

# The reform of financing of higher education and its accessibility in Ukraine

Directorate of Pre-higher and Higher education  
Ministry of Education and Science of Ukraine



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# Higher Education in Ukraine: Facts and Figures



- Higher Education Institutions – 287
  - Public – 209, Private – 78
  - Number has decreased **by 25%** since 2014
- Students – 1 370 thousand
- Academic staff – 110 thousand
- National Academy of Sciences
  - 160 research institutes
  - 29 870 staff, incl. 15 530 researchers
  - 260 coop agreements with HEIs
- 5 Specialized Academies of Science
  - Law, Medicine, Agrarian, Education, Art
- Integration of NAS and Sectoral Academies with HEIs is a priority
  - Currently lacks political will



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# Higher Education Financing in Ukraine

- Too low development expenditures - the share of development expenditures in the total volume of financing was: in 2016 - 0%, in 2017 - 2.34%, in 2018 - 2.33%, in 2019 - 2.52%, in 2020 - 1.02%, in 2021 – 1.16%.
- Too low investment (financing) on one student –1,37 K EUR (public), 0,85 K EUR (private)
- Only 7.7 percent of HEIs have a fully ready infrastructure for teaching people with special needs, and almost 15 percent of HEIs have not started adapting the infrastructure at all (2021)
- the decrease in financing of higher education, the budget sequestration carried out in March 2022 amounted to more than UAH 3.9 billion (UAH 2.3 billion - for the HEIs, was reduced in favor of the reserve fund of the State Budget of Ukraine.
- significant decrease in the solvency of the population - the drop in the real income for 2022 amounted to 15.8%, and the increase in unemployment - 25.8%, the ability of citizens to pay for education at the expense of their own funds has a projected tendency to decrease (institutions of higher education will lose their incomes)

**658 DAYS OF**  
**WAR** IN UKRAINE

**3583 DAYS OF**  
occupation by rf

- ✓ **14.5** mln Ukrainians who crossed the border of Ukraine since February 24, 2022; **7.7** mln still abroad
- ✓ Over **4.7** mln internally displaced Ukrainians
- ✓ **9177** civilians killed including **501** children
- ✓ **31** HEIs, **65** separate structural subdivisions of HEIs and **45** institutions of professional pre-higher education were temporarily relocated

<https://saveschools.in.ua/en/>

<https://reliefweb.int/report/ukraine/ukrainian-crisis-situational-analysis-05-may-2023>



<https://childrenofwar.gov.ua/>



Feb. 2022 – Nov. 2023:

- Damaged schools: 3798
- Completely destroyed: 437

57 HEIs damaged, 6 destroyed



# European Commission Recommendations

## Chapter 26 – Education and culture

*The EU supports cooperation in education and culture through funding programmes and the coordination of Member State policy through the ‘open method of coordination’. The EU and the Member States must also prevent discrimination and ensure quality education for children of migrant workers, including those from disadvantaged backgrounds.*

Ukraine has **some level of preparation** in the area of education and culture. The education system and youth policy are broadly aligned with EU objectives. Ukraine’s cultural policy reflects the general priorities of the New European Agenda for Culture. Ukraine has a good level of cooperation with its European partners on sport. The country is broadly aligned with EU policy on training and qualifications. **Some progress** has been achieved in all these areas.

In the coming year, Ukraine should in particular:

- develop a plan for a relevant statistical data collection, analysis and sharing mechanism for education and training;
- start implementing a plan to optimise the network of education institutions;
- adopt legislation to modernise and regulate professional education (vocational education and training).

# **STRATEGY OF HIGHER EDUCATION DEVELOPMENT IN UKRAINE FOR 2022-2032**

- ✓ Approved by the Decree of the Cabinet of Ministers of Ukraine dated February 23, 2022 No. 286-r (prepared since the summer of 2020)
- ✓ The Operational Plan for implementation of strategy was approved in 2022-2024
- ✓ Key goals are relevant, steps and deadlines are not always actual

