

Round-table discussion  
“Assessment of the Current Funding Model’s Alignment  
with Stated Policy Objectives”  
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# Strategic Priorities in Higher Education

## Derived from the Policy Planning Documents

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# Preliminaries

- Higher education policy is viewed in the broader context of common European policy in the area of higher education and science and the national strategies developed as a response to it.
- Strategic priorities in higher education are the challenges in the realm of higher education which have implications for the national economy, and the measures and investments to address these challenges.

**By Europe 2020** the Union has set 5 ambitious objectives - on employment, innovation, education, social inclusion and climate/energy - to be reached by 2020. Each Member State has adopted its own national targets in each of these areas.

**National Reform Programme for the Implementation of Europe 2020 Strategy – NRP** describes the mid-term macro-economic scenarios, key challenges and policy directions to tackle them. The EU fund financing plays an important role in the implementation of the NRP of Latvia.

**NRP Tertiary education target:** Number of population having acquired tertiary education aged 30–34 years, 2020 - 61.1 thous. or 34 – 36% of population.

**Key policy directions to reach the NRP target:**

Modernization of higher education, Modernization of higher education resources, Ensuring equity of higher education, Improvement of quality of studies and scientific activities.

# National Development Plan for Latvia 2014 - 2020

**NDP 2020 is hierarchically the highest national level medium-term planning document** closely related to the NRP for the implementation of Europe 2020.

**Strategic objective: Advanced Research, Innovation and Higher Education**

Increase investment in research and development to 1.5% of the gross domestic product in 2020, with targeted efforts to attract human resources, develop innovative ideas, improve the research infrastructure, facilitate cooperation between higher education, science and the private sector, as well as the transfer of research and innovation to business.

Key words of higher education policy: **Quality, Renewal, Access, Consolidation, Cooperation, Export.**

**Indicative sources of financing:** private and state budget funding, Cohesion Policy funds.

# Investment Priorities of the Cohesion Policy 2014 - 2020

**European Cohesion Policy is the main instrument to achieve Europe 2020 goals.** Its aim is to facilitate purposeful use of EU funds, better result-orientation and building reserves.

**European Cohesion Policy** means that Member states have to direct EU investments in 4 main areas of economic development and employment – Research and Innovations, ICT, Small and Medium Business, Eco-economy.

**Priority: Strengthening research, development of technology and innovation** includes strengthening partnership within innovation system – universities, research institutes, technology transfer centres and industry to ensure synergy, knowledge and technology transfer.

To receive the European investments, Member States have to develop the new strategic approach - **National Smart Specialization Strategy.**

# Smart Specialization Strategy

**European Smart Specialization Strategy** - economic development through targeted support to Research and Innovation (R&I). Goal is to boost regional innovation in order to achieve economic growth and prosperity, by enabling regions to focus on their strengths.

**Smart Specialization Strategy for Latvia** (CoM, Dec 17, 2013) - a new and complex strategy that entails a balanced and complementary set of instruments to support economic transformation and knowledge-driven growth.

**Role of Higher Education in S3** - Higher education as an integral part of the innovation culture and key in the creation of knowledge to be transformed in innovative products and services.

**Implementation Progress of S3 March – June, 2014:** Extensive stakeholders discussions to elaborate and focus Latvia's S3, refine policy instruments.

## S3 Priority 5: Modern Education System

**Challenges:** Labour market disparities: 52% of students enrolled in Humanities and Social Sciences (forecasted 10% oversupply in mid-term), 25% of students enrolled in STEM (forecasted 27% undersupply in mid-term). Expected lack of qualified and highly qualified specialists, a large proportion of labour force with low or no qualification (MoE, 2013).

### **Aim:**

Modern education system that corresponds to the labour market needs and promotes the development of competencies, entrepreneurship and creativity at all levels of education necessary for the economic transformation and implementation of the Smart Specialization Strategy.

# Partnership Agreement for the EU SF Programming Period 2014 – 2020 (submitted to EC on Jan 15, 2014)

Aim of EU funds investment strategy is to contribute to the implementation of Europe 2020 Strategy and EU Council's CSRs on the basis of Latvia 2030, NRP and NDP2020.

In 2014 – 2020 Latvia will attract investments from **5 EU funding instruments** – ERAF, KF, ESF, ELFLA, EJZF.

**Thematic Area 10: Investments in Education and Training, Vocational Education and Life-long Learning** includes targeted activities in the priority areas of Higher Education.

**Total indicative funding for Thematic Area 10 (EUR) - ERAF - 277 460 786, ESF - 238 500 493, ELFLA - 16 580 422.**

# Strategic Priorities and Investments in Higher Education (EU SF Programming Period 2014 – 2020)

- Concentration of study and scientific resource base in STEM and joint PhD studies (ERAF)
- Increased number of college students in STEM (ERAF)
- Increased number of doctoral students in joint PhD programmes (ERAF)
- Reduced fragmentation of higher education study programmes and increased labour market relevance (ESF)

# Highlights of Higher Education Reform Agenda

## Transformation and renewal

- Emphasis on creativity, entrepreneurship and innovation at all levels of education. Restructured and focused study curriculum, reduced fragmentation and overlapping. Involvement of new teachers and researchers.

## Labour market relevance

- Collaboration with the employers. Increased number of STEM studies to offer qualified specialists. Cooperation with the industry to ensure internships.

## Knowledge transfer

- Integration of higher education, science and research (knowledge in use). Higher education as part (not apart) of the innovation culture. Engagement of MA and PhD students in research, strengthened link between then doctoral studies and industry.

## Outreach

- Offering new quality programmes in EU languages. Attracting international staff and students. Becoming internationally recognizable and competitive in the international higher education arena.