI become able to develop the process of internal quality evaluation, PAHEA's attention will focus more on controlling the validity of this process and auditing their (HEI's) Quality Assurance systems, in entirety. This audit will be part of external institutional evaluation, which will be carried out periodically in periods no longer than 6 years. PAHEA's reports on the external evaluation of the HEIs will continue to be made public and their findings will be comprised in the annual reports of the respective HEIs.

138. The action plan provides the requirement that PAHEA exercise its role in terms of Quality Assurance for part-time system, in the same manner as for the full-time one. The quality assurance will be extended during the period covered by this Strategy in the three study cycles, including all Master programs as well, which have not begun to be evaluated yet, in this regard. The quality control on doctoral curricula is more difficult to be carried out, but not the least. The relatively little experience about these programs and the finding that the Albanian PhD standards do not always correspond to the international standards, make necessary the faster extension of the Quality Assurance mechanisms for the third cycle. The action plan provides an international expertise to review the manner of implementation of PhD in Albania and requirements to it, with a view to comply the PhD standards with those of the European Higher Education Area.

139. In the framework of assessing the curricula, a special attention will be paid to teaching style and methods. PAHEA will assess the HEIs' progress in developing new methods, which focus on the student and render the learning process more interactive. PAHEA s will also review the means by which any HEIs judge on the scale of the implementation of new teaching methods by its own academic staff. This review will necessarily include the manner of managing the information obtained from the feedbacks from students, mainly through questionnaires. The engagement of foreign experts in the process in question, whose selection must be done carefully, because the teaching methods are not universal, or unified within the EU, this will be special value for PAHEA.

### **Curricula & Training Institute (CTI)**

140. This institute will continue to fulfil its fundamental roles:

- the development of documents on policies and orientations as well as action plans for in-service training to the teachers/professors;
- the specification and approval of content of the in-service training modules, including the determination of the compulsory modules required for certain categories of professors,
- the identification of needs (in quantitative and qualitative aspects) for future trainings,

- the licensing and coordination of trainings by various providers of approved modules-including donors, or NGOs, which wish to contribute to training activities.

CTI will not engage itself with the development of trainings, except for in few specialized areas.

141. The action plan will determine changes in the funding system of in-service training, which will function more according to the; the targeted destination is that the public funds designed for trainings be made available to the beneficiaries of trainings and not to their providers.

### **Higher Education and Science Council**

142. HESC was established in 2006. It was founded as an advisory body for MES and the Council of Ministers. The HESC's suggestions and recommendations KALSH it will be made public.

The roles provided for in Law are:

- to advise on strategies, policies and priorities. On of the immediate tasks will be the evaluation of the 5-year strategic plans proposed by each HEI to see the compliance with the Strategy, the adequacy with its analytical basis as well as the level of assistance any HEI needs to develop its own governing and managing processes.

- to propose criteria for Quality Accreditation and Assurance, in consultation with PAHEA, including those for the establishment of the second and third study cycles.

- to propose the criteria for promotion of academic staff, that would be different in different HEIs, according to their own mission.

- To advise on issues requested to them by the Minister.

143. HESC, as defined by the Law on HE (2007), is comprised of the Minister of Education and Science, 3 *ex-officio* members and 15 other members, selected by personalities of education and science in Albania.

144. In next two or three years, it is envisaged that HESC develop more as an "intermediary, supporting body" between MES and HEIs, which provides the Minister with independent advices made public on policies and on issues important operational and executive. It is important that those advices reflect the views of the academic community, but also those of the society in wider terms. The HESC's structure and functions will adapt in the future in addition to the transformation of HEIs into higher schools completely public and the expansion of the private HE sector.

145. HESC will be the primary advisory body for MES and the Government in the broader sense, for the expansion and overall system development, and, in particular, the implementation of this Strategy. HESC will continually review the Strategy, imparting suggestions to the Minister and the Government for necessary changes, and at the same time, will oversee the implementation of the Action Plan.

