



EUA Funding Forum 2024

HE funding in the CR

policies, models & perspectives 2005-2024+

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higher education in the CR – overview

universities and HEIs in the CR

- 26 public HEIs distributed into 4 HEI's segments on the basis of the scope (nation-wide and regional impact) and by outputs in terms of quality and performance

segment 1 . 4 academies of art : AMU, AVU, JAMU, UMPRUM

segment 2 . 2 public non-university HEIs: VŠPJ, VŠTE

segment 3 . 15 public universities: JČU, UJEP, VFU, OU, UHK, SU, VŠCHT, ZČU, TUL, UPA, VŠB-TUO, UTB, VŠE, ČZU, MENDELU

segment 4 . 5 public nation-wide and research universities: UK, MUNI, UPOL, ČVUT, VUT

plus

- 2 state HEIs (defence and police academies): UoD, PA
- 26 private HEIs

304.518 students (2022*), of which

- 276.632 in public and state HEIs
- 27.886 in private

*2023 statistics still not officially available

- 79.175 in STEM studies (26 %)

HE funding & state budget structure

1a. normative funding → ø70-35% - based on MoE distribution rules

- **contribution**

- for educational and creative activities **indicator A+K**

$$I = I_A + I_K$$

$I_A = S \times \text{CEI} \times N$ (to 2018 and further the allocation for individual HEIs based on proportional distribution reflecting the previous year allocation)

S number of students

N “normative”, i.e. a single study basic allocation

CEI coefficient of economic intensity of study (KEN) programmes (e.g. 1,0 economy, law, management, 1,65 engineering, 2,25 architecture, sciences, 2,8 medicine, 5,9 arts,...)

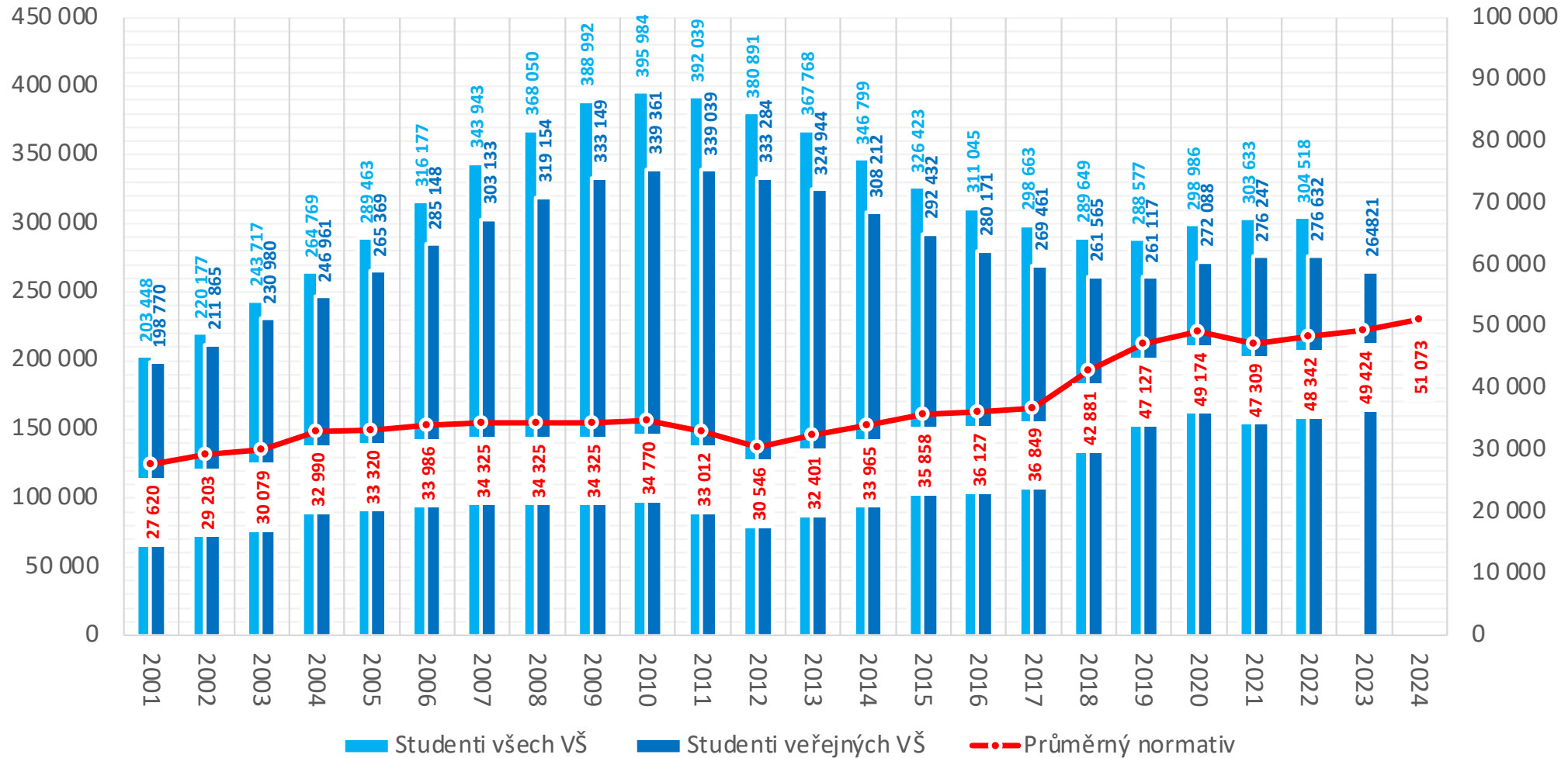
a maximum decrease of 10% in the number of studies and a maximum decrease of 3% in the average coefficient of economic intensity of study programmes, in which case no budget adjustment will be applied

- societal needs priorities **indicator P**
- development programmes **indicator I** (strategic development of HEIs)
- doctoral scholarships **indicator C**
- educational policies **indicator F** (Uni3rdAge, specific needs, cohesion, other,...)
- creative activities fund (only academies and faculties of art with >50% share of arts) **indicator CAF** (FUČ)

number of students & „normative“ (in CZK)