# Priority reform areas in Higher Education:

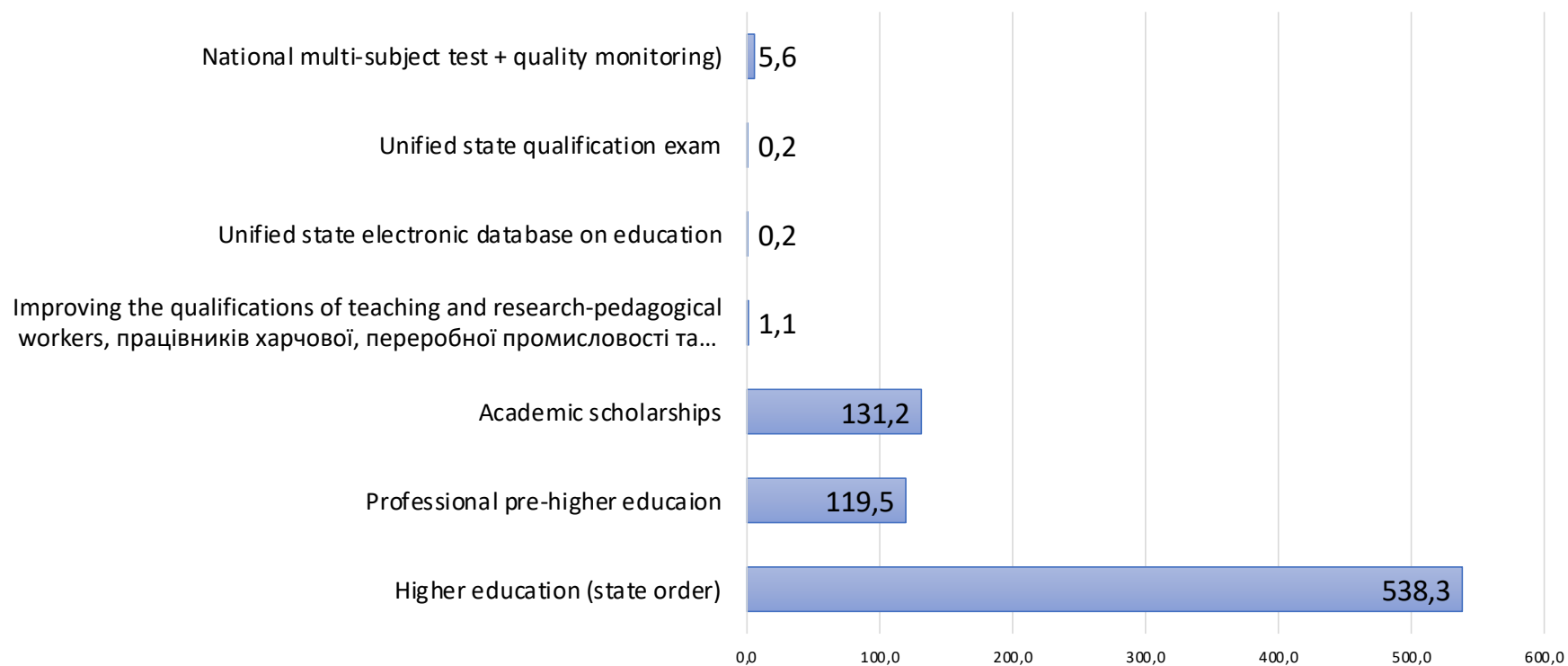
- Completion of “works in progress”
  - University Autonomy – passage of legal amendments allowing financial autonomy and improved institutional governance
- 2023 MinEdu initiatives:
  - Reform of educational trajectory – shift to credit accounting (30-80 per year)
    - Reformed content for “regulated professions” - Medical doctors / lawyers / teachers
  - Secondary school completion testing – 3+1 subjects (4+1 in 2025 onward)
  - Introduction of “cooperative” education programs – study + work for credit
    - Particular emphasis on STEM and Computer Science – MA level
  - Transformation of funding mechanism
  - Autonomy experiment – 2024 is a key year
  - Mergers – “modernization” of network, establishment of centers of excellence



## The concept of reforms of financing of higher education Pillars:

- from financing the institutions to financing people (all instruments, state order - less)
- diversification of financing instruments and co-financing (grants, loans, vouchers for adults)
- monetization of allowances/benefits (+ social payments/scholarships link to income)
- more payments from students for HEIs, less rigid state general fund financing  
(autonomy – in perspective)
- State order is the tool for meeting state demand and priorities, less “social” ground (at the beginning of 2022-2023 418,300 students, which was 39.7%, studied with the state order, 635,500 or 60.3% were funded by individuals and legal entities)

## State Budget for higher education (administered by the MoES) 2024 , mln EURO



## Pros:

- ✓ more effective public financing, less arm-ruled governance
- ✓ state funding is optimized and more flexible
- ✓ more students' responsibility for their professional choice and results
- ✓ more stimulus for HEIs to increase fee for education (less dumping) -  
increase the amount of funding involved in the field of higher education
- ✓ more focused support and access to education through finance
- ✓ more faire procedure of admission

# The concept of renewed state financing of higher education:

## State budget - financing for higher education

**State order** (fully at the expense of the state or local budget + academic scholarship + state targeted support)

Regulated specialties  
- Pedagogy  
- Medicine

Specialties critical for development of the state:  
- Engineering  
- Social work...