146. HESC's role is foreseen to expand in order to give advices, which will be made public, mainly on two executive functions related to strategic directions of HEI's development. In each case, the final decision on the basis of these consultations will formally be the responsibility of the Minister and/or the Council of Ministers, as it shall be defined.

147. One of two executive and more strategic functions for which HESC will provide advices has to do with the distribution of the number of new students for every HEI, by cycle and categories of branches of curricula. The distribution of the number of students is the mean via which the increase or non-increase of HEIs will be evaluated and which will condition the public funds level an HEI will access for teaching. The funds distribution will take into account some factors and the total for all HEIs together will have to be within the margins of the overall budget for the HEIs.

148. Provision of HESC's recommendations on the distribution of the number of students will need a database for students, job market and quality indicators of HEIs and their faculties. The development of such bank of data and its continuous update requires closer relations with each HEI. The Action Plan will also comprise a timetable for the discussions on this issue between HESC and the Conference of Rectors, in order to explore the best way to realise.

149. HESC will have also a second strategic executive function: to provide consultations on the various methods of funding. In addition to data for students, the development and implementation of a new methodology will require data and a substantial analytical work for funding, based on the quality indicators. HESC will need an analytical capacity of a relatively high level, in order to perform such advisory functions. In part, this will be ensured by the additional analytical capacities within MES, but the action plan will also consider other ways to provide such capabilities.

### **Agency of Admissions into Higher Education Institutions (AAHEI)**

150. State Matura will develop on a basic oriented so much the more towards the subject-matter aspects. The development and realization of the State Matura is the responsibility of the AAE (Agency of Achievements Evaluation), which will work together with the HEI to ensure that the test examination be adequate for admission into HEI. The development of the State Matura means that the process for admitting new students will

have capacity to use more data for indicators of quality and skills of candidates, which means it will be performed in a complex manner.

151. Different branches within an HEI, actually have determined diverse loads between the subjects of the State Matura which are used to calculate a sole result, as a basis for the admissions. The State Matura with a sound subject-oriented basis means that the faculties will be able to define the threshold of the State Matura as admission criteria in each of their programs; subsequently, these are balanced by the preferences and results of the candidates. Onto this basis, the distribution is realized where they can get the best possible solution.

152. As to the admissions, the establishment of a new institution, the Agency of Admissions into HEI (AAHEI) which will determine such rules and provisions and implement them in continuance. The Action Plan provides for debates between the Conference of Rectors and the HESC in order to determine the way for administering AAHEI.

### **Research Strategy Group**

153. As to the research, upon the priorities for topics that can and should be well developed in Albania like e.g.: Albanology, agriculture and food industry, aspects of natural resources, etc., a well-defined national strategy is necessary. To this aim, a permanent group of a definite level: the Research Strategy Group, which will function under HESC. Its duty will be the development and continuous pursuance of the National Strategy of the Research. The Group will be composed of personalities from the research community as well as those who have interests in the future economic and social country development. The action plan provides for assessment of the situation, the organization mode as well as ways of funding the Group.

### **Financial consequences**

154. Most of the initiatives provided for in the Strategy need initial funding as an investment in capital or human resources; some of the developments will require continued financial support. In addition to funding from the Budget other funding sources from various donors or bodies under bilateral and multilateral agreements will be sought. The State Budget will remain the major funding source. Based on the Government's program, the public costs for the education in proportion with the Gross Domestic Product (GDP) are expected to increase from 2.8% in 2006 to 5% in 2011. The part of public costs for HE is expected to increase from 0.66% in 2006 to 1% of GDP in 2011. The Strategy considers the enhancement of private sector participation into HE in the forms: (i) establishment of private universities which comply with the quality standards and (ii) co-funding the specific curricula in the public HEIs against access into decision-making and full autonomy in financial management, as an important funding source. The trend of rapid growth of the private sector investment heft in the HE development in EU countries should also find application in our country, which is characterized by a disproportionate ratio between the high demand for higher education and the limited

budgetary resources for investments. In EU countries the private sector investments in HE take approximately 27% of the total costs for HE. Currently, there are no accurate data on the percentage the private sector takes in total costs for HE in the Country. The low heft that the private HE takes (less than 10%), however, indicates that Albania has private investment resources for HE at least three times greater than the current percentage of investment. In this viewpoint, the increase by about 3 times of the heft of the private HE in our country would be a realistic objective for the period until 2013.