■ students of all HEIs . ■ students of public HEIs . ■ „normative“

Počty studentů a průměrný normativ



HE funding & state budget structure

1b. normative funding → ø70-35% - based on MoE distribution rules

- **institutional support in research**
for long-term development of research organisations
- **specific HEI research** (for student research)

HEIs have their internal distribution rules for normative funding – negotiated with the academic senate (frequently the distribution of normative funding is considered/called “budget”)

2. purpose funding (grant projects) → ø20-60% – growing share of purpose funding to normative one

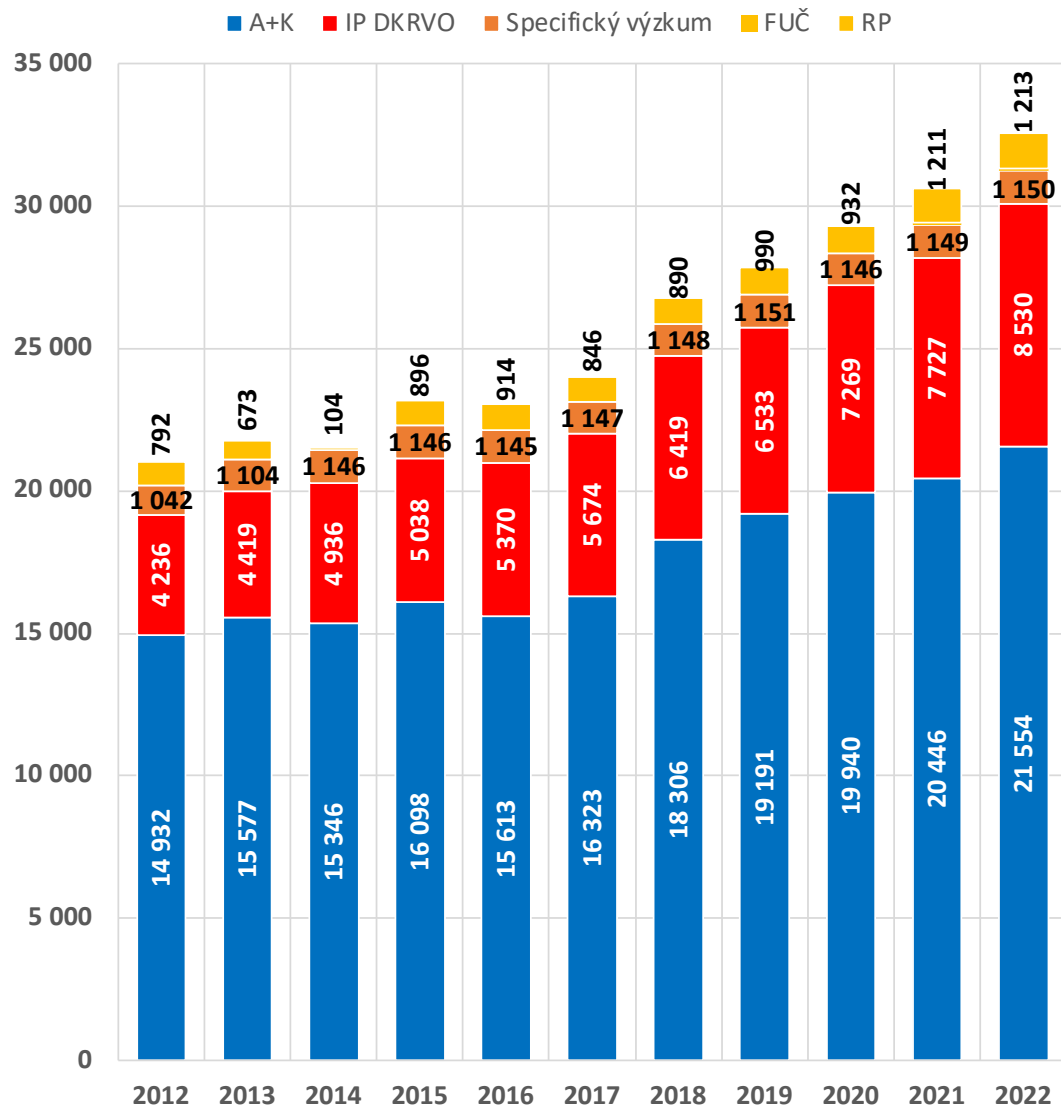
3. commercial funding (economic activities) → ø2-10%

Overall budget approved by the academic senates and the university governing boards!