Master's programs:  
specialists for the state Sector

Military specialties

**Grants for education** – Based on rating  
High demand specialties

**Preferential long-term loans for higher education (3%, 15 years)**

**Performance-based (formula) budget financing of state HEIS**

**Competitive financing of state HEIS for the development**

# Main characteristics :

## ***State order:***

The right of the state and the obligation of the recipient to contract (forward contract) according to the distribution after obtaining a certain level of education is provided, it is carried out after 50% of the training period, after contracting a scholarship in the amount of the minimum wage

Vulnerable categories are given places within the limits of quotas and unused remaining places without redistribution between specialties

## ***Preferential long-term loans :***

financial agent bank of the state sector of the economy

Postponement of loan repayment, terms of partial loan write-off

Available in HEIs of all forms of ownership, for state and communal

## ***State grants:***

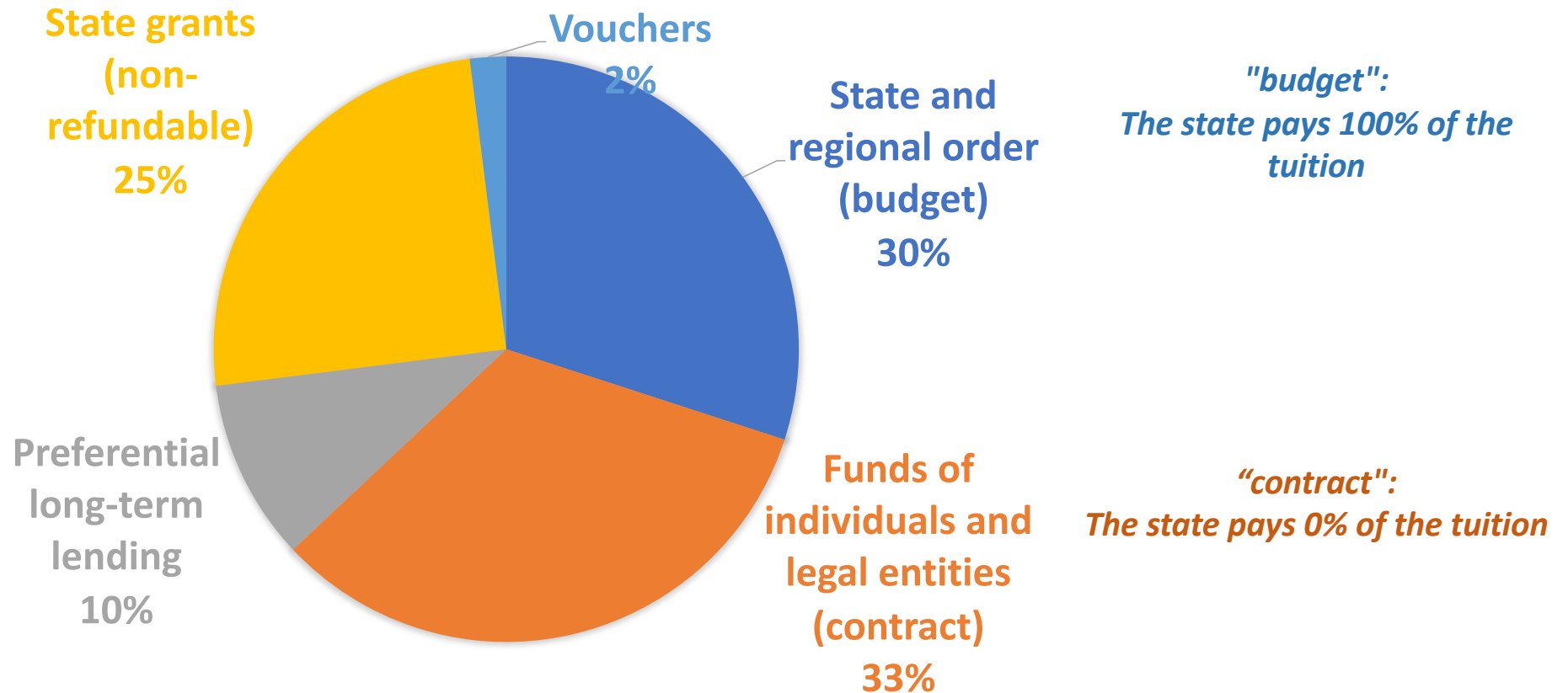
Intended for young citizens who have an average or high level of academic performance

It is provided as a non-refundable financing without additional conditions within the normal period of study, indexed by CPI, available in HEIs of all forms of ownership