155. The following table defines the main additional costs required for implementation of the Strategy. In addition the the shown costs other financial effects will occur, such as those stemming from the integration of research institutes at HEIs.

## FINANCIAL REQUIREMENTS OF THE STRATEGY

Goal  (the numbers refer to the paragraphs in the Strategy)	Activities and issues	Allocation methods	'000 \$				Year
			Investments			Annual	
			Local staff	Furniture/Equipments etc..	External technical assistance		
79. Bologna: Curricula, standards, training	International technical assistance + staff timing	Central organisation	0	0	300 (80)	0	07
42. Upgrade of laboratories for teaching	Computer equipments and supporting furnitures	HEIs make proposals with relevant argued costs	0	4,800	0	-	07/09
34. 2-years diploma development	Costs mainly for staff + new equipments and 50% of the timing for 1 person to stimulate continuous development	HEIs compete for a fund – joint proposals are preferable	300	200	0	50	08/09
57. Regional HEIs develop as progress centres (economic and social ones)	Technical assistance for regional development, small office of cooperation at each regional HEI.	Core project “orientation” + local assistance; every HEI makes a development plan with relevant costs within a budget limit.	200	0	300	120	annual
63. Facilitating the integration of the Research Institutes into Universities.	Staff costs	HEIs submit demands (with costs)	100	0	0	-	08
63.”Floor” funds for regional HEIs to develop research capacities in 1-2 specific areas	Staff cost for one additional job position for scrutinising the applications of research projects	A flat yearly range for every regional HEI.  (6 x \$20c)	0	0	0	120	annual
74. Upgrading the teaching style and the methods for all academic staff.	Central organisation for staff development (HEIs also develop their own programmes; utilities for	International expertise for the central organisation. Every HEI make proposals and competes for staff	1,500 (payments for staff which will further;				

	the core staff and every HEI	development.	administrative. expenditures, etc.	700	750	0	08-'11
77. For wider inter-disciplinary courses	Staff development costs	HEIs compete for fund – joint proposals are preferable	200	0	0	0	08/09
78. All students profit English and Computer courses	Staff costs, external (local) assistance: materials, cassettes, etc. The development on 08/09 and afterward on annual basis	Every HEI makes development plans within e budget limit	200	100	0	200	08/09 + annual
80. The new type for the part-time form	Staff timing to identify the real part-time markets and to develop courses for them	HEIs compete for fund, based on the demand analysis	100	0	0	0	08/09
87. In-service training to professors, a better and wider one	Development of the improved/completed staff; the realisation must take place	More funds given to regions (afterwards to schools) to “purchase” training from various providers	0	0	0	2,000	annual
101. Upgraded management processes in every HEI	Local & foreign technical assistance + staff timing	Core terms of reference for technical assistance; any HEIs assigns the technical assistance provider	200	0	500	0	08/09
Evaluations and surveys on the action plan	Local & foreign technical assistance	Defined in a centralised manner	100	0	50	0	07/08
TOTAL			2,900	5,800	1,900	2,500	
79. Infrastructure renovation (furnitures/utilities and buildings)	Investments in furnitures/utilities and buildings	National Plan on a canvass basis (survey ) about infrastructure, allocation to HEI based on the argued and submitted proposals	It is contemplated to be very large, maybe 5 million US dollars, - to be distributed over some years				
35. Infrastructure needed for the system expansion	Investments in furnitures/utilities and buildings	This will be achieved through enlargement of the existing HEIs (mainly regional ones)	More work is needed to evaluate the capital costs but it may be 25-30 million US dollars on the average per year for 10 years; additional current costs for enlargement will be 5-6% per year. (about 3-3.5 million US \$ per year)				



156. Additional annual direct cost for the implementation of the strategy is 2.5 million US dollars. The additional current costs of expansion are not included to it; they will be yearly provided for in the State Budget. In 2006 the budget available to HEIs was about 60 million US dollars, including salaries; so the direct costs for the strategy implementation will require only an increase by 4%. Additional costs of system expansion will reflect a budget increase by 5-6 % a year.