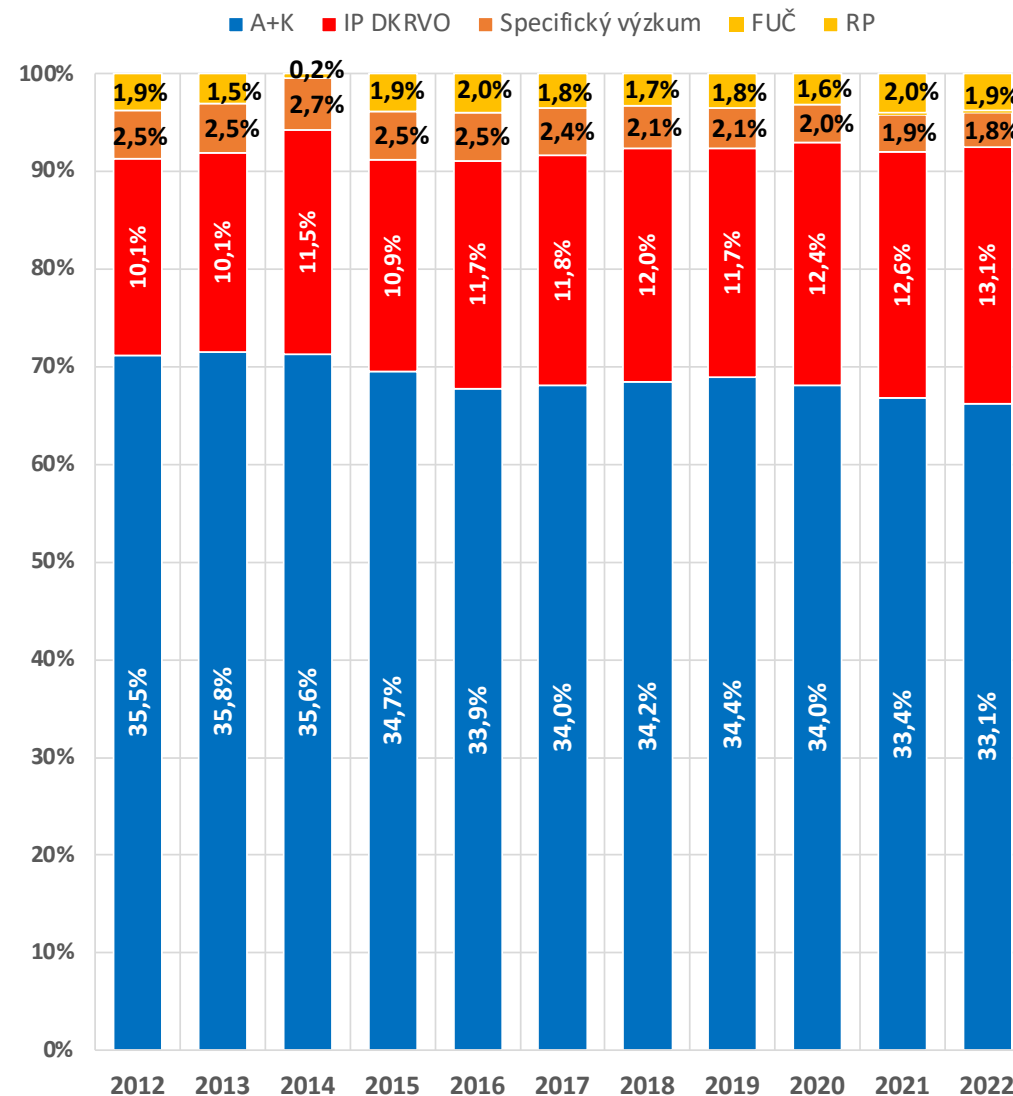
overall normative HE funding (in million CZK)

■ indicator A+K . ■ research IP . ■ specific research . ■ artistic activities . development