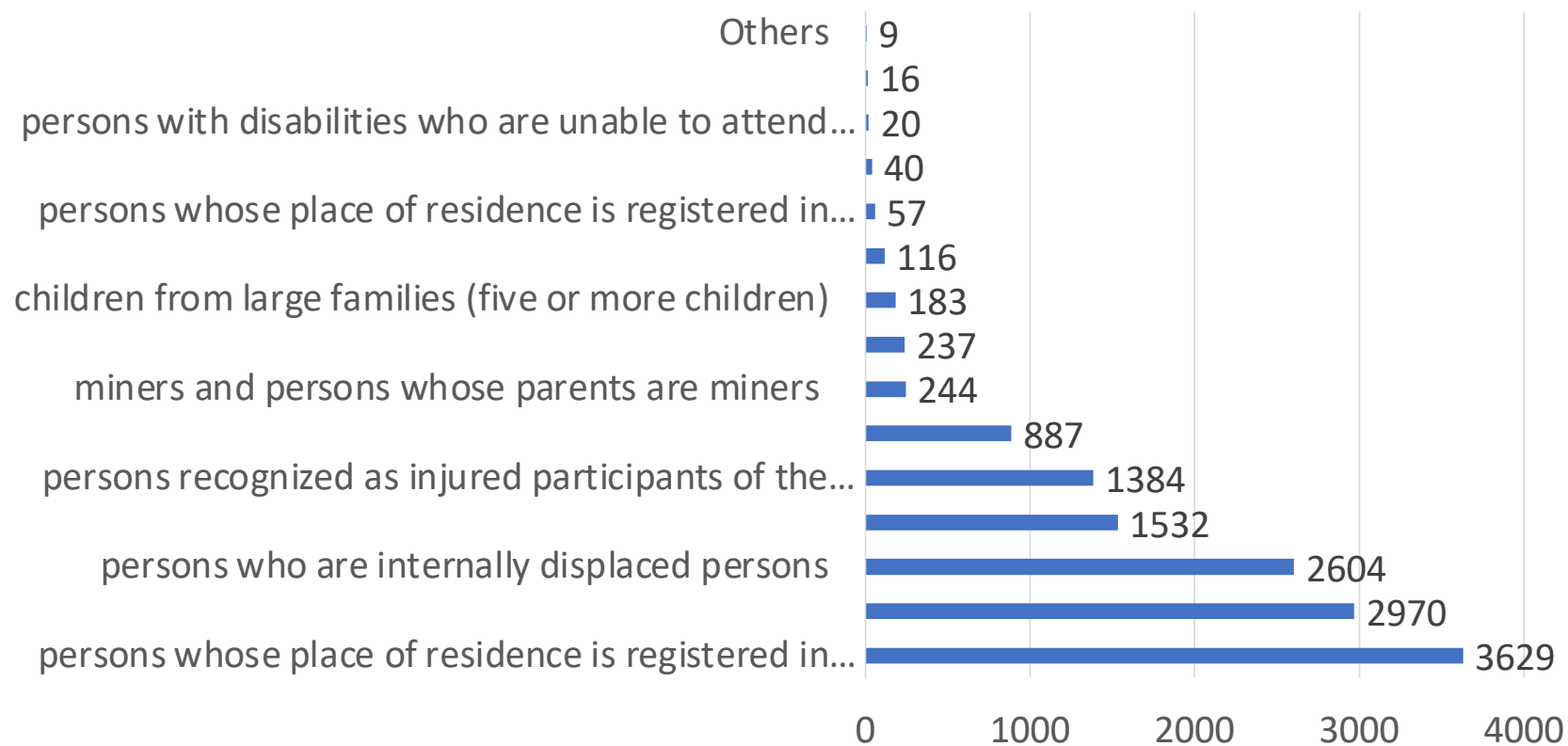
It is provided to students who have entered into a contract, so it can be provided for a partial amount and goes to a special fund,

Several categories from UAH 15,000 to 50,000 may be provided per year

## TARGET MODEL OF FINANCING SOURCES :



## Admission of preferential categories to HEIs in 2023





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## **State targeted support for obtaining higher education is provided in the form of:**

- ✓ full payment of education at the expense of the funds of the general fund of the state or local budgets in the case of enrolling entrants to education by state (regional) order;
- ✓ full or partial payment of tuition at the expense of state grants, preferential long-term loans for higher education;
- ✓ social scholarship, if the financial and property status of the family requires such support;
- ✓ free provision of textbooks;
- ✓ free access to the Internet, database systems in state and communal educational institutions and scientific institutions;
- ✓ full or partial exemption from paying for living in a dormitory;
- ✓ other measures approved by the Cabinet of Ministers of Ukraine.



## **Special conditions for admission to study and payment for study services for higher education who need the support:**

- 1) enrollment by state or regional order based on the results of a positive assessment of entrance tests;
- 2) the same based on the results of participation in the quota competition;
- 3) transfer to budget places mandatory

**new**

- 4) a guaranteed right to receive a state grant for higher education
- 5) provision of a preferential long-term loan for the entire amount of the tuition fee or the difference between the tuition fee and the state grant for education based on the results of the credit risk assessment

**THANK YOU FOR YOUR ATTENTION!**