157. Supporting of investments with foreign funding sources which are directly related to the strategy implementation is 5,8 million US dollars for years 2008-2009; most part of it will be provided by the project "Quality and equality in education". In addition to this other initiatives for provision of funding, such as that for setting up the academic network, sustained with 4 million Euros from the Italian Government and that for establishing the Special Pedagogy Unit at the Vlora University, sustained with 3 million Euros from the Swiss Government. It is expected that for the development of current infrastructure at contemporary levels as well as the expansion of the system, capital investment at order of 3 million US dollars as annual augmentation in continuance for a 10-years period are needed.

## 5. Accountability, monitoring and evaluation

158. Strategy for HE is ambitious. It comprises many policies that will substantially change the system, which will not be easy, moreover, that cultural changes within the HEIs are required. Some of the most radical changes, such as transformation of HEIs form state into public ones, with full autonomy, is expected to be extended during the 7-year period of the Strategy. It is important to follow up closely this transformation and to decide on what adaptations would be needed for the policies in the course of the process.

159. Monitoring the accomplishments of the Strategy's goals is not easy. This Strategy aims to improve the HE in order to better meet the needs of the country and Albania be aligned, alongside the other European nations, in terms of quality and importance of its HEIs. To accomplish all these objectives, the measures will not be simple.

160. Estimation of the real results of the system is relatively insufficient. There are simple estimators for these results, the main of which are:

A. Convergence of graduates with the labour market needs and the employment policies or unemployment reduction ones.

B. Consistency of the high-school graduates' demands for seats in HE.

C. The range of links between HEIs and businesses in terms of joint activities and contracts.

D. Publication of scientific papers to magazines with international index.

161. For each of the real result estimators, quantitative indicators will be used, but of course they will not "show everything" about the implementation or impact of the Strategy on the system. However, the estimators for the key policy topics of the Strategy, will be intermediate results or processes, or even from a viewpoint of students, will be incoming contributions of the system (inputs): more enhanced dimensions, a more differentiated system, better teaching and learning, a more productive governance and financial system.

162. It is difficult to distinguish between result estimators (outputs), of the process and the incoming contributions in a so complex and long-term sphere like HE, except when these estimators are simple. The list of estimators described below for the Strategy, where only some of them are quantitative, enshrines a combination of three types (intermediate results, process estimators and incoming contributions). Each of them provides valuable information on some Strategy's aspects that creates opportunities to monitor the progress and manner of Strategy implementation.

163. Besides the four result indicators A-D, above mentioned, the following indicators will also be used to monitor the Strategy (the numbers in brackets refer to the section of the Strategy where the issue is surveyed):

1. Percentage of the GDP per HEI (26)
2. System expansion by the participation of the group-age and the percentage of students who study in science disciplines and engineering formations (31).
3. Number of diplomas of the non-university HE, provided by the regional HEIs and those of Tirana, and the number of students therein (34).
4. Number of new seats in each HEI (35).
5. Proportion staff/student (39).
6. Number of staff trained to develop teaching skills (40).
7. Funds spent on new equipments/utilities (42).
8. The development of part-time studies thus serving the students who need them (46).
9. Number of seats in the private HEIs (48).
10. State Matura development similarly with the advanced European models (49).
11. Establishment and operation of a new body for admission to the IAL (50).
12. Number of HEIs that have prospectus of a good quality and aimed at informing the potential students (51).