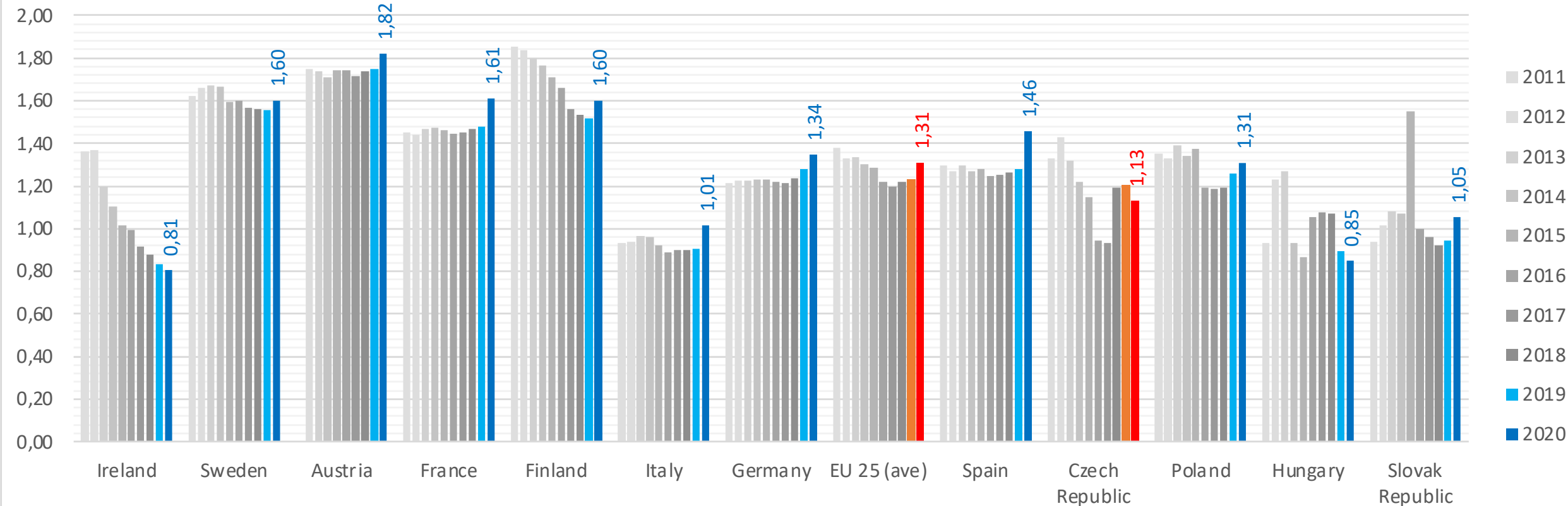
Neinvestiční financování VŠ



Neinvestiční financování VŠ



**All expenditure on all HEIs as a percentage of GDP
2011-2020. Source: OECD, Education at a Glance 2023**



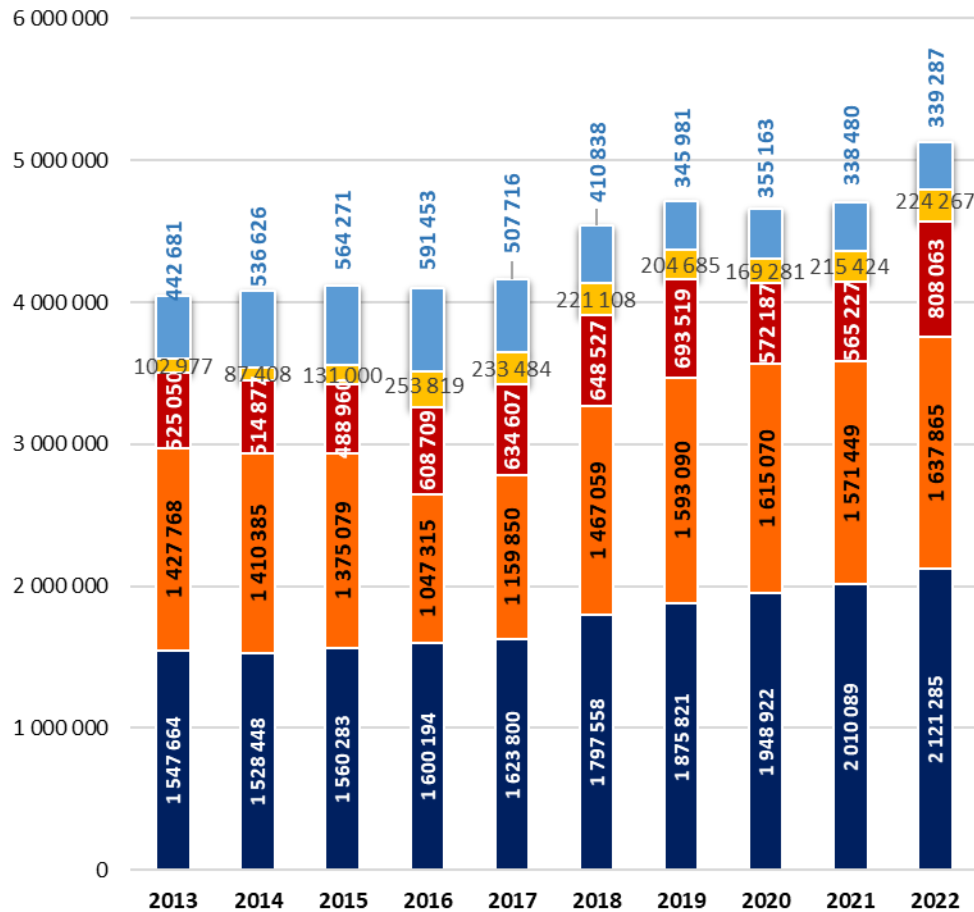
2020 1,13% GDP

GDP bn CZK 5.791 | € 218,9 @ 26,453 CZK/€ average
all exp. on all HEIs CZK 65,4 | € 2,5 bn

revenues structure 2013-2022 (in thousands CZK)

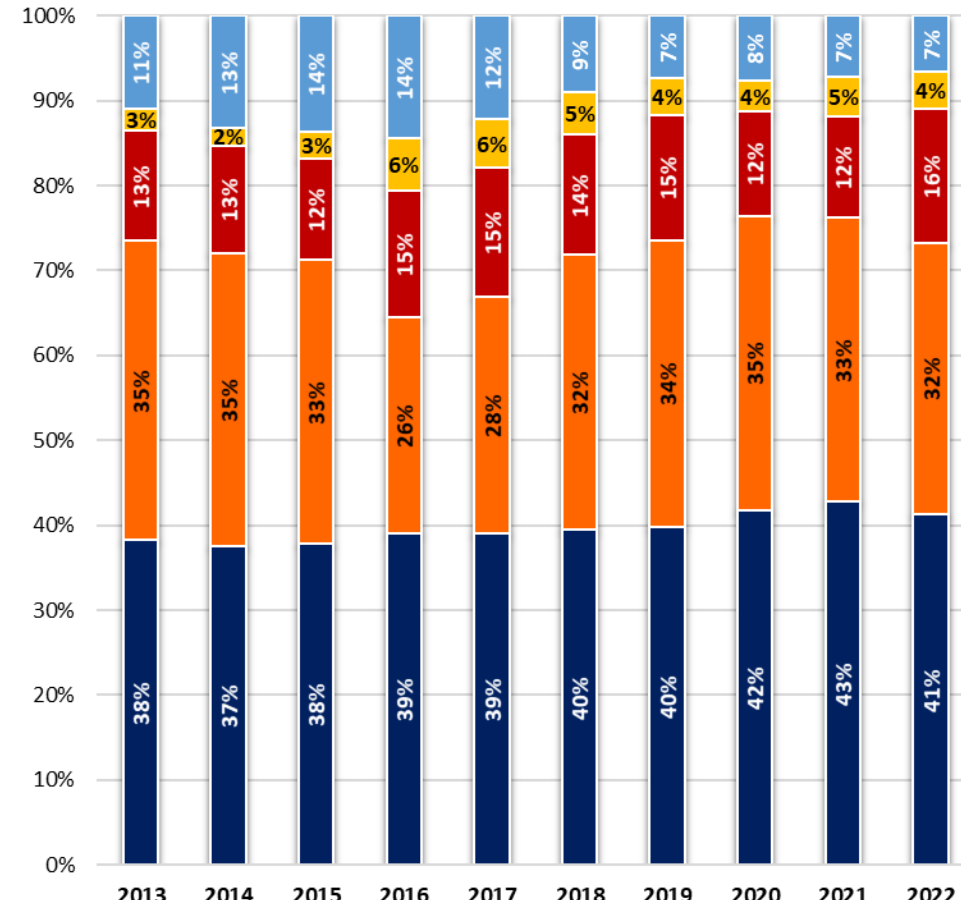
■ normative . ■ purpose . ■ commercial . ■ internal funds . ■ depreciations
a CZ research university example

Výnosy v rozdělení na normativní, účelové dotace, vlastní činnost, použití fondů a dot.odpisy (v tis. Kč)



■ normativ
 ■ vlastní a doplňková činnost
 ■ dotační odpisy
 ■ účelové dotace + příspěvky
 ■ použití fondů

% normativní, účelové, vlastní, fondy a dotační odpisy



■ normativ
 ■ vlastní a doplňková činnost
 ■ dotační odpisy
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HEI funding policies

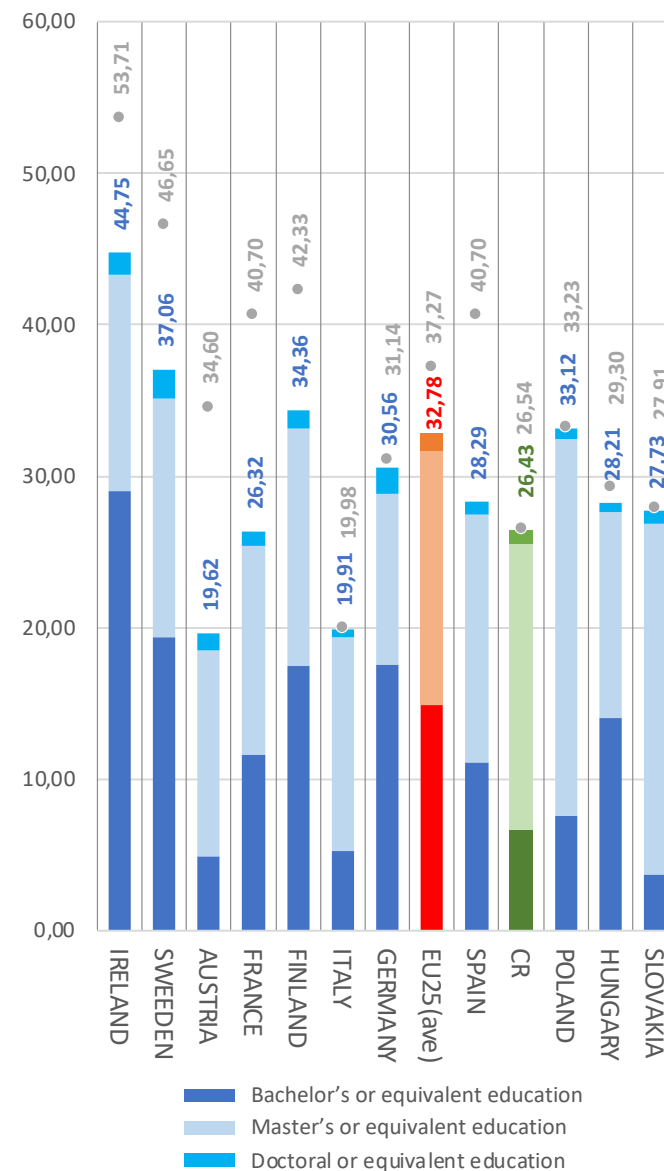
2005-2010 Policy of “masification” of tertiary education

- 2005 • amendment to the Czech HE Act (with economic implications)
- 2007 • The „White Book of Tertiary Education“ was published – aiming on masification of tertiary education
- balancing EU average of Tertiary Education attainment in the population aged 15-74 from 15% CR to 23% EU (2007)
- preparatory period for EU structural funds
- 2008 • world banking crisis
- 2010 • 66% of the population aged 19-26 years studied
- planning the development of HEI’s campuses
- world banking crisis impact: „consolidation packages“ – budget constraints
- structural funds as a compensation instrument

Note: (2022) 24% of higher educated population in the CR and 34% in EU – 50% in EU expected (2030)

TERTIARY EDUCATION AS PERCENTAGE OF OVERALL POPULATION 2021

ZDROJ: OECD Education at a Glance 2023



HEI funding policies

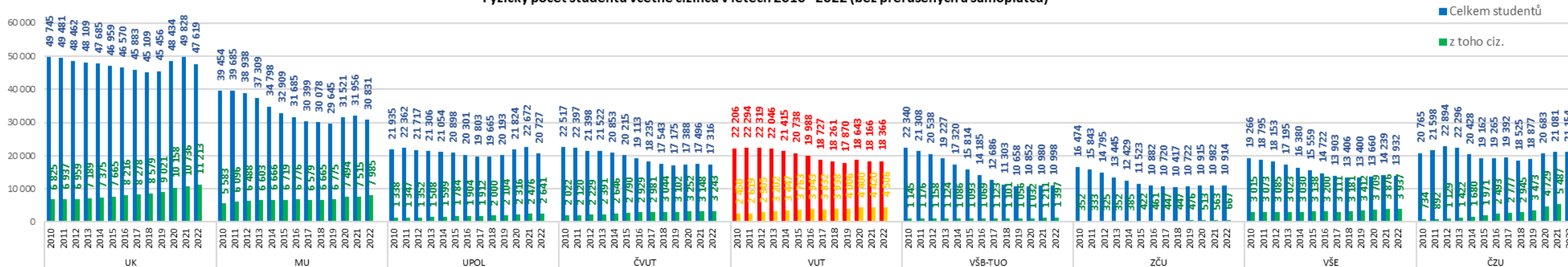
2011-2016 Policy to limit growth in number of funded studies & contractual financing

- 2011
 - limits on number of funded studies introduced
 - motivation to reduce student numbers (by 10% & 3% in KEN without a budgetary adjustments)
 - sparking discussions on the topic of tuition or enrolment fees
 - implementation of EU operational programmes: VaVpl, OP VK + others like OP PIK, apod.
 - project bureaucracy „hogweed (bolshevik)“ (enormous administrative burden)
 - development of university campuses – problems with indicators (projects expected an increase in the number of studies, but normative funding pushed the number of studies down (limiting the number of funded studies))
 - discussions on contractual financing – (not on the basis of a state order, but guaranteeing multi-year stability of financing) – *Austrian model (2011 consultations)*
- 2015
 - state aid regulation (GBER, Framework...)
 - strengthening the focus on outputs and their sustainability OP (NSP national sustainability programme NPU)
- 2016
 - implementation of the new EU operational programme OP ERD (education, research, development) OP VVV (OP3V), etc.

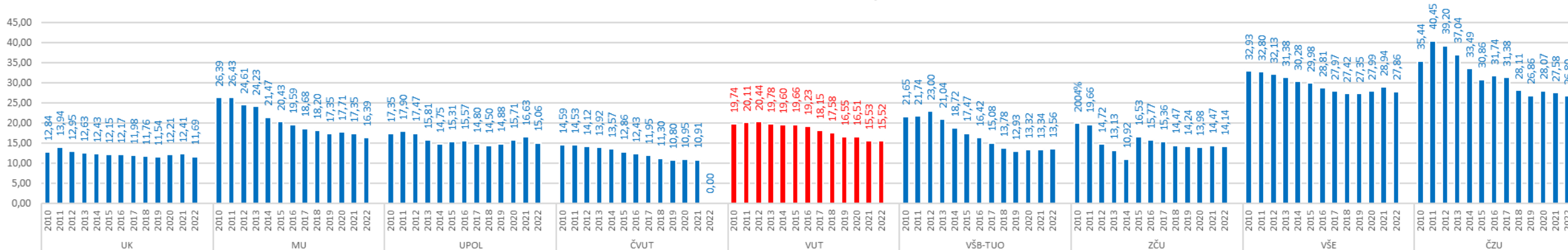
selected statistics of selected HEIs

number of students . students/academics ratio

Fyzický počet studentů včetně cizinců v letech 2010 - 2022 (bez přerušných a samoplátců)



Počet studentů na akademického pracovníka



HEI funding policies

2017-2022 **Policy of proportional allocation and distribution of normative funding & strengthening the emphasis on quality and performance of HEIs**

- implementation of the EU operational programme OP VVV
- continuing motivation to reduce number of funded studies up to 10% and 3% in KEN without a correction of the budget allocation
- 2017 • abolition of the limit on the number of paid studies
- legislative determination of consolidation and monitoring of public finances by the state - further increase in bureaucracy
- legislative introduction of contract registration (additional bureaucracy)
- amendment of the HE Act (substantial changes in QA, in particular institutional accreditation was incorporated entitling some approved HEIs to the accreditation autonomy)
- 2018 • the introduction of some principles of contracted financing
- an extraordinary increase in the budget of HEIs (+13,8%)
- discussions raised on harmonisation of the implementation of the VAT Act in universities and VAT deduction rules (still unfinished)
- strengthening the share of indicator K (quality & performance of HEIs) from 90:10% (2018) to 80,6:19,4% (2023)
- 2020 • **COVID**
- implementation of the new operational programmes OP JAK, OP TAK
- 2022 • **Ukraine** – energy crisis, inflation and other geopolitical influences

Normative funding of HE in CR

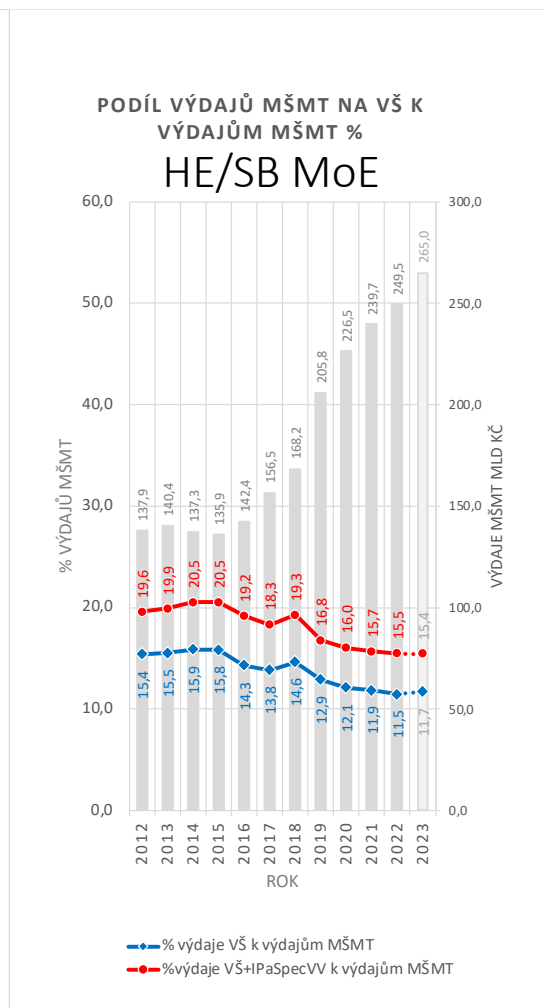
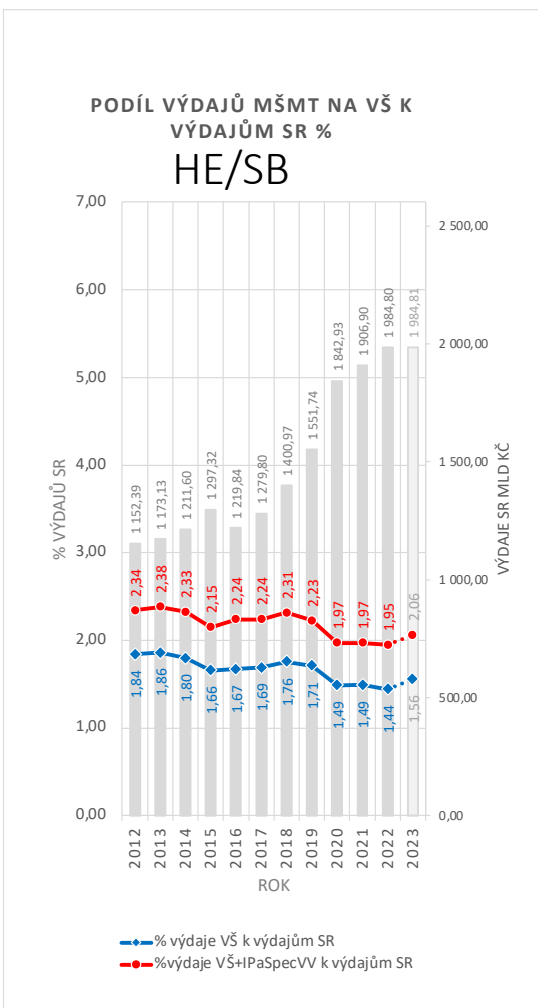
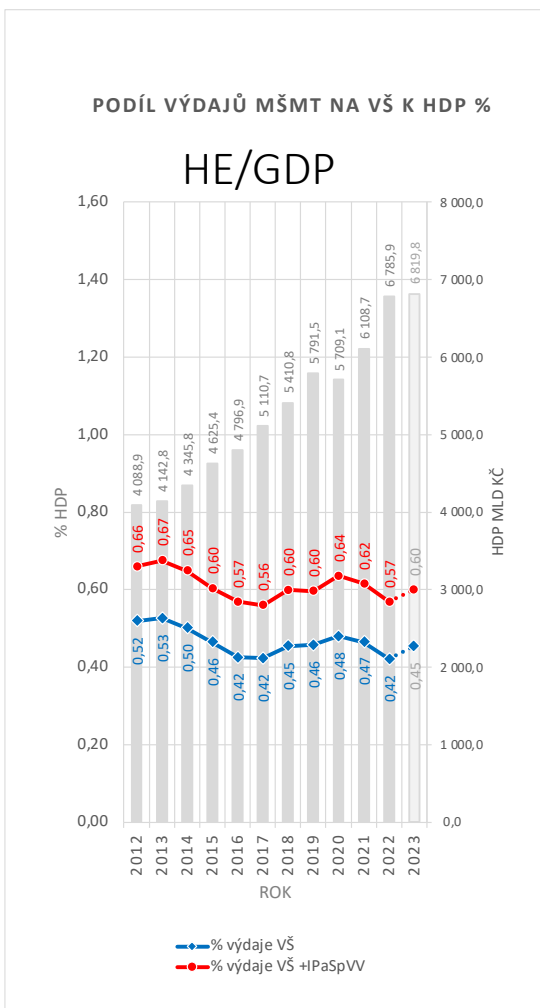
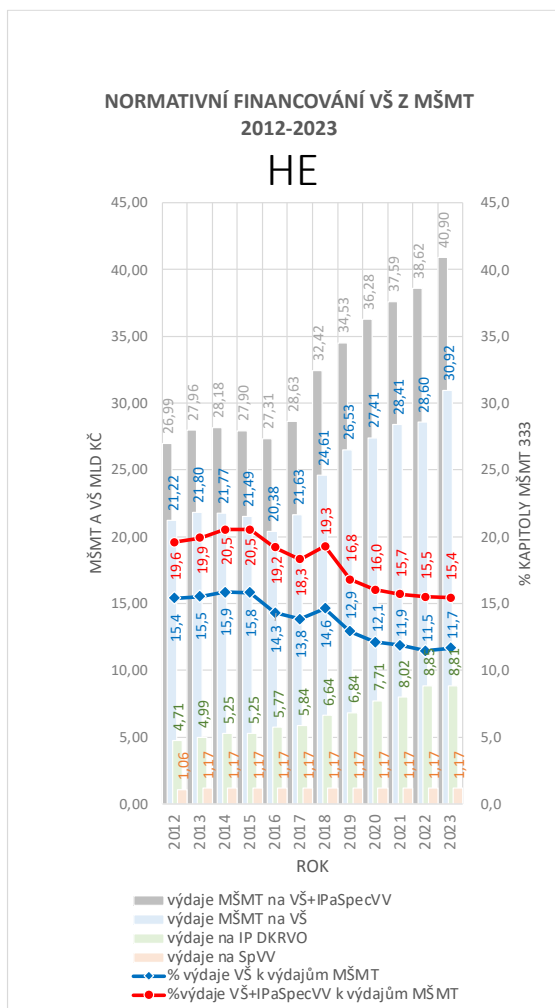
2013 CZK 28,0bn = €1,1bn @25,974 CZK/€
 2023 CZK 40,9bn = €1,7bn @24,003 CZK/€