13. Establishment of the Advisory Service for the high-school graduates' career (51).
14. Determination and application of clear criteria for HEIs to provide the studies of second and third cycles (54).
15. Transformation of the regional HEIs into "Regional Development Centres" oriented towards the fulfilment of local needs and with good relations with their community (56).
16. Establishment and functioning of the Research Strategy Group and preparation of the National Research Strategy (60).
17. Institute of a system for grants allocation for the research projects (61).
18. Integration of the research institutes into HEIs (63).
19. Number of HEIs which have a system for determining the load of academic staff (67).
20. Number of HEIs which in their statutes provide for rules on preclusion of the duty abuse by staff (68).
21. Various promotion criteria for academic staff, associated with HEI's mission (69).
22. Understanding largely that the nature of relations between the academic staff and the students should be interactive and based on discussions, critical thinking and ideas development, and not just facts transmission (75).
23. Percentage of academic staff involved in development activities to improve the teaching style and methods (77).
24. Number of HEIs which apply a performance evaluation system for staff (77).
25. Number of HEIs estimated by PAHEA in the context of teaching in the framework of the quality assurance process (78).
26. Number of HEIs which apply a system of credits modularization and transfer for the study courses (79).
27. Number of inter-disciplinary curricula (80).
28. Number of HEIs which provide intensive courses on ICT and English language for all students (81).
29. Number of new equipments/utilities purchased by any HEIs, faculty or forming programme (82).

30. Percentage of time spent in class for initial preparation for teachers of basic education schools in the first cycle (85).
31. Percentage of time spent in class for initial preparation for teachers of high school teachers according to the model 3 + S (87).
32. Utilisation of a funding method more oriented towards market, for in-service training to teachers/professors (90).
33. Number of HEIs which have a 5-year strategic plan adopted in compliance with the Strategy (91).
34. Number of HEIs which function with new governance structures and processes for their decision-making (95).
35. Development and implementation of the method for selection of governing HEI's authorities and their performance (95).
  
36. Number of HEI which have turned their administration councils into Exterior Boards (99).
37. Number of HEIs which publish annual report of their activity (102).
38. Number of HEIs that are transformed from state into public ones (104).
39. Percentage from the total budget that any HEI realizes with external contracts (106).
40. Existence of an unique HEI-basis framework for the education fees (108).
41. Existence of a new system that provides financial support for the students in need (110).
42. Conception and scale of implementation of a new funding formula for allocation of funds from the State Budget (113).
43. Existence of a rational basis for determining the number of students who will be distributed as per branches and cycles in each HEI (114).
44. Dimensions of funding for specific initiatives, generally allocated on the basis of competitive proposals by HEIs (119).
45. Investment dimensions for improving the current HEIs' infrastructure (124).

46. Volume of investment funds for expansion of the system (125).
47. Decrease in the number of items that are to be used by HEIs in the submission of the budget and the allocation of the State Budget as a unique block (128).
48. Central control over personnel through for salaries (129).
49. Enhancement of the analytical capacity of the Ministry (133).
50. Existence of the regular cycle of external evaluation for all HEIs (136).
51. Existence of PAHEA's evaluations on part-time programs and second cycle programmes (138).
52. Doctoral qualifications, PhD, have reached the level of other European countries (138).
53. Two thirds of the HESC's members are from outside the academic sphere (144).
54. Minister delegates the duty to HESC's chairman (144).
55. Existence and functioning of a database on the students (148).
56. Establishment and operation of a new body for admissions into the HEI (150).

## **6. CONCLUSIONS**

164. Masterplan on HE was prepared as a preliminary document of this strategy. He became the subject of discussion and consultation throughout Albania, within the academic community and beyond. The Masterplan was also sent to an experts group from the Council of Europe, who made valuable comments, which were taken into consideration in the final preparation of the Strategy. This document is now presented as a strategy approved by the Minister of Education and Science, after consultation with HESC.

165. Process for developing an action plan, which will analyse in enough details the determined policies in the Strategy for the direct implementation, has already started. This preparation includes a number of working groups which are working on terms of reference and the timing.