2013
 HE SB bn CZK 27,96 | € 1,1
 2023
 HE SB bn CZK 40,90 | € 1,6

2013 0,67%
 GDP bn CZK 4,142,8 | € 159,5
 2023 0,60%
 GDP bn CZK 6.819,8 | € 284,1

2013 2,38%
 SB bn CZK 1,173,1 | € 45,2
 2023 2,06%
 SB bn CZK 1,984,8 | € 82,7

2013 19,9 %
 SB MoE bn CZK 140,4 | € 5,4
 2023 15,4%
 SB MoE bn CZK 265,0 | € 11,1



HEI funding policies

2023-2024 Policy of strengthening the focus on excellence & differentiation

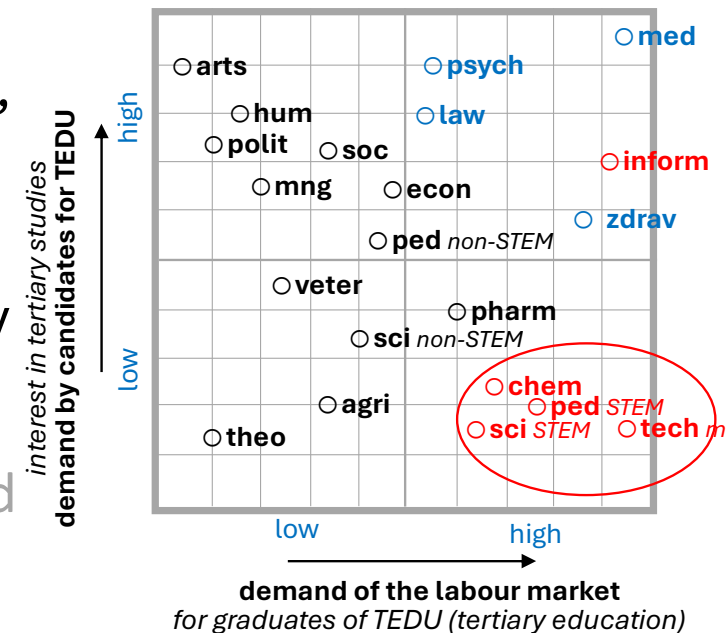
- 2023
 - HEIs budget stagnation, wage crisis due to inflation, wage cohesion
 - implementation of Recovery and Resilience Plan (NPO)
- 2024
 - releasing the A indicator of HEI funding fixation
 - reconstruction of the K indicator of HEI funding to strengthen HEI's excellence, quality and performance
 - **contract funding for priority areas of societal educational needs:** preferred fields - medical, health, social care, STEM selected priority technical fields,...)
 - discussion on a new indicator E "excellence" - alone or in K?
 - reform of doctoral studies funding
 - national excellence programme for HEIs & R&D to strengthen their competitiveness
 - **new R&D evaluation and assessment methodology (M25+) introduced and preparation for new scaling up of research organisations 2025** (adoption of ARRA and CoARA principles, modification of allocation and distribution of institutional funding of R&D expected)
 - national knowledge transfer reform for strengthening the applicability of research results and increase the competitiveness of the national economy

and what next?

HEI funding policies

2025-2030 educational policy for human resource development & for competitiveness and productivity of the national economy

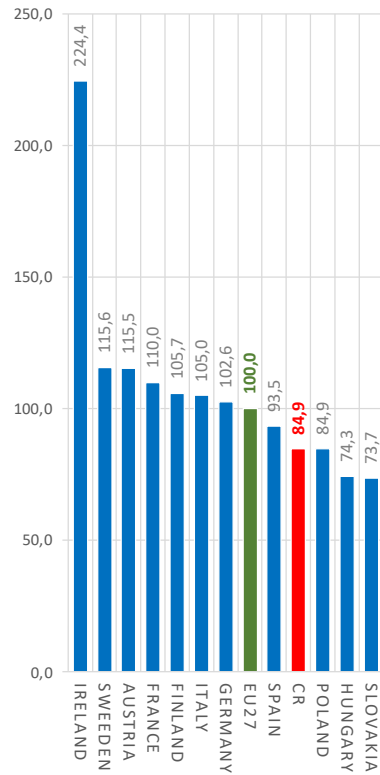
- building independence and self-sufficiency of the EU and the Czech economy in energy resources and critical technologies (semiconductor technologies, nuclear energy and energy accumulation, cyber security, artificial intelligence, quantum technologies, nanotechnologies, environmental technologies, etc.)
- 2025 • expected increase of public HEI's budget (13,0%)
- technology-focus period: renaissance of technologies. STEM studies for productivity of the national economy
- experimental contractual funding of priority HE technological and science studies producing graduates in disciplines that contribute to building a knowledge and innovation-based value-added national economy
- strengthening funding for HE and R&D excellence and competitiveness
- 2026+ • comprehensive reform of HEIs funding is expected, reflecting and differentiating excellence and quality and contributing to the structural satisfaction of priority societal and national economy needs



building a knowledge economy

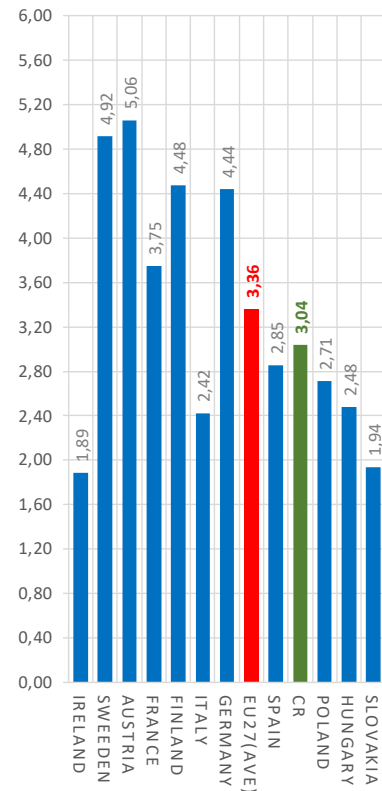
PRODUKTIVITA HDP
NA ZAMĚŠTNANOU POPULACI 2022

EU27 2020 = 100,0
ZDROJ: EUROSTAT 2023



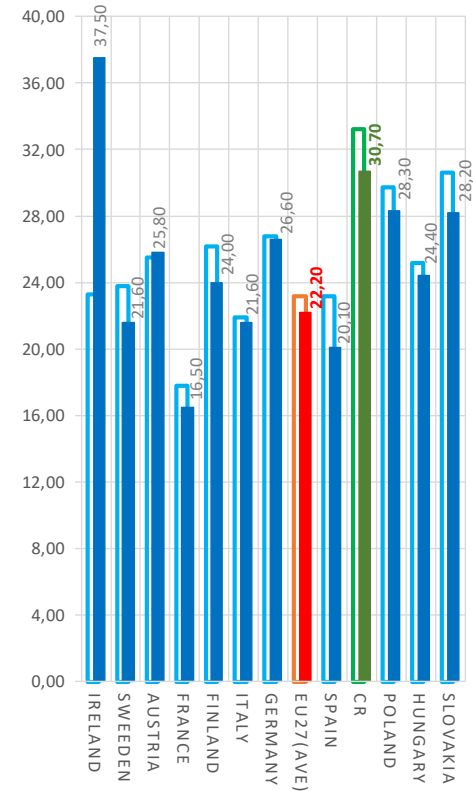
RESEARCH AND TERTIARY PRIVATE
AND PUBLIC SPENDING
AS PERCENTAGE OF GDP 2021

ZDROJ: OECD 2023



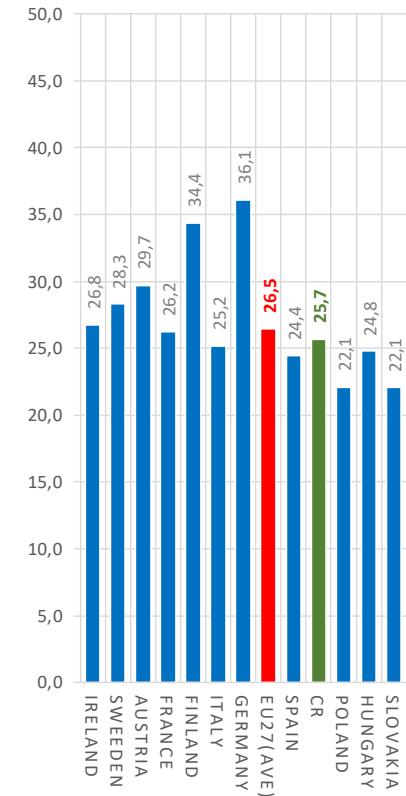
INDUSTRY SHARE AS PERCENTAGE
OF GDP 2011 | 2021

ZDROJ: WB 2023



STEM STUDIES
PERCENTAGE ON OVERALL STUDIES
IN COUNTRIES 2021

ZDROJ: EUROSTAT 2023



there is a correlation between productivity (GDP) and expenditures in tertiary education and research (TEDU&RES)

not only the share of tertiary education, but its structure and the education policy underpinned by a tertiary education funding



Thank